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BEFORE THE MISSOURI GAMING COMMISSION

4

5

Meeting

6

December 9, 2020

9:30 a.m.

7

3417 Knipp Drive

Jefferson City, Missouri 65109

8

9

10 BEFORE: Mike Leara, Chairman

Daniel P. Finney, III, Commissioner

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Brandon Boulware, Commissioner

Pat Conway, Commissioner

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David W. Hane, Commissioner

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22 Reported by:

Patricia A. Stewart, CCR 401

23

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(No exhibits marked.)

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1 (Start time: 9:30 a.m.)

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

3 CHAIRMAN LEARA: Let's call the December
4 meeting of the Missouri Gaming Commission to order.

5 Angie, please call the roll.

6 MS. FRANKS: Commissioner Hane.

7 COMMISSIONER HANE: Present.

8 MS. FRANKS: Commissioner Conway.

9 COMMISSIONER CONWAY: Present.

10 MS. FRANKS: Commissioner Boulware.

11 COMMISSIONER BOULWARE: Present.

12 MS. FRANKS: Commissioner Finney

13 COMMISSIONER FINNEY: Present.

14 MS. FRANKS: Chairman Leara.

15 CHAIRMAN LEARA: Present.

16 All right. A quorum has been established.

17 And we will move to the first item, adoption
18 of the agenda.

19 I will move for adoption of the agenda as
20 printed.

21 Any discussion?

22 I'll look for a second.

23 COMMISSIONER HANE: Second.

24 CHAIRMAN LEARA: Second, Mr. Hane.

25 Any discussion?

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1 Seeing none, Angie, please call the roll.

2 MS. FRANKS: Commissioner Hane.

3 COMMISSIONER HANE: Approved.

4 MS. FRANKS: Commissioner Conway.

5 COMMISSIONER CONWAY: Approved.

6 MS. FRANKS: Commissioner Boulware.

7 COMMISSIONER BOULWARE: Approved.

8 MS. FRANKS: Commissioner Finney.

9 COMMISSIONER FINNEY: Approved.

10 MS. FRANKS: Chairman Leara.

11 CHAIRMAN LEARA: Approved.

12 MS. FRANKS: By your vote the agenda has been
13 adopted.

14 The next item, consideration of minutes from
15 October 28th, 2020.

16 I will move for the adoption. Is there a
17 second?

18 COMMISSIONER CONWAY: Second.

19 CHAIRMAN LEARA: Second, Mr. Conway.

20 Any discussion?

21 Seeing none, Angie, please call the roll.

22 MS. FRANKS: Commissioner Hane.

23 COMMISSIONER HANE: Approved.

24 MS. FRANKS: Commissioner Conway.

25 COMMISSIONER CONWAY: Approved.

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1 MS. FRANKS: Commissioner Boulware.

2 COMMISSIONER BOULWARE: Approved.

3 MS. FRANKS: Commissioner Finney.

4 COMMISSIONER FINNEY: Approved.

5 MS. FRANKS: Chairman Leara.

6 CHAIRMAN LEARA: Approved.

7 MS. FRANKS: By your vote you've adopted the
8 minutes of the October 28th, 2020 meeting.

9 CHAIRMAN LEARA: The next item, IV,
10 consideration of relicensure of certain suppliers, the
11 first one being Gaming Laboratories.

12 Sergeant McTheeney, you have the floor when
13 you're ready.

14 SERGEANT MCTHEENEY: Mr. Chairman and
15 Commissioners, good morning.

16 COMMISSIONER FINNEY: Good morning, sir.

17 SERGEANT MCTHEENEY: Missouri State Highway
18 Patrol investigators, along with Missouri Gaming
19 Commission financial investigators, conducted the
20 relicensing investigations of three supplier companies
21 currently licensed in Missouri. These investigations
22 consisted of, but were not limited to, a financial
23 review, feedback from Missouri gaming companies,
24 jurisdictional inquiries, a review of disciplinary
25 actions, litigation, business credit profiles, as well

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1 as a review of key persons associated with each company.

2 The following supplier companies are being
3 presented for your consideration: Gaming Laboratories
4 International, LLC, Lightning Slot Machines, LLC, House
5 Advantage, LLC.

6 The results of these investigations were
7 provided to the Missouri Gaming Commission staff for
8 their review, and the investigating officers are
9 available to answer any questions you may have at this
10 time.

11 Thank you.

12 CHAIRMAN LEARA: Any questions for Sergeant
13 McTheeney?

14 Seeing none -- stay there until we're
15 finished, if you would.

16 SERGEANT MCTHEENEY: Sure.

17 CHAIRMAN LEARA: Thank you.

18 I will move for the adoption of Resolution
19 No. 20-040 relating to Gaming Laboratories International
20 and ask for a second.

