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BEFORE THE MISSOURI GAMING COMMISSION

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Meeting

6

September 26, 2018

10:00 a.m.

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3417 Knipp Drive

Jefferson City, Missouri

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BEFORE:

Herbert M. Kohn, Chairman

Brian Jamison, Vice Chairman

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Larry D. Hale, Commissioner

Thomas Neer, Commissioner

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Richard F. Lombardo, Commissioner

Daniel P. Finney, III

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Reported by:

Patricia A. Stewart, CCR 401

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Alaris Litigation Services

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	AGENDA	page
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3	I. Call to Order	3:8
4	II. Consideration of Minutes	
5	A. August 29, 2018	8:14
6	B. September 10, 2018	8:14
7	III. Consideration of Approval of Change of Control	
8	C. Eldorado Resorts, Inc.	
9	* Presentation by Eldorado Resorts, Inc.	10:5
10	* Investigative Summary	18:12
11	* Staff Recommendation	19:12
12	1. Resolution No. 18-049	
13	IV. Consideration of Relicensure of Supplier	
14	D. BMM North America, Inc.	
15	1. Resolution No. 18-050	21:14
16	V. Consideration of Licensure for Level I/ Key Applications	
17	E. Resolution No. 18-051	23:12
18	VI. Consideration of Placement on List of Excluded Persons	
19	F. April L. Briscuso	
20	1. Resolution No. 18-052	25:25
21	VII. Consideration of Final Orders of Rulemaking	
22	B. Final Orders of Rulemaking	28:22
23	1. 11 CSR 45-7.090 - Dock Site Commission Facility	
24	2. 11 CSR 45-10.020 - Licensee's and Applicant's Duty to Disclose Changed in Information	
25	3. 11 CSR 45-40.060 - Cash Reserve and Segregated Account Requirements	

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I N D E X (CONT'D)

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VIII. Motion for Closed Meeting under Sections
313.847 and 313.945, RSMo, Investigatory,
Proprietary and Application Records and
610.021(1), RSMo, Legal Actions, (3) & (13)
Personnel and (14) Records Protected from
Disclosure by Law 31:20

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1 (Start time: 10:00 a.m.)

2 P R O C E E D I N G S

3 CHAIRMAN KOHN: Good morning everybody.

4 AUDIENCE: Good morning.

5 CHAIRMAN KOHN: This may set a record for the
6 first standing-room-only crowd we've had. There are a
7 few seats up here if you want to try and get them.

8 We'll call the meeting of the September 26
9 Missouri Gaming Commission to order.

10 Angie, please call the roll.

11 MS. FRANKS: Commissioner Finney.

12 COMMISSIONER FINNEY: Present.

13 MS. FRANKS: Commissioner Lombardo.

14 COMMISSIONER LOMBARDO: Present.

15 MS. FRANKS: Commissioner Neer.

16 COMMISSIONER NEER: Present.

17 MS. FRANKS: Commissioner Jamison.

18 COMMISSIONER JAMISON: Present.

19 MS. FRANKS: Chairman Kohn.

20 CHAIRMAN KOHN: Present.

21 We have a quorum. We're ready to proceed
22 with the meeting.

23 Bill, what is the first order of business?

24 EXECUTIVE DIRECTOR SEIBERT: The first order
25 of business, Mr. Chairman, is we have some

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1 presentations, and Deputy Director Tim McGrail will make
2 the first presentation.

3 CHAIRMAN KOHN: Tim, there you are.

4 DEPUTY DIRECTOR MCGRAIL: Good morning.

5 We have five employees that we're going to
6 recognize today for the years of service, and I'm going
7 to kind of break them up far as their years.

8 So the first one, we'd ask Pat O'Dell to come
9 forward. We're going to recognize Pat. He's one of our
10 financial investigators, and he has been with us for
11 five years, five good years. Right?

12 MR. O'DELL: Yes, sir.

13 DEPUTY DIRECTOR MCGRAIL: Congratulations.

14 (Applause.)

15 DEPUTY DIRECTOR MCGRAIL: The other two have
16 15 years here with us at MGC.

17 Jeanna Hagen, if you'd come forward, and
18 Ann Voss as well.

19 Jeanna is one of our auditors in the
20 St. Louis office, and Ann is the senior supervisor of
21 the auditors in the St. Louis office as well.

22 So congratulations to Jeanna and to Ann, and
23 this is for 15 years, 15 good years.

24 (Applause.)

25 DEPUTY DIRECTOR MCGRAIL: So we have the last

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1 two, and they've been here for 20 years. So this is
2 where they started back in 1998.

3 I've got to have JoAnn Sale come forward and
4 Mandy Foreman as well.

5 So they started roughly about three years
6 after the existence of the Missouri Gaming Commission.
7 JoAnn is our -- primarily our buyer procurement officer
8 for us, and then Mandy is one of our information
9 technology. She helps keep our computers up and running
10 and kind of the servers as well.

11 So congratulations to Mandy for 20 years, as
12 well as JoAnn Sale. Thank you.

13 (Applause.)

14 CHAIRMAN KOHN: On behalf of the
15 Commissioners we also want to add our congratulations
16 and appreciation. That's a lot of years to be of
17 service to the Gaming Commission and people of Missouri.

18 And, JoAnn, if you're responsible for
19 procuring these candy bars we have here, thank you very
20 much.

21 MS. SALE: Just your gavel, Chairman.

22 CHAIRMAN KOHN: Mr. Seibert, any other
23 presentations?

24 EXECUTIVE DIRECTOR SEIBERT: We also have
25 some presentations with the Missouri State Highway

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1 Patrol, and Captain Larry Plunkett will make those.

2 CHAIRMAN KOHN: Mr. Plunkett.

3 CAPTAIN PLUNKETT: Thank you, Mr. Chairman.

4 I appreciate it.

5 Once again today we have several employees
6 that are reaching their 25-year milestone with the
7 Highway Patrol.

8 Corporal Christine Benton.

9 If you guys would come forward as I call your
10 name.

11 Corporal John Christensen, Sergeant Noel
12 Davenport, Sergeant Phil Hoffman, Sergeant Henry Moore,
13 Corporal Jeff Myers, Corporal Jesie Phillips and
14 Sergeant Jason Whitt.

15 All these employees are classmates.
16 Sometimes we have a couple classes a year, but these
17 folks all came on -- I believe it was -- it was August
18 1993.

19 So, you know, that's great that you-all have
20 some five to ten-year people but look at 25 years.

21 So, you know, I say we're glad we have the
22 opportunity and we appreciate you-all letting us do this
23 the last couple months, and it is great to be the
24 Division Director over such a great group of people.

25 You can see how dedicated our employees are.

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1 They're long-term employees of the Patrol. They've all
2 got outstanding careers. They've all had previous
3 experience in different capacities. They've all been
4 road officers, and they've all had specialties other
5 than what they've even done here with the Gaming
6 Commission.

7 I can tell you there is a lot of outstanding
8 work done by this group right here. I'm very proud of
9 them. They're leaders in different capacities. These
10 are all people that are highly respected.

11 They make my job and my staff's job much,
12 much easier, and I just want to thank each one of you
13 guys for what you've done. We have a pendant for you
14 here that I'll hand out to you. But thanks for what you
15 do, and we're looking forward to at least a few more
16 years of service out of there. You're not eligible to
17 retire I don't believe.

18 But we are -- we truly are a family and, you
19 know, I think we've got a family environment. We stick
20 together through the good and the bad. And I think
21 we've even got a couple trooper brats in the group. I
22 think Sergeant Whitt's father was a trooper and Henry
23 Moore. So we're second and third generations now on the
24 Patrol and we're pretty proud of that, and we've got
25 others here that probably have kids that are interested

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1 in being troopers. So we're very proud of all of that.
2 So thank you guys for what you do. And now
3 that I don't need my glasses I'll put those away. I
4 don't have to read anymore.

5 And this is that fake diamond once again.
6 I'll let you have that.

7 Thank you. Thank you. Thank you. I
8 appreciate it. Thank you. I appreciate you guys. Good
9 job. I appreciate it. Thank you very much. I
10 appreciate it so much. Thank you guys. I appreciate
11 it.

12 (Applause.)

13 CAPTAIN PLUNKETT: Get back to work.

14 CHAIRMAN KOHN: Okay. The first order of
15 business is to consider the minutes of two meetings,
16 August 29 and September 10.

17 Is there a motion to approve both sets?

18 COMMISSIONER LOMBARDO: Motion to approve.

19 COMMISSIONER NEER: Second.

20 CHAIRMAN KOHN: Angie.

21 MS. FRANKS: Commissioner Finney.

22 COMMISSIONER FINNEY: Approve.

23 MS. FRANKS: Commissioner Lombardo.

24 COMMISSIONER LOMBARDO: Approve.

25 MS. FRANKS: Commissioner Neer.

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1 COMMISSIONER NEER: Approve.

2 MS. FRANKS: Commissioner Jamison.

3 COMMISSIONER JAMISON: Approve.

4 MS. FRANKS: Chairman Kohn.

5 CHAIRMAN KOHN: Approve.

6 MS. FRANKS: By your vote you've adopted the
7 minutes of the August 29 and September 10, 2018
8 meetings.

9 CHAIRMAN KOHN: Mr. Seibert.

10 EXECUTIVE DIRECTOR SEIBERT: The next order
11 of business is Consideration of Approval of Change of
12 Control, and Mr. Ed Grewach, General Counsel, will
13 present and make any introductions that are necessary.

14 CHAIRMAN KOHN: Ed, before you begin let me
15 kind of run through how we're going to do this.

16 After Ed finishes we'll hear from the
17 Eldorado folks for their presentation. If GLPI is here
18 we'll see if they want to add anything to the comments.
19 We'll then have the investigative summary. We will then
20 have Mr. Seibert and the staff's recommendation. We'll
21 determine whether or not the Commissioners -- any
22 Commissioner wants to go into closed session to discuss
23 the resolution, and after that either we'll come out of
24 closed session, or if we don't go into closed session,
25 we will vote on the resolution.

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1 Ed.

2 MR. GREWACH: Mr. Quatmann is going to
3 present for Eldorado.

4 CHAIRMAN KOHN: Okay.

5 MR. QUATMANN: Good morning, Chairman Kohn,
6 Commissioners, Executive Director Seibert. I appreciate
7 the opportunity to be here.

8 My name is Ed Quatmann. I am the Executive
9 Vice President and Chief Legal Officer for Eldorado
10 Resorts. I am pleased to have the opportunity to begin
11 our presentation today in support of our amended
12 petition for change of control regarding Lumiere Place.

13 I have been traveling quite a bit for the
14 past month and a half making presentations to different
15 regulatory bodies in support of this transaction. I can
16 say I'm probably most pleased to be here today, not only
17 because this is the last one but also because I'm a
18 Missourian born in Fort Leonard Wood, not far from here,
19 and a St. Louisan.

20 So I stayed with my parents last night in
21 St. Louis, which is always a treat, and I did explain to
22 them that pending regulatory approval in closing of this
23 transaction I might need to stay down in Four Seasons at
24 Lumiere Place next time I come to town. I enjoy
25 spending time with them but, you know, a little space

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1 might be good. So I'm pleased to be here today in
2 support.

3 I'd like to introduce who is here with me as
4 well. Tom Reeg, our President and CFO; Barron Fuller,
5 our Senior Vice President of Regional Operations; and
6 Jeff Hendricks, our Vice President of Compliance.

7 So very quickly, we're happy to answer any
8 questions as we move forward. I'll hand it over to Tom
9 in a moment. I'd also just like to real quickly thank
10 the Commission and thank Executive Director Seibert,
11 Deputy Director McGrail and General Counsel Grewach for
12 all of their work, all of the staff on this transaction.

13 Obviously we had a wrinkle as we moved
14 forward with things. It took a fair amount of time and
15 consideration from the Commission, as well as from the
16 team here and the staff, and we really appreciate
17 working together to come up with something that brings
18 us here before you today.

19 So thank you for that. We really appreciate
20 it.

21 So with that I'll turn it over to Tom Reeg,
22 our President and CFO.

23 MR. REEG: Good morning. I'm Tom Reeg,
24 President and CFO and a board member of Eldorado,
25 Mr. Chairman, members of the Commission.

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1 We're pleased to be in front of you today to
2 discuss the transaction with Tropicana Entertainment,
3 whereby we buy the assets of Tropicana, including
4 Lumiere Place.

5 The transaction brings us Atlantic City,
6 Evansville, Laughlin, Greenville, Baton Rouge and Tahoe,
7 in addition to St. Louis.

8 Ownership structure of the transaction.
9 We're buying TEI for a billion 850. We're entering into
10 a master lease with GLPI on all of the properties except
11 for Lumiere and Tahoe. The master lease agreement for
12 GLPI contains what is governed by 1.8 times rent
13 coverage ratio and includes a corporate guarantee.

