

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC 25-048
Konami Gaming, 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 Konami Gaming, Inc. (“Konami”).
3. The Commission issued Key Person licenses to Kagemasa Kozuki (MGC303225), Yoko Kozuki (MGC303229), Kimihiko Higashio (MGC303233), and Kagetsugi Kozuki (MGC303231) due to their involvement and positions with Konami.
4. As the holder of a Supplier License and Key Person licenses, Konami and its Key Persons 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. Kagemasa Kozuki initially made his application for an MGC Key Person Supplier License as CEO, President, and Corp. Officer for Konami on July 17, 2008. His license was approved on August 12, 2008. Kagemasa Kozuki's license was last renewed on January 18, 2023, requiring his renewal application to be submitted to the Commission by November 1, 2024. The Company, however, failed to provide the required documentation for renewal on or before November 1, 2024. An extension was granted until December 11, 2024.
6. Yoko Kozuki initially made her application for an MGC Key Person Supplier License as a Greater Than 5% Owner for Konami on July 17, 2008. Her license was approved on August 12, 2008. Yoko Kozuki's license was last renewed on January 18, 2023, requiring her renewal application to be submitted to the Commission by November 1, 2024. The Company, however, failed to provide the required documentation for renewal on or before November 1, 2024. An extension was granted until December 11, 2024.

¹ GR 20250109001

7. Kimihiko Higashio initially made his application for an MGC Key Person Supplier License as Representative Director for Konami on July 17, 2008. His license was approved on August 12, 2008. Kimihiko Higashio's license was last renewed on January 18, 2023, requiring his renewal application to be submitted to the Commission by November 1, 2024. The Company, however, failed to provide the required documentation for renewal on or before November 1, 2024. An extension was granted until December 11, 2024.
8. Kagetsugi Kozuki initially made his application for an MGC Key Person Supplier License as Director and Shareholder for Konami on July 17, 2008. His license was approved on August 12, 2008. Kagetsugi Kozuki's license was last renewed on January 18, 2023, requiring his renewal application to be submitted to the Commission by November 1, 2024. The Company, however, failed to provide the required documentation for renewal on or before November 1, 2024. An extension was granted until December 11, 2024.
9. On December 10, 2024, MGC Licensing Manager LeAnn McCarthy was notified by Mrs. Julie Nugent, of Fox Rothschild, a law firm hired by Konami to compile and submit Key Person license applications, that the applications were not complete.
10. On January 2, 2025, and January 3, 2025, correspondence from Mr. Ryan Fader, of Fox Rothschild, sent to Licensing Manager McCarthy advised that the incomplete information had previously been requested from the licensees and would be forwarded upon receipt. MGC staff requested, and the Commission approved, an extension of all four (4) Key Person licenses until March 13, 2025.
11. On March 13, 2025, the renewal applications were received and sent to background which required an additional extension until May 12, 2025.
12. Because of the tardiness of the renewal applications and necessary documentation, the Commission issued two (2) separate extensions of four (4) different Key Person licenses.
13. All four (4) Key Person licenses were renewed at the April 30, 2025, Commission Meeting.

LAW

14. 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.

15. 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[.]

16. 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

17. Konami and its Key Persons had a duty to submit Key Person renewal applications on or before November 1, 2024, as provided in 11 CSR 45-4.390(1). The MGC did not

receive the complete renewal applications until March 13, 2025, which necessitated the granting of two (2) extensions of four (4) different Key Person licenses so that the licenses would not lapse.

18. Konami and its Key Persons failure to timely renew Key Person licenses 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 Konami's acts violate 11 CSR 45-4.390(1).
19. Konami is therefore subject to discipline for such violations pursuant to Sections 313.805 and 313.812.14(2), RSMo.

PENALTY PROPOSED

20. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against Konami as the holder of a Supplier License.
21. THEREFORE, it is proposed that the Commission fine Konami Gaming, Inc. the amount of twenty thousand dollars (\$20,000.00) for the violations set forth herein.



David W. Hane
Vice Chairman
Missouri Gaming Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that she caused a true and correct copy of the foregoing to be mailed, postage prepaid, this 29th day of May 2025, to:

Ms. Lori Olk
Sr. Director Regulatory Compliance
Konami Gaming Inc.
585 Konami Circle
Las Vegas, NV 89119



David W. Hane
Vice Chairman
Missouri Gaming Commission