

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-15-009
Casino One Corporation)

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 2000,¹ with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. The Commission issued Tropicana Entertainment, Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Tropicana Entertainment, Inc., is the parent organization or controlling entity of Casino One Corporation ("Company").
4. The Commission issued a Class B riverboat gambling license to the Company to conduct games on and operate the excursion gambling boat known as *Lumiere Place Casino & Hotel* ("Casino").
5. As the holder of a Class B license, the Company is subject to the provisions of §§ 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS²

6. On June 22, 2014, a patron notified MGC that the MyRewards system was not operating correctly.
7. The patron had played his credits down to \$5.00 and cashed out his winnings. Although he should have had a \$4.70 balance, the account showed a balance of \$2.70.
8. This anomaly also occurred on May 17 and May 18, 2014.
9. The problem was caused by the Casino's failure to clear the detail files locally when the Company split from Pinnacle, which resulted in points expiring prematurely.
10. This issue affected 239 patron accounts in the total amount of \$2,369.39.

¹ All statutory references are to RSMo 2000, unless otherwise specified

² 20140622006

LAW

11. Under § 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.

12. Section 313.812.14, RSMo, states, in pertinent part, as follows:

A holder of any license shall be subject to imposition of penalties, suspension or revocation of such license, or if the person is an applicant for licensure, the denial of the application, 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 unless the licensee proves by clear and convincing evidence that it is not guilty of such action. The commission shall take appropriate action against any licensee who violates the law or the rules and regulations of the commission. Without limiting other provisions of this subsection, the following acts or omissions may be grounds for such discipline.

- (1) Failing to comply with or make provision for compliance with sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulations;
- (2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

13. Title 11 CSR 45-5.181, states, in pertinent part as follows:

- (2) Class B licensees may provide promotional activities such as promotional giveaways, promotional coupons, promotional games, player reward programs or similar activities for patrons without the prior approval of the commission, provided the promotional activity is not structured or conducted in a manner that reflects negatively on the licensee, the commission, or the integrity of gaming in Missouri and complies with the following:

* * *

- (D) All prizes offered in the promotional activity shall be awarded according to the Class B licensee's rules governing the event.

VIOLATIONS

14. The actions or omissions of employees or agents of the Company as described above constitute failure to award promotional activity according to the rules governing the promotion, causing it to be conducted in a manner that reflected negatively on the licensee,

the commission, or the integrity of gaming in Missouri, thereby violating 11 CSR 45-5.181(2) and (2)(D).

15. The Company is therefore subject to discipline for such violations pursuant to §§ 313.805(6) and 314.812.14(1) and (2), RSMo.

PENALTY PROPOSED

16. Under § 313.805(6), RSMo, the Commission has the power to assess any appropriate administrative penalty against the Company, as the holder of a Class B license.

17. THEREFORE, it is proposed that the Commission fine Casino One Corporation, the amount of \$5,000 for the violations set forth herein.

Leland M. Shurin
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 January, 2015, to:

Jeffrey A. Babinski
Vice President & General Manager
Lumière Place Casino
999 North Second
St. Louis, MO 63102

Leland M. Shurin
Chairman
Missouri Gaming Commission