

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-14-066
Bally Technologies, Inc.)

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

Comes now the Missouri Gaming Commission acting in its official capacity pursuant to 11 CSR 45-13.050, and states as follows:

1. The Missouri Gaming Commission (the "Commission" or "MGC") is a state commission created under Chapter 313, RSMo 2000, with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. Bally Technologies, Inc. ("the Company") is a supplier of electronic gambling device ("EGD") equipment.
3. The Commission issued a Supplier license to the Company to supply EGD equipment or supplies directed by the Commission to a Class B licensee.
4. As the holder of a Supplier license, the Company is subject to the provisions of Sections 313.800 to 313.850, RSMo 2000, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

5. On June 20, 2013, Todd Prewitt, with the Mark Twain Casino Management Information Systems Manager contacted Trooper Mark W. Hicks, a member of the Missouri State Highway Patrol assigned to the Gaming Division about promotional points that were not properly credited to player's accounts after midnight. Subsequent investigations revealed that proportional points that were not properly credited to players accounts after midnight on June 3, June 10, June 17, June 24, and July 1, 2013.
6. The Casino's 5X promotion began at 6:00 p.m. every Sunday in June 2013 and ended at 2:00 a.m. the following Monday. Prewitt became aware of the problem from a casino employee who received a complaint from a patron.
7. The Company had determined the start time and end time within a single gaming day which runs through midnight for causing the program not to post points to customer accounts.

¹ 20130622003

8. The Casino Management System (CMS) that was in use at the Casino, had not previously received the retrofit upgrade from the Company.
9. The Company failed to promptly notify the Commission of the anomaly or malfunction within 48 hours of being apprised of the anomaly or malfunction.

LAW

10. Under Section 313.805(6), RSMo, the Commission may assess any appropriate administrative penalty against a licensee, including but not limited to, suspension, revocation or penalties of an amount determined by the Commission.
11. Under Section 313.812.14, RSMo, a holder of any license is subject to imposition of penalties, suspension or revocation of such license for any act or failure to act by himself or his agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri, or that would discredit or tend to discredit the Missouri gaming industry or the state of Missouri.
12. Under Section 313.812.14(1), RSMo, a licensee may be disciplined for failing to comply with or make provisions for compliance with Sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulation.
13. Under Section 313.812.14(2), RSMo, a licensee may be disciplined for failing to comply with any rule, order or ruling of the Commission or its agents pertaining to gaming.
14. Under 11 CSR 45-5.210(2), any EGD manufacturer holding a supplier license under the provisions of 11 CSR 45-4 et seq. must notify the Commission, “of any malfunction or anomaly affecting the integrity or operation of devices or systems provided under the scope of such license regardless of the gaming jurisdiction in which the malfunction or anomaly occurred or was discovered.” This notification must occur within 48 hours “of the supplier licensee being apprised of the malfunction or anomaly and shall be in a format approved by the commission.”

VIOLATIONS

15. The actions or omissions of employees or agents of the Company as described above constitute a failure to notify the Commission of any malfunction or anomaly affecting the integrity or operation of devices or systems within 48 hours. The conduct alleged above violates 11 CSR 45-5.181(2). The Company is therefore subject to discipline for such violations under Sections 313.805(6), and 313.812.14(1) and (2), RSMo.

PENALTY PROPOSED

16. Under Section 313.805(6), RSMo, the Commission has the power to assess any appropriate administrative penalty against the Company, as the holder of a Supplier license.
17. THEREFORE, it is proposed that the Commission fine Bally Technologies, Inc. the amount of \$5,000 for the violations set forth herein.

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused a true and correct copy of the foregoing to be mailed, postage prepaid, this ____ day of _____, 2014, to:

Richard Haddrill
Bally Technologies, Inc.
6601 South Bermuda Rd.
Las Vegas, NV 89119

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission