

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-25-023
International Game Technology, 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, with jurisdiction over gaming activities, including riverboat gambling activities, in the state of Missouri.
2. The Commission issued a Supplier license to International Game Technology, Inc. (“IGT”).
3. The Commission issued a Key Person license to Christopher Spears (MGC326140) as the Senior Vice President and General Counsel of IGT.
4. As the holder of a Supplier License and a Key Person license, IGT and Mr. Spears are subject to the provisions of Sections 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

5. Mr. Spears initially made his application for an MGC Key Person License in July 2018, after which he was granted a temporary key person license. Mr. Spears’s license was approved by the Commission in August 2019. Mr. Spears’s Key Person license was scheduled to expire on August 31, 2024. Pursuant to MGC regulations, Mr. Spears’s renewal application for a Key Person license was due on or before June 1, 2024.
6. On July 10, 2024, MGC Licensing and Discipline Manager LeAnn McCarthy sent an email reminder regarding Mr. Spears’s upcoming license expiration. In reply, Project Compliance Manager of IGT, Paul Barulich, indicated he would forward the application as soon as possible and had the wrong renewal date in his calendar. On July 23, 2024, Ms. McCarthy again contacted Mr. Barulich as the MGC had still not received Mr. Spears’s renewal application. On July 24, 2024, Mr. Barulich replied and stated that Mr. Spears would sign the application the following day and it should be received by MGC by the end of the following week. Ms. McCarthy reiterated that the application was due on June 1, 2024. On July 30, 2024, Ms. McCarthy emailed Mr. Barulich again to inquire about the

¹ GR 20240823004

status. Mr. Barulich replied that the application was complete, but Mr. Spears was unable to sign it as he was out of the country until August 9, 2024.

7. On August 9, 2024, Ms. McCarthy emailed Mr. Barulich to inquire whether it was Mr. Spears or IGT who was responsible for the renewal application. Mr. Barulich replied that IGT's records incorrectly noted Mr. Spears's expiration date in February 2025 and the renewal application due date in November 2024. Mr. Barulich further stated that Mr. Spears was due to return to the United States on August 12, 2024, and would sign his application then.
8. On August 23, 2024, the MGC received Mr. Spears's renewal application, but it was not complete. Missing items included a color copy of Mr. Spears's passport, a list of international travel, W2 forms for 2022 and 2023, and IRS account transcripts for 2022 and 2023. On August 26, 2024, Mr. Spears's complete application was received.
9. Because of the tardiness of Mr. Spears's renewal application and necessary documentation, the Commission issued a thirty-day extension of Mr. Spears's Key Person license.
10. Mr. Spears's Key Person license was renewed by the Commission on September 25, 2024.

LAW

11. Section 313.805, RSMo, states, in pertinent part, as follows:

The commission shall have full jurisdiction over and shall supervise all gambling operations governed by sections 313.800 to 313.850. The commission shall have the following powers and shall promulgate rules and regulations to implement sections 313.800 to 313.850:

* * *

(5) To investigate alleged violations of sections 313.800 to 313.850 or the commission rules, orders, or final decisions;

(6) To assess any appropriate administrative penalty against a licensee, including, but not limited to, suspension, revocation, and penalties of an amount as determined by the commission up to three times the highest daily amount of gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted during the previous twelve months as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games. Forfeitures pursuant to this section shall be enforced as provided in sections 513.600 to 513.645;

* * *

(19) To take any other action as may be reasonable or appropriate to enforce sections 313.800 to 313.850 and the commission rules.

12. Section 313.812, RSMo, states, in pertinent part, as follows:

14. 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 such person or such person's 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.

* * *

(2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

13. 11 CSR 45-4.390 states, in pertinent part, as follows:

(1) At least sixty (60) days for key person and Level I licensees and fifteen (15) days for Level II licensees before the first day of the month of expiration, each licensee shall file for renewal on forms available on the commission's website or authorize a Class A or Class B licensee to submit an application for renewal on his/her behalf in accordance with 11 CSR 45-10.110. Alternatively, each licensee may file for renewal as provided in 11 CSR 45-10.110(2).

VIOLATIONS

14. IGT and Mr. Spears had a duty to submit Mr. Spears's renewal application on or before June 1, 2024, as provided in 11 CSR 45-4.390(1). The MGC did not receive a complete renewal application from Mr. Spears until August 26, 2024, which necessitated the granting of an extension to Mr. Spears's Key Person license so that Mr. Spears's license would not lapse.
15. IGT and Mr. Spears's failure to timely renew Mr. Spears's Key Person license is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri and discredits the Missouri gaming industry and the State of Missouri, in that IGT's acts violate 11 CSR 45-4.390(1).
16. IGT is therefore subject to discipline for such violations pursuant to Sections 313.805 and 313.812.14(2), RSMo.

PENALTY PROPOSED

- 17. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against IGT as the holder of a Supplier License.
- 18. THEREFORE, it is proposed that the Commission fine International Game Technology, Inc. (IGT) the amount of \$5,000 for the violations set forth herein.



Jan M. Zimmerman
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 27th day of March, 2025, to:

International Game Technology, Inc.
10 Memorial Blvd.
Providence, RI 02903
Attn: Pamela Matthews



Jan M. Zimmerman
Chairman
Missouri Gaming Commission