

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC 26-136
HGI – Mark Twain, LLC)
d/b/a Mark Twain Casino)

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 Class A gaming license to Affinity Interactive to develop and operate Class B gaming licensees in the state of Missouri.
3. Affinity Interactive is the parent organization or controlling entity of HGI – Mark Twain, LLC.
4. The Commission issued a Class B riverboat gambling license to HGI – Mark Twain, LLC, to conduct games on and operate the excursion gambling boat known as Mark Twain Casino (the “Casino”).
5. As the holder of a Class B license, HGI – Mark Twain, LLC, d/b/a Mark Twain Casino, is subject to the provisions of sections 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

6. On February 15, 2025, Trooper Ray Smith (“Tpr. Smith”) issued Compliance Directives (CDs) to Surveillance Operators Josh Wright, Joshua Denson, and Sheyenne Patheal for not observing the count process and missing a total of thirty-two (32) violations. The issuance of these CDs prompted Tpr. Smith to examine if there were further compliance issues as it pertained to the Surveillance Department actively monitoring gaming activities as required in 11 CSR 45-7.130, as well as Chapter M, sections 4.02 and 4.04 of the Commission’s Minimum Internal Control Standards (MICS) and Mark Twain Casino’s Internal Control System (ICS).
7. During the month of September 2025, Tpr. Smith periodically observed the Surveillance room via surveillance cameras. He noticed multiple instances of surveillance operators not actively monitoring gaming activities and casino operations as required. On a significant number of occasions, Tpr. Smith observed that all three

¹ GR 20260307001

operators in the room were either on a device (cell phone or tablet) or appeared to be asleep. During the times of non-compliance he observed, Tpr. Smith entered the Surveillance Monitoring Room and verbally reminded the operators to actively monitor gaming activities.

8. On September 8, 2025, interim Surveillance Manager Ray Gentry (“Gentry”) sent an email to all surveillance operators that addressed many issues. This email included the statement, “The expectation of Casino Surveillance is to execute our duties in a proactive, and sometime reactive, manner that protects the company, our team members, guests, the reputation of the state and the gaming industry.”
9. On September 27, 2025, Tpr. Smith issued CDs to Surveillance Operators Shawn Barnhart and Brett Kaltenbach after seeing no improvement in their compliance regarding active monitoring. The expectation of adhering to MICS, Chapter M, section 4.04 was explained, and Tpr. Smith offered to answer questions or address concerns.
10. On September 29, 2025, after learning of the CDs issued for not meeting the minimum requirements, Gentry sent an email to all surveillance operators that stated, “To maintain integrity, confidentiality, and to ensure compliance with the Missouri Gaming Commission requirements that two Surveillance personnel are on duty in the Surveillance room actively monitoring gaming activities and casino operations, cell phone usage is strictly prohibited in the Surveillance Room. This directive shall be adhered to without exception.”
11. On October 7, 2025, Tpr. Smith issued CDs to Surveillance Operators Carmen Gilliland, Matthew VaLeu, and Michael Wright after seeing no improvement in their compliance with gaming regulations. The expectation of adhering to MICS, Chapter M, section 4.04 was explained, and Tpr. Smith offered to answer questions or address concerns. Tpr. Smith continued to give verbal warnings to operators.
12. On October 10, 2025, Gentry sent an email to all surveillance operators about an Observation Report regarding the count team not clearing their hands. In this email he stated, “With this information, it is imperative that Surveillance is actively monitoring the count process live and when making observations such as those described in this report, it should be Surveillance proactively generating a report.” Additionally, he stated, “In our effort to maximize our oversight and proactive monitoring while simultaneously protecting ourselves in Surveillance from regulatory exposure, this should serve as a reminder that distractions such as cell phones are not permitted to be used in the room.”
13. On October 29, 2025, Tpr. Smith issued a CD to Surveillance Operator Anthony Sassi (“Sassi”). The expectation of adhering to the minimum standards in Chapter M, section 4.04 was explained, and Tpr. Smith offered to answer questions or address concerns. Tpr. Smith continued to monitor and give verbal warnings over the next three months. Some surveillance operators improved slightly for a short period of time, then returned to their previous non-compliant behavior.

14. On November 21, 2025, interim Surveillance Manager Ryan Lounsbury issued a compliance directive counseling notice to Sassi regarding the compliance directive he received on October 29, 2025. On this counseling notice it stated, "Cell phone use is not allowed (via the handbook as well as communication from Ray Gentry in September)."
15. As a result of the continued non-compliance from surveillance operators despite repeated verbal warnings and CDs, Tpr. Smith decided to conduct a comprehensive review of surveillance footage of the department's activities during their shifts. Over the course of the investigation, Tpr. Smith utilized retained video footage to review ten (10), ninety- (90) minute periods covering every surveillance operator who was an active employee at the time. The dates reviewed were from January 11, 2026, to January 24, 2026.
16. The dates and times were selected randomly to keep the reviews as comprehensive as possible and to not show any bias to any shift or any one employee. To select times, Tpr. Smith would often offer the shift range of times to another Gaming Agent, and they would select the start time without knowing who was in the room. The overall results of the reviews were zero (0) operators actively monitoring for a total of 336 minutes of 900 minutes reviewed (37.3%). There were 236 minutes of non-compliance with one operator actively monitoring of 900 minutes reviewed (26.2%). The room met the minimum requirement of one operator while closed, with no counts or drops occurring, or two or more operators for a total of 328 minutes of 900 minutes reviewed (36.4%).
17. This is not a new or unknown issue for Mark Twain Casino. MGC Auditors completed an audit at the Casino for the period of October 21, 2021, through October 31, 2024. Throughout the audit, the auditors met with casino management to notify them of any violations as they were found. Prior to the formal exit conference, Casino management was provided with a detailed report of all violations that the auditors had found. On December 12, 2024, the formal exit conference was held, presenting all of the findings from the audit to Casino management. The final audit report was issued on December 31, 2024, which included management responses for all findings. MGC Audit Report 24-14, Finding D-3 stated, "A review of Surveillance personnel through MGC surveillance cameras on July 3 and 10, 2024, revealed that Surveillance failed to consistently actively monitor the BV drop and count process. (Violation of MICS, Chapter G § 5.15 and 7.02 and M § 4.02)." The Recommendation for Finding D-3 stated, "Ensure that Surveillance personnel continuously monitor all drops and counts." The Management Response for Finding D-3 stated, "The Surveillance Manager issued a memo to his department on December 10, 2024, outlining the violation, the IC, and the procedure that needed to be adhered to in correcting the finding going forward."
18. On February 28, 2026, Surveillance Manager David Dominguez sent an email entitled "Active Monitoring Policy – Read & Sign" to all surveillance operators. The email stated, "I have generated an active monitoring policy for the surveillance room so that there a guideline of what is expected from surveillance personnel. Please carefully read through the policy for a clear understanding of expectations. This policy is effective today, 2/28/2026. I have printed out copies for each team member to sign and return to

me. By signing the policy you declare that you have read and understand the policy in its entirety.”

19. Tpr. Smith then requested other Gaming Agents observe the surveillance operators randomly. This short review started on March 16, 2026, and concluded on March 31, 2026. Over this period of fifteen (15) days, it was observed that the department was below the minimum requirement on fifteen (15) separate instances. There were ten (10) different instances when it was observed that zero (0) operators were actively monitoring, as they were either on a personal device or appeared to be sleeping. There were five (5) different instances observed when only one (1) operator was actively monitoring gaming activities when two (2) were required. In these instances, the other operator or operators were on their phones.
20. This investigation revealed a severe and continued lack of compliance within the Surveillance Department as it pertains to surveillance operators actively monitoring gaming activities. Compliance did not improve despite continued and repeated discussions with casino employees and management, as well as the issuance of nine (9) CDs. Also, the lack of follow-up from Casino management when informed of issues has created a complacent environment within the department.

LAW

21. 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.

22. 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:

(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 regulation;

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

23. 11 CSR 45-7.130 states, in pertinent part, as follows:

(1) At least one (1) trained surveillance operator must be on duty in the casino surveillance room actively monitoring activities during non-gambling hours when no drops and counts are being conducted. Additional personnel shall be available to allow for meals and breaks.

24. The Commission's MICS Chapter M states, in pertinent part, as follows:

4.02 Surveillance personnel shall video record in its entirety and continuously monitor all drops and counts, including drops and counts of pooled dealer, cage cashier and slot attendant tips.

* * *

4.04 Class B Licensees shall ensure the surveillance room is staffed with surveillance personnel as noted in the chart. The surveillance personnel shall be on duty in the surveillance room actively monitoring gaming activities and casino operations. Additional personnel shall be available to provide required live observations, conduct requested reviews of recorded coverage, provide coverage for meals and breaks, and perform other duties. The Class B Licensee shall ensure the surveillance room is sufficiently staffed to ensure all required duties are performed. Scheduling additional surveillance staff shall be based on expected business volumes and planned activities.

Casino status	Class B Licensee with 10 or more table games or 600 or more EGDs on the gaming	Class B Licensee with less than 10 table games and fewer than 600 EGDs on the gaming floor
---------------	--	--

	floor	
Casino is open to the public	3	2
Casino is closed, drops and counts in progress	2	2
Casino is closed, no drops or counts in progress	1	1

25. The Casino's ICS Chapter M states, in pertinent part, as follows:

4.02 Surveillance personnel shall video record in its entirety and continuously monitor all drops and counts, including drops and counts of pooled Dealer, Cage Cashier and Slot Attendant tips.

* * *

4.04 Mark Twain Casino shall ensure the surveillance room is staffed with surveillance personnel as noted in the chart. The surveillance personnel shall be on duty in the surveillance room actively monitoring gaming activities and casino operations. Additional personnel shall be available to provide required live observations, conduct requested reviews of recorded coverage, provide coverage for meals and breaks and perform other duties. Mark Twain Casino shall ensure the surveillance room is sufficiently staffed to ensure all required duties are performed. Scheduling additional surveillance staff shall be based on expected business volumes and planned activities.

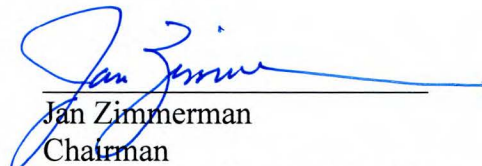
Casino status	Class B Licensee with 10 or more table games or 600 or more EGDs on the gaming floor	Class B Licensee with less than 10 table games and fewer than 600 EGDs on the gaming floor
Casino is open to the public	3	2
Casino is closed, drops and counts in progress	2	2
Casino is close, no drops and counts in progress	1	1

VIOLATIONS

26. The acts or omissions of employees or agents of the Casino, as described above, constitute a failure of the Casino to sufficiently staff and monitor Casino operations, thereby violating 11 CSR 45-7.130(1) and the Commission's MICS and the Casino's ICS, Chapter M, sections 4.02 and 4.04.
27. HGI – Mark Twain, LLC, d/b/a Mark Twain Casino, is therefore subject to discipline for such violations pursuant to sections 313.805 and 313.812.14(1) and (2), RSMo.

PENALTY PROPOSED

28. Under section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against HGI – Mark Twain, LLC, as the holder of a Class B license.
29. THEREFORE, it is proposed that the Commission fine HGI – Mark Twain, LLC, d/b/a Mark Twain Casino, the amount of thirty-seven thousand five hundred dollars (\$37,500.00) for the violations set forth herein.


Jan 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 29th day of October, 2026, to:

Mr. Ryan Lounsbury
General Manager
Mark Twain Casino
104 Pierce Street
LaGrange, MO 63448


Jan Zimmerman
Chairman
Missouri Gaming Commission