

IN THE MISSOURI GAMING COMMISSION

In Re:)
IOC – Cape Girardeau, LLC) DC-21-041

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

Comes now the Missouri Gaming Commission by and through counsel and 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 Century Casinos, Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Century Casinos, Inc., is the parent organization or controlling entity of the IOC – Cape Girardeau LLC (the "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 *Century Casino Cape Girardeau* (the "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 FACTS¹

6. On October 23, 2020, Marketing and Player Development Manager, Carissa Martin and Marketing Supervisor Kellie Reno reported an error they discovered while setting up a new promotion.
7. The promotion that started on October 23, 2020 allowed guests to receive one free entry and eight additional entries for every 500 tier points earned toward their tier score. The entries were for a drawing on October 30, 2020. However, while setting up and testing that promotion, the one free entry was not showing up in the ticket bucket for the promotion.
8. A review of previous promotions was conducted, and it was found that the one free entry per promotion required by the promotional rules had not been set up properly for any promotion from July 11, 2020 through October 17, 2021. The Casino acknowledged the Marketing Supervisor failed to set up the free entries for those promotions.

¹ GIR 20201119001

9. A total of eight different promotions, affecting 4,227 patron accounts, were impacted by this mistake.

LAW

10. 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.

11. 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[.]

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

- (1) For the purposes of this rule, the following words are defined as:

* * *

- (D) Promotional game—a drawing, event, contest or game in which patrons of a Class B licensee may, without giving consideration, participate or compete for the chance to win a prize or prizes of different values;

* * *

- (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:

* * *

- (B) The promotional activity shall comply with all applicable laws and regulations...;

* * *

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

13. Title 11 CSR 45-10.030 states, in pertinent part, as follows:

- (1) Licensees shall promptly report to the commission any facts which the licensee has reasonable grounds to believe indicate a violation of law (other than minor traffic violations), minimum internal control standard requirements or commission rule committed by licensees, their employees or others, including, without limitation, the performance of licensed activities different from those permitted under their license.

* * *

- (7) All occupational licensees shall have a working knowledge of Chapter 313.800, RSMo et seq., *Code of State Regulations*, Title 11 Division 45, and the internal controls of the Class A or B licensees for whom they are currently employed by as they pertain to the responsibilities and limitations of their job

VIOLATIONS

14. The acts or omissions of employees or agents of the Company, as described above, constitute a failure of the Company to conduct its promotions in a manner that does not reflect negatively on the licensee, the commission, or the integrity of gaming in Missouri and complies with its promotional rules and applicable laws and regulations, thereby violating 11 CSR 45-5.181 and 11 CSR 45-10.030.
15. The Company is therefore subject to discipline for such violations pursuant to §§ 313.805(5), (6) and (19) and 313.812.14(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 IOC – Cape Girardeau LLC, the amount of \$5,000 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:

Lyle Randolph, General Manager
IOC-Cape Girardeau LLC
777 N. Main
Cape Girardeau, MO 63701



Mike Leara
Chairman
Missouri Gaming Commission