21 COMMISSIONER FINNEY: Second.

22 CHAIRMAN LEARA: We have a second.

23 Any discussion?

24 Seeing none, Angie, please call the roll.

25 MS. FRANKS: Commissioner Hane.

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1 COMMISSIONER HANE: Approved.
2 MS. FRANKS: Commissioner Conway.
3 COMMISSIONER CONWAY: Approved.
4 MS. FRANKS: Commissioner Boulware.
5 COMMISSIONER BOULWARE: Approved.
6 MS. FRANKS: Commissioner Finney.
7 COMMISSIONER FINNEY: Approved.
8 MS. FRANKS: Chairman Leara.
9 CHAIRMAN LEARA: Approved.
10 MS. FRANKS: By your vote you've adopted
11 Resolution No. 20-040.
12 CHAIRMAN LEARA: The next item, Resolution
13 No. 20-041, Lightning Slot Machines, LLC renewal.
14 I will move for the adoption and look for a
15 second.
16 COMMISSIONER FINNEY: Second.
17 CHAIRMAN LEARA: Second, Mr. Finney.
18 Any discussion?
19 Seeing none, Angie, please call the roll.
20 MS. FRANKS: Commissioner Hane.
21 COMMISSIONER HANE: Approved.
22 MS. FRANKS: Commissioner Conway.
23 COMMISSIONER CONWAY: Approved.
24 MS. FRANKS: Commissioner Boulware.
25 COMMISSIONER BOULWARE: Approved.

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1 MS. FRANKS: Commissioner Finney.

2 COMMISSIONER FINNEY: Approved.

3 MS. FRANKS: Chairman Leara.

4 CHAIRMAN LEARA: Approved.

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

6 Resolution No. 20-041.

7 CHAIRMAN LEARA: The next item, Resolution

8 No. 20-042 relating to House Advantage, LLC renewal.

9 I will move for the adoption and ask for a

10 second.

11 COMMISSIONER CONWAY: Second.

12 CHAIRMAN LEARA: Second, Mr. Conway.

13 Any discussion?

14 Seeing none, Angie, please call the roll.

15 MS. FRANKS: Commissioner Hane.

16 COMMISSIONER HANE: Approved.

17 MS. FRANKS: Commissioner Conway.

18 COMMISSIONER CONWAY: Approved.

19 MS. FRANKS: Commissioner Boulware.

20 COMMISSIONER BOULWARE: Approved.

21 MS. FRANKS: Commissioner Finney.

22 COMMISSIONER FINNEY: Approved.

23 MS. FRANKS: Chairman Leara.

24 CHAIRMAN LEARA: Approved.

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

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1 Resolution No. 20-042.

2 CHAIRMAN LEARA: Sergeant McTheeney, thank
3 you.

4 SERGEANT MCTHEENEY: Thank you.

5 CHAIRMAN LEARA: The next item for
6 consideration is licensure of Level I/key applicants.

7 Lieutenant Aylward, you have the floor.

8 LIEUTENANT AYLWARD: Good morning,
9 Mr. Chairman, Commissioners.

10 COMMISSIONER FINNEY: Good morning,
11 Lieutenant.

12 LIEUTENANT AYLWARD: Investigators with the
13 Missouri State Highway Patrol and financial
14 investigators from the Missouri Gaming Commission
15 conducted comprehensive background investigations on key
16 and Level I applicants.

17 The investigations included, but are not
18 limited, to criminal, financial and general character
19 inquiries which are made in the jurisdictions where the
20 applicants live, work and frequent.

21 The following applicants are being presented
22 for your consideration: Philippe Gerald Etienne,
23 Aristocrat Technologies, Incorporated, Nonexecutive
24 Director; Linda Verlaine Castle, Caesars Entertainment,
25 Incorporated, Senior Vice President, Anti Money

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1 Laundering Director; Dimitri Philippe de Somer,
2 Cartamundi NV, Director; Frederic Christian Jean
3 Marie de Somer, Cartamundi NV, Director; Carol Ruth
4 Lynton, Gaming and Leisure Properties, Incorporated,
5 Director; Hiroshi Ikeda, Gaming Partners International
6 USA, Incorporated, Chief Executive Officer, President,
7 Secretary, Treasurer and Director; John Anthony Austin,
8 IOC Cape Girardeau, LLC, Surveillance Manager; Jocelyn
9 Simpo Bustamante, Penn National Gaming, Incorporated,
10 Regional Information Technology Director; and Monica
11 Howard Douglas, VICI Properties, Incorporated;
12 Independent Director.

13 Investigative findings were provided to the
14 Missouri Gaming Commission staff for their review, and
15 all investigators are available to answer any questions
16 you might have.

17 Thank you.

18 CHAIRMAN LEARA: Questions for Lieutenant
19 Aylward?

20 I have one.

21 Are these all new applicants or are they
22 renewals of any sort?

23 LIEUTENANT AYLWARD: These are all new
24 applicants.

25 CHAIRMAN LEARA: They are all new applicants.

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1 LIEUTENANT AYLWARD: Yes, sir.

2 CHAIRMAN LEARA: Some of the names looked
3 familiar from previous license applications is why I
4 asked.

5 LIEUTENANT AYLWARD: Yes, sir.

6 CHAIRMAN LEARA: Okay. Very good.
7 Any other questions for Lieutenant Aylward?
8 Seeing none, I move for the approval of
9 Resolution No. 20-043 and ask for a second.

10 COMMISSIONER FINNEY: Second.

11 CHAIRMAN LEARA: Second, Mr. Finney.
12 Any other discussion?

13 Seeing none, Angie, please call the roll.

14 MS. FRANKS: Commissioner Hane.

15 COMMISSIONER HANE: Approved.

16 MS. FRANKS: Commissioner Conway.

17 COMMISSIONER CONWAY: Approved.

18 MS. FRANKS: Commissioner Boulware.

19 COMMISSIONER BOULWARE: Approved.

20 MS. FRANKS: Commissioner Finney.

21 COMMISSIONER FINNEY: Approved.

22 MS. FRANKS: Chairman Leara.

23 CHAIRMAN LEARA: Approved.

24 MS. FRANKS: By your vote you've adopted
25 Resolution No. 20-043.

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1 CHAIRMAN LEARA: Thank you, Lieutenant.

2 LIEUTENANT AYLWARD: Thank you.

3 CHAIRMAN LEARA: The next item on the agenda,
4 consideration of relicensure of bingo manufacturers and
5 suppliers.

6 Corporal Howery, proceed when you're ready.

7 CORPORAL HOWERY: Mr. Chairman and
8 Commissioners, today I am presenting several companies
9 for relicensure as a supplier or manufacturer of bingo
10 products in the state of Missouri. All bingo supplier
11 and manufacturer licenses are issued for the calendar
12 year and expire on December 31st of each year.

13 The relicensure of both manufacturers and
14 suppliers include, but is not limited to, a review of
15 Federal and State tax checks, customer and product
16 lists, corporate organization, as well as various
17 criminal checks on each company's key persons.

18 The following company has applied for
19 relicensure of their supplier's license: All American
20 Bingo, Incorporated.

21 The following four companies have applied for
22 relicensure of their manufacturer's license: Arrow
23 International, Incorporated, Fortunet, Incorporated,
24 Pollard Games, Incorporated doing business as American
25 Games and VKGS, LLC.

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1 Thank you.

2 CHAIRMAN LEARA: Any questions for Corporal
3 Howery?

4 Seeing none -- stand by until we're finished
5 with the resolution -- I will move for the adoption of
6 Resolution No. 20-003-B, bingo manufacturers, and ask
7 for a second.

8 COMMISSIONER FINNEY: Second.

9 CHAIRMAN LEARA: Second, Mr. Finney.

10 Any other discussion?

11 Seeing none, Angie, please call the roll.

12 MS. FRANKS: Commissioner Hane.

13 COMMISSIONER HANE: Approved.

14 MS. FRANKS: Commissioner Conway.

15 COMMISSIONER CONWAY: Approved.

16 MS. FRANKS: Commissioner Boulware.

17 COMMISSIONER BOULWARE: Approved.

18 MS. FRANKS: Commissioner Finney.

19 COMMISSIONER FINNEY: Approved.

20 MS. FRANKS: Chairman Leara.

21 CHAIRMAN LEARA: Approved.

22 MS. FRANKS: By your vote you've adopted
23 Resolution 20-003-B.

24 CHAIRMAN LEARA: The next item, I will move
25 for the adoption of Resolution No. 20-004-B and ask for

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1 a second.

2 COMMISSIONER HANE: Second.

3 CHAIRMAN LEARA: Second, Mr. Hane.

4 Any discussion?

5 Seeing none, Angie, please call the roll.

6 MS. FRANKS: Commissioner Hane.

7 COMMISSIONER HANE: Approved.

8 MS. FRANKS: Commissioner Conway.

9 COMMISSIONER CONWAY: Approved.

10 MS. FRANKS: Commissioner Boulware.

11 COMMISSIONER BOULWARE: Approved.

12 MS. FRANKS: Commissioner Finney.

13 COMMISSIONER FINNEY: Approved.

14 MS. FRANKS: Chairman Leara.

15 CHAIRