

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC 21-045
Tropicana St. Louis, LLC)

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 Caesars Entertainment, Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Caesars Entertainment, Inc., is the parent organization or controlling entity of Tropicana St. Louis, LLC ("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 *Lumière Place Casino & Hotels* ("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 December 14, 2020, A Player's Club Supervisor notified the MGC that a patron was uncomfortable verbalizing his personal identification number (PIN) to a Player's Club employee after he had forgotten his original PIN and wanted to reset it.
7. MGC auditors observed that the Casino had removed the PIN pads and shadow boxes from the Player's Club counter. Patrons were therefore unable to independently and confidentially enter a secure PIN using the PIN pads and shadow boxes.
8. Instead, new patrons were asked to verbalize and document their PIN, and existing patrons were asked to verbalize their PIN to the employees. This process was in place from June 1, 2020, through December 14, 2020.

¹ GIR 20210429003

9. The verbalizing and documenting of patrons' PINs gave Player's Club employees information that could potentially allow them to access patrons' promotional and player reward credits in their accounts.
10. The Casino stated the PIN pads and shadow boxes were removed due to COVID concerns; however, this was not approved by the MGC or by Casino management.

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

13. Title 11 CSR 45-9.060 states, in pertinent part, as follows:

- (3) Violations of the minimum internal control standards [“(MICS)”] by a Class A or Class B licensee or an agent or employee of a Class A or Class B licensee are deemed to be unsuitable conduct for which the Class A or Class B licensee and/or its agent or employee is subject to administrative penalty pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time-to-time. Any agent or employee of a Class A or Class B licensee that is involved in a violation of the minimum internal control standards may be subject to fine, discipline, or license revocation.
- (4) Violations of the Class B licensee’s internal control system [“(ICS)”] by the Class A or Class B licensee or an agent or employee of the Class A or Class B licensee shall be *prima facie* evidence of unsuitable conduct for which the Class A or Class B licensee and/or its agents or employees may be subject to discipline pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time-to-time.

14. The Commission’s MICS and the Casino’s ICS, Chapter I, § 13.12, both state, in pertinent part, as follows:

The following procedures shall be followed when establishing a PIN for a patron’s account:

* * *

- (C) the patron shall independently and confidentially enter a secure PIN a minimum of two times. The two PINs shall successfully match each time entered.

15. The Commission’s MICS, Chapter I, § 13.14, states, in pertinent part, as follows:

If PINs are used and can be reset, the Class B Licensee shall ensure the following procedures are performed when “resetting” a patron’s PIN:

* * *

(B) the patron will be required to independently and confidentially enter the "reset" (e.g., PIN) information a minimum of two times. All reset information shall successfully match each time entered.

16. The Casino's ICS, Chapter I, § 13.14, stated, in pertinent part, as follows:

If PINs are used and can be reset, Lumière Place shall ensure the following procedures are performed when "resetting" a patron's PIN:

* * *

(B) the patron will be required to independently and confidentially enter the "reset" (e.g., PIN) information a minimum of two times. All reset information shall successfully match each time entered.

17. The Commission's MICS, Chapter I, § 13.15, states, "PINs shall not be accessible to any employee of the Class B Licensee. PINs shall be masked from view on the computer system."

18. The Casino's ICS, Chapter I, § 13.15, stated, "PINs shall not be accessible to any employee of Lumière Place. PINs shall be masked from view on the computer system."

19. The Commission's MICS, Chapter U, § 2.11 states, in pertinent part, states as follows:

The Class B Licensee shall only allow patrons to establish wagering and promotional account(s) at a ticketing location. Only ticketing employees are authorized to activate accounts. Ticketing employees shall not perform any cash or chip transactions. In order to establish a patron account the Class B Licensee shall:

* * *

(C) The patron shall independently and confidentially, through the use of a shadow box or other MGC approved method, enter a secure PIN a minimum of two times. The two PINs shall successfully match.

20. The Casino's ICS, Chapter U, § 2.11, stated, in pertinent part, states as follows:

Lumière Place shall only allow patrons to establish wagering and promotional account(s) at a ticketing location or within a pit area within the casino (Players Club). Only ticketing employees (Assistant Marketing Manager, Player's Club Representatives, Lead Player's Club Reps, Player's Club Supervisor, Player Services Manager, and Marketing Manager) or Table Games Supervisors or Table Games Assistant Shift Managers are authorized to activate accounts. Player's Club Representatives, Lead Player's Club Reps, Player's Club Supervisors, Player

Services Manager, and the Marketing Manager shall not perform any cash or chip transactions. In order to establish a patron account Lumière Place shall:

* * *

(C) The patron shall independently and confidentially, through the use of a shadow box or other MGC approved method, enter a secure PIN a minimum of two times. The two PINs shall successfully match.

21. The Commission's MICS, Chapter U, § 2.12, stated, in pertinent part, as follows:

The Class B Licensee shall perform the following minimum functions when "resetting" a patron's PIN:

* * *

(B) The patron will be required to independently and confidentially, through the use of a shadow box or other MGC approved method, enter the "reset" (e.g., PIN) information a minimum of two times. All reset information shall successfully match.

22. The Casino's ICS, Chapter U, § 2.12, stated, in pertinent part, as follows:

Lumière Place shall perform the following minimum functions when "resetting" a patron's PIN:

* * *

(B) The patron will be required to independently and confidentially, through the use of a shadow box or other MGC approved method, enter the "reset" (e.g., PIN) information a minimum of two times. All reset information shall successfully match.

VIOLATIONS

23. The acts or omissions of employees or agents of the Company, as described above, constitute a failure of the Company to protect the privacy of patrons' account information, thereby violating the Commission's MICS and the Casino's ICS, Chapter I, §§ 13.12, 13.14 and 13.15, and Chapter U, §§ 2.11 and 2.12.

24. 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, and 11 CSR 45-9.060(3) and (4).

PENALTY PROPOSED

25. 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.

26. THEREFORE, it is proposed that the Commission fine Tropicana St. Louis, 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 30th day of September, 2021, to:

Brian Marsh
General Manager
Lumière Place Casino & Hotels
999 North Second
St. Louis, MO 63102



Mike Leara
Chairman
Missouri Gaming Commission