

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-21-044
Gaming Partners International USA, 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. Gaming Partners International USA, Inc. ("GPI" or the "Company") is a supplier of gaming equipment, including playing cards.
3. The Commission issued a Supplier license to the Company to provide playing cards or other items directed by the Commission to a Class A or Class B licensee or to the Commission.
4. As the holder of a Supplier 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 FACTS¹

5. GPI's Supplier license is scheduled to expire on August 31, 2021.
6. GPI was required by submit its complete renewal application within 120 days prior to expiration, or no later than May 3, 2021.
7. GPI was notified on January 26, 2021, and again on February 5, 2021, that its renewal application was due to the MGC no later than May 3, 2021.
8. GPI failed to submit its supplier license renewal application by May 3, 2021.
9. MGC staff contacted GPI on May 5 and again on May 28, 2021, and, on both occasions, was told the application was not completed.
10. GPI failed to submit its Supplier's License Renewal application until June 10, 2021.
11. GPI's June 19, 2021 submission was incomplete and contained numerous missing or outdated documents and information, including the Public Disclosure Form, the Missouri Department of Revenue (DOR) Tax Clearance Certificate, and several required financial exhibits.

¹ GIR 20210701002

12. On July 7, 2021, an MGC investigator attempted to contact GPI via telephone at two different phone numbers provided in the application and neither line was active.
13. On July 12, 2021, GPI told the MGC investigator that all outstanding requests and a completed application would be submitted no later than July 14, 2021.
14. On July 28, 2021, the DOR notified the MGC it was unable to issue the Tax Clearance Certificate because GPI had failed to file its sales tax returns for October 2020 through June 2021. GPI also owed \$83.28 in sales tax from October 2020 and had failed to file its Missouri corporation income and franchise tax returns for 2020.
15. GPI submitted an updated, but still partially incomplete, renewal application on July 19, 2021.
16. GPI's applications for renewal of its Supplier license were late in 2015 and 2017. The MGC assessed a \$5,000 fine against the Company in 2015, and issued a Non-Punitive Letter to the Company in 2017 for those late applications.

LAW

17. 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.
18. Section 313.812.12, RSMo, states as follows:

Any licensee shall not be delinquent in the payment of property taxes or other taxes or fees or in the payment of any other contractual obligation or debt due or owed to the state or a political subdivision of the state.

19. 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;

* * *

(9) Incompetence, misconduct, gross negligence, fraud, misrepresentation or dishonesty in the performance of the functions or duties regulated by sections 313.800 to 313.850.

20. Title 11 CSR 45-4.250(1) requires each supplier licensee to apply for renewal of its license at least 120 days prior to its license expiration.

VIOLATIONS

21. The actions or omissions of employees or agents of the Company as described above constitute the failure of the Company to timely submit its renewal application and to be current in the payment of taxes and fees due or owed to the state, which are violations of section 313.812.12, RSMo, and 11 CSR 45-4.250(1).

22. The Company is therefore subject to discipline for such violations under §§ 313.805(6) and 313.812.14(1), (2), and (9), RSMo.

PENALTY PROPOSED

23. Under § 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.

24. THEREFORE, it is proposed that the Commission fine Gaming Partners International USA, Inc. the amount of \$25,000 for the violations set forth herein.



Mike Leara
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 26th day of August, 2021, to:

Tiffini Cox, Compliance Manager
Gaming Partners International USA, Inc.
3945 W. Cheyenne Ave.
North Las Vegas, NV 89032



Mike Leara
Chairman
Missouri Gaming Commission