14 We issued 600 million of senior unsecured
15 bonds. Those bonds closed last week, and the funds from
16 that issuance are in escrow pending closing of the
17 transaction.

18 We are entering into a \$246,000,000 secured
19 loan with GLPI to fund the Lumiere Place portion of the
20 purchase. That's outside of the lease. That's a
21 mortgage that will be unsecured after the first
22 anniversary and will be fully satisfied prior to the
23 second anniversary. The intention is we will swap a
24 property or likely more than one property into the
25 master lease that would replicate the economics had

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1 Lumiere Place been in. Lumiere place remains out. The
2 loan will be satisfied and Lumiere would sit as the rest
3 of our Missouri properties do now subject to the debt on
4 the entire company.

5 We have -- we've received all of our
6 regulatory approvals except for Missouri at this point,
7 and we would expect to close early in the fourth quarter
8 subject to your approval.

9 On a pro forma basis, our map, we're in a
10 dozen states. We'll have 26 properties. We'll have
11 almost 30,000 slot machines. Most importantly for us
12 we'll have almost 20,000 team members.

13 We started this process of acquiring regional
14 assets about four years ago with the acquisition of
15 MTR Gaming. At that time we went from two to seven, and
16 four years later we would be 26 in twelve states. So
17 it's been a pretty quick pace for us.

18 Missouri is an important state for us with
19 Lumiere, almost 20 percent of the company. In keeping
20 with its importance we have two regional senior vice
21 presidents that are assigned to Missouri. There is only
22 five regional SVPs in the company.

23 Barron Fuller, who you're familiar with, is
24 responsible for Kansas City, Boonville, Cape Girardeau
25 and Caruthersville. We're creating a northern region

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1 that will include St. Louis, and Glenn Carano, one of
2 the Carano family members, will be the senior vice
3 president in charge of that division, which will also
4 include Evansville, Indiana and Elgin, Illinois, which
5 we closed on in August.

6 With those brief remarks, you know, I'd say
7 again thank you. And I would echo Ed's comments. I
8 know that we've had to work through a particular
9 financing issue in this transaction. As a Commission
10 and your staff, you were incredibly responsive. I know
11 that all of us who come before you tell you we need to
12 get this done very quickly because we're incredibly
13 responsive, and we really appreciate you working with us
14 to get us to this point today.

15 And with that I'd open it to any questions
16 from Commissioners.

17 CHAIRMAN KOHN: Does that conclude the
18 Eldorado portion?

19 MR. REEG: That does.

20 CHAIRMAN KOHN: Any questions?

21 COMMISSIONER LOMBARDO: I have one, unless
22 you want to go first.

23 CHAIRMAN KOHN: No. You go ahead.

24 COMMISSIONER LOMBARDO: So GLPI is going to
25 provide the financing for the acquisition of the Lumiere

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1 property. Correct?

2 MR. REEG: Correct.

3 COMMISSIONER LOMBARDO: It's going to be
4 outside the lease but GLPI is going to hold the mortgage
5 on it?

6 MR. REEG: That's correct.

7 COMMISSIONER LOMBARDO: I know we've gone
8 over this in detail with the special meetings we've had,
9 but could you kind of review the general terms of that
10 financing?

11 MR. REEG: Sure.

12 The terms, in terms of the interest, they
13 mirror the payments that would have happened under the
14 master lease. So it's a 9.09 percent interest rate.
15 The loan is a 24-month loan. It's secured for the first
16 twelve months and then it goes unsecured. It can be
17 satisfied. It's expected to be satisfied by swapping
18 properties into the master lease that would be outside
19 of Missouri that would replace the economics of the
20 Lumiere loan.

21 In the event that we've put forth -- we've
22 put forth properties that would replace Lumiere
23 economics and for whatever reason GLPI has not accepted
24 those as substitutes, we can pay off the loan in cash in
25 24 months.

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1 satisfied before then, yes.

2 COMMISSIONER LOMBARDO: All right. And you
3 plan -- if everything goes as planned, it should be
4 satisfied well before then?

5 MR. REEG: Yeah. We're planning to work
6 quickly. As the Commission is aware, we'll have various
7 approvals that we'll have to go through to swap new
8 property, and so there is some time that will be
9 required, but we're ready to start moving as quickly as
10 we can.

11 COMMISSIONER LOMBARDO: Thank you.

12 COMMISSIONER NEER: Do you have properties
13 targeted at this point to satisfy this transaction or
14 are you starting from scratch?

15 MR. REEG: No. We have a group of properties
16 that we're in discussions with GLPI. These are --
17 there's a group -- there's a group of properties
18 identified. It's a short list. It's really tax
19 considerations that become the biggest issue as you move
20 into a lease, but we're not starting from scratch.

21 COMMISSIONER NEER: Thank you.

22 CHAIRMAN KOHN: Anybody else?

23 COMMISSIONER JAMISON: No, sir.

24 CHAIRMAN KOHN: Thank you very much.

25 Is there anyone here from GLPI?

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1 MR. MOORE: Yes, Brandon Moore, General
2 Counsel.

3 CHAIRMAN KOHN: Okay. Do you have anything
4 to add to the presentation?

5 MR. MOORE: I do not.

6 CHAIRMAN KOHN: Thank you for being here.
7 I think we're ready for the investigative
8 report. Maggie White will present that.

9 MS. WHITE: Good morning, Mr. Chairman and
10 Commissioners.

11 CHAIRMAN/COMMISSIONERS: Good morning.

12 MS. WHITE: Missouri Gaming Commission's
13 financial investigative staff reviewed the transaction
14 related to Eldorado Resort, Inc.'s acquisition of
15 Tropicana Entertainment.

16 Staff were tasked with examining the
17 financial details associated with the transaction and
18 assessing the company's continued financial suitability.

19 The financial analysis was based on
20 examination of Eldorado's SEC filings and financial
21 statements, as well as additional information from the
22 company and discussion with company staff.

23 A detailed, comprehensive report was created
24 that outlines the summary of the transaction, the
25 mechanics for how it will be accomplished and the fiscal

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1 impacts of the proposed acquisition.

2 The results of this financial analysis were
3 provided to the Missouri Gaming Commission staff for
4 their review, and you have the related financial summary
5 report before you.

6 Thank you.

7 CHAIRMAN KOHN: Any questions of Ms. White?

8 COMMISSIONER JAMISON: No, sir.

9 COMMISSIONER NEER: No.

10 CHAIRMAN KOHN: Okay. We're ready for the
11 staff recommendation, Mr. Seibert.

12 EXECUTIVE DIRECTOR SEIBERT: The staff
13 recommends approval.

14 CHAIRMAN KOHN: Okay. We're going to have a
15 motion now to approve Resolution 18-049, and immediately
16 after that motion is made and seconded I will ask the
17 Commissioners whether or not anyone would like to go
18 into closed session before voting on that motion.

19 So one, can we have a motion to approve
20 Resolution 18-049?

21 COMMISSIONER JAMISON: I move for approval.

22 CHAIRMAN KOHN: Is there a second?

23 COMMISSIONER LOMBARDO: Second.

24 CHAIRMAN KOHN: Would any Commissioner like
25 to go into closed session for a discussion?

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1 If not, Angie, please call the roll.

2 MS. FRANKS: Commissioner Finney.

3 COMMISSIONER FINNEY: Approved.

4 MS. FRANKS: Commissioner Lombardo.

5 COMMISSIONER LOMBARDO: Approved.

6 MS. FRANKS: Commissioner Neer.

7 COMMISSIONER NEER: Approved.

8 MS. FRANKS: Commissioner Jamison.

9 COMMISSIONER JAMISON: Approved.

10 MS. FRANKS: Chairman Kohn.

11 CHAIRMAN KOHN: Approved.

12 MS. FRANKS: By your vote you've adopted

13 Resolution No. 18-049.

14 CHAIRMAN KOHN: So I want to make a
15 statement, and I wanted to make this right so I wrote it
16 down and I'm going to read it.

17 We've all been through a lengthy and
18 difficult process. We, the Commission, are satisfied
19 with the result and hope that the parties are as well.
20 Negotiations on both sides have been conducted in good
21 faith. Each party has represented its constituency
22 well. You all have acted on behalf of your
23 shareholders. We have acted on behalf of our
24 constituents, the people of Missouri.

25 I think all involved acted honorably and

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1 nothing ever got personal. You were ably represented by
2 your counsel and we are indebted to our staff, and
3 especially to our counsel, Ed Grewach, for the
4 outstanding job that they all did.

5 So we go forward as we should. We wish
6 Eldorado and GLPI the greatest success in the operation
7 of your business, which, of course, also enures to the
8 benefit of Missouri residents.

9 So thank you all.

10 Mr. Seibert.

11 EXECUTIVE DIRECTOR SEIBERT: The next order
12 of business is Consideration of Relicensure of Supplier.

13 Gary Davidson will present.

14 SERGEANT DAVIDSON: Mr. Chairman,
15 Commissioners, Missouri State Highway Patrol
16 investigators conducted the relicensing investigation of
17 one supplier company currently licensed in the state of
18 Missouri.

19 The investigation consisted of jurisdictional
20 inquiries, feedback from affected gaming companies and
21 review of disciplinary actions, litigation and business
22 credit profiles, as well as a review of the key persons
23 associated with the company.

24 The result of this investigation was provided
25 to the Missouri Gaming Commission staff for their

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1 review, and you possess a comprehensive summary report
2 before you which outlines the investigative summaries of
3 the company.

4 The following company is being presented for
5 your consideration: BMM North America, Incorporated,
6 doing business as BMM Testlabs.

7 CHAIRMAN KOHN: Any questions of Sergeant
8 Davidson?

9 COMMISSIONER JAMISON: No, sir.

10 COMMISSIONER NEER: No, sir.

11 CHAIRMAN KOHN: Is there a motion to approve
12 Resolution 18-050?

13 COMMISSIONER FINNEY: Motion to approve.

14 COMMISSIONER NEER: Second.

15 CHAIRMAN KOHN: Discussion on the motion?
16 Angie.

17 MS. FRANKS: Commissioner Finney.

18 COMMISSIONER FINNEY: Approved.

19 MS. FRANKS: Commissioner Lombardo.

20 COMMISSIONER LOMBARDO: Approved.

21 MS. FRANKS: Commissioner Neer.

22 COMMISSIONER NEER: Approved.

23 MS. FRANKS: Commissioner Jamison.

24 COMMISSIONER JAMISON: Approved.

25 MS. FRANKS: Chairman Kohn.

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1 CHAIRMAN KOHN: Approved.

2 MS. FRANKS: By your vote you've adopted
3 Resolution No. 18-050.

4 CHAIRMAN KOHN: Mr. Seibert.

5 EXECUTIVE DIRECTOR SEIBERT: The next order
6 of business is Consideration of Licensure for Level I
7 and Key Applicants.

8 Sergeant Samuel Seaton will present.

9 SERGEANT SEATON: Mr. Chairman, Commissioners
10 good morning.

11 CHAIRMAN/COMMISSIONERS: Good morning.

12 SERGEANT SEATON: Missouri State Highway
13 Patrol investigators, along with Missouri Gaming
14 Commission financial investigators, conducted
15 comprehensive background investigations on multiple key
16 and Level I applicants.

17 These investigations included, but were not
18 limited to, criminal, financial and general character
19 inquiries which were made in the jurisdictions where the
20 applicants lived, worked and frequented.

21 The following individuals are being presented
22 for your consideration: Ryan P. Comstock, Ainsworth
23 Game Technology, Incorporated, Director and Chief
24 Operating Officer; Miguel A. Cuadros, Ainsworth Game
25 Technology, Incorporated, Officer/Director/President -

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1 Latin America; Kieran Power, Ainsworth Game Technology,
2 Limited, Chief Technology Officer; Adam Douglas Hohl,
3 Ameristar Casino, Kansas City, Incorporated, Director of
4 Security and Environmental Services; Keith A. Causey,
5 Caesars Entertainment Corporation, Senior Vice President
6 and Chief Accounting Officer; John D. Dionne, Caesars
7 Entertainment Corporation, Director; Christian D.
8 Stuart, Caesars Entertainment Corporation, Executive
9 Vice President, Gaming and Interactive Entertainment;
10 Harper Hwei Fin Ko, Everi Holdings, Incorporated,
11 Executive Vice President, General Counsel, Chief Legal
12 Officer, Corporate Secretary and Chief Compliance
13 Officer; Earl Clinton Shanks, Gaming & Leisure
14 Properties, Incorporated, Director; Fredric J. David,
15 Pinnacle Entertainment, Incorporated, Vice President of
16 Electronic Gaming; Mark A. Yingling, Pinnacle
17 Entertainment, Incorporated, Director of Internal Audit.

18 The results of these investigations were
19 provided to the Gaming Commission staff, and the
20 investigating officers are present to answer any
21 questions you might have.

22 Thank you.

23 CHAIRMAN KOHN: Thank you.

24 Any questions?

25 Are we doing all of these at once, Ed?

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1 MR. GREWACH: Yes.

2 CHAIRMAN KOHN: Is there a motion to approve

3 Resolution 18-051?

4 COMMISSIONER JAMISON: Move for approval.

5 COMMISSIONER FINNEY: Second.

6 CHAIRMAN KOHN: Discussion on the motion.

7 Angie.

8 MS. FRANKS: Commissioner Finney.

9 COMMISSIONER FINNEY: Approved.

10 MS. FRANKS: Commissioner Lombardo.

11 COMMISSIONER LOMBARDO: Approved.

12 MS. FRANKS: Commissioner Neer.

13 COMMISSIONER NEER: Approved.

14 MS. FRANKS: Commissioner Jamison.

15 COMMISSIONER JAMISON: Approved.

16 MS. FRANKS: Chairman Kohn.

17 CHAIRMAN KOHN: Approved.

18 MS. FRANKS: By your vote you've adopted

19 Resolution No. 18-051.

20 CHAIRMAN KOHN: Mr. Seibert.

21 EXECUTIVE DIRECTOR SEIBERT: The next order

22 of business is Consideration of Placement on the List of

23 Excluded Persons.

24 Mr. Ed Grewach will present.

25 MR. GREWACH: Thank you, Director Seibert,

1 Mr. Chairman, Commissioners.

2 Under Tab F we have a resolution to place
3 April Briscuso on the involuntary exclusion list.

4 Ms. Briscuso was a dispatcher at the
5 Hazelwood Police Department. In August of 2016 a
6 Hazelwood officer was injured in the line of duty in a
7 car crash. He was paralyzed from the chest down.

8 Ms. Briscuso led some fundraising activity on
9 behalf of the injured officer. It was later discovered
10 that she kept a large amount of cash donations and even
11 asked some of the donors to make checks payable directly
12 to her.

13 She pled guilty on May 21st, 2018 in
14 St. Louis County to felony stealing. She received a
15 five-year sentence with a suspended execution of
16 sentence, was sentenced to serve 60 days shock jail
17 time, pay \$9,500 in restitution, and as part of her
18 probation she's prohibited from entering any gambling
19 establishment.

20 This was due to the fact that in a statement
21 she made after the theft was uncovered she indicated
22 that she used the majority of the funds that she stole
23 for gambling purposes.

24 She signed up for the voluntary disassociated
25 person list but she's eligible for rescission from that

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1 in December of 2022. This resolution would place her on
2 the permanent involuntary exclusion list.

3 CHAIRMAN KOHN: If you're on the permanent
4 list, are there any circumstances under which you can
5 get off?

6 MR. GREWACH: Actually there are. There is
7 not a specific set of circumstances. We've actually had
8 one in the not too recent past.

9 CHAIRMAN KOHN: I thought so.

10 MR. GREWACH: The rule simply indicates that
11 a person on the list can come and petition the
12 Commission to be removed from that list. And I think
13 the person that presented was a person that had been on
14 basically at the inception of gaming here and indicated
15 the changes in his life that he had experienced. And
16 so, yes, there is an opportunity to petition the
17 Commission to come off.

18 The difference between that and the voluntary
19 exclusion list is after five years all you have to do to
20 get off the voluntary list is send in a request to be
21 rescinded and then that's automatic at that point, as
22 opposed to involuntary where it's discretionary with the
23 Commission whether or not they get off the list.

24 CHAIRMAN KOHN: Okay. Any other questions?

25 Is there a motion to approve

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1 Resolution 18-052?

2 COMMISSIONER NEER: Motion to approve.

3 COMMISSIONER JAMISON: Second.

4 CHAIRMAN KOHN: Discussion on the motion.

5 Angie.

6 MS. FRANKS: Commissioner Finney.

7 COMMISSIONER FINNEY: Approved.

8 MS. FRANKS: Commissioner Lombardo.

9 COMMISSIONER LOMBARDO: Approved.

10 MS. FRANKS: Commissioner Neer.

11 COMMISSIONER NEER: Approved.

12 MS. FRANKS: Commissioner Jamison.

13 COMMISSIONER JAMISON: Approved.

14 MS. FRANKS: Chairman Kohn.

15 CHAIRMAN KOHN: Approved.

16 MS. FRANKS: By your vote you've adopted

17 Resolution No. 18-052.

18 CHAIRMAN KOHN: Mr. Seibert.

19 EXECUTIVE DIRECTOR: The next order of
20 business is Consideration of Final Orders of Rulemaking.
21 Mr. Ed Grewach will present.

22 MR. GREWACH: Thank you.

23 We have three Final Orders of Rulemaking
24 under Tab G. The proposed Orders of Rulemaking were
25 approved by the Commission at the May 30th, 2018

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1 meeting. There was a public comment period and a public
2 hearing on August the 1st, 2018. There were no comments
3 received at either of those two events and, therefore,
4 the rules are presented for approval of Final Order
5 without any changes. If approved by the Commission,
6 they would have an effective date of January the 30th,
7 2019.

8 I might point out that Item 3 is the change
9 to the cash reserve process for fantasy sports
10 operators, in which we would require them to have a
11 reserve account set up with an amount equal to monies
12 owed to Missouri players in an account that was in their
13 name in a special purpose entity that was set up with
14 specific requirements and that account would be in a
15 special purpose entity's name for the benefit of the
16 Missouri Gaming Commission and the funds cannot be
17 withdrawn without the Commission's approval.

18 CHAIRMAN KOHN: Okay. So we have two of
19 these. Right?

20 MR. GREWACH: We have three.

21 COMMISSIONER JAMISON: There is one
22 rescission and two amendments.

23 CHAIRMAN KOHN: Why don't we vote on the
24 rescission one first and then do the other two
25 separately.

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1 Angie.

2 MS. FRANKS: Commissioner Finney.

3 COMMISSIONER FINNEY: Approved.

4 MS. FRANKS: Commissioner Lombardo.

5 COMMISSIONER LOMBARDO: Approved.

6 MS. FRANKS: Commissioner Neer.

7 COMMISSIONER NEER: Approved.

8 MS. FRANKS: Commissioner Jamison.

9 COMMISSIONER JAMISON: Approved.

10 MS. FRANKS: Chairman Kohn.

11 CHAIRMAN KOHN: Approved.

12 MS. FRANKS: By your vote you've adopted the
13 Final Order of Rulemaking 11 CSR 45-10.020 and 40.060.

14 CHAIRMAN KOHN: That concludes the items of
15 business listed on the agenda.

16 Is there anyone here who would like to make a
17 statement of any kind?

18 Okay. Is there a motion to go into closed
19 session?

20 COMMISSIONER JAMISON: I move for a closed
21 meeting under Sections 313.847 and 313.945, Revised
22 Missouri Statutes, investigatory, proprietary and
23 application records, and 610.021, Subparagraph 1,
24 Revised Missouri Statutes, legal actions, Subparagraph 3
25 and Subparagraph 13, personnel, and Subparagraph 14,

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1 records protected from disclosure by law.

2 CHAIRMAN KOHN: Is there a second?

3 COMMISSIONER LOMBARDO: Second.

4 CHAIRMAN KOHN: Angie.

5 MS. FRANKS: Commissioner Finney.

6 COMMISSIONER FINNEY: Approved.

7 MS. FRANKS: Commissioner Lombardo.

8 COMMISSIONER LOMBARDO: Approved.

9 MS. FRANKS: Commissioner Neer.

10 COMMISSIONER NEER: Approved.

11 MS. FRANKS: Commissioner Jamison.

12 COMMISSIONER JAMISON: Approved.

13 MS. FRANKS: Chairman Kohn.

14 CHAIRMAN KOHN: Approved.

15 So we're going into closed session now, and

16 we will come back out into open session upon the

17 conclusion of our closed session.

18 Thank you all for being here and we'll see

19 you in October.

20 WHEREIN, the meeting concluded at 10:36 a.m.

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CERTIFICATE OF REPORTER

I, Patricia A. Stewart, CCR, a Certified Court Reporter in the State of Missouri, do hereby certify that the testimony taken in the foregoing transcript was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this transcript was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Patricia A. Stewart
CCR 401

MISSOURI GAMING COMMISSION
Second Open Session Minutes
September 26, 2018

The Missouri Gaming Commission (the “Commission”) went into open session at approximately 11:10 a.m. on September 26, 2018, at the Jefferson City office of the Missouri Gaming Commission.

Commissioner Jamison moved to adjourn the open session meeting. Commissioner Finney seconded the motion. After a roll call vote was taken, Lombardo – yes, Neer – yes, Jamison – yes, and Kohn – yes, the motion was unanimously approved.

The meeting ended at 11:11 a.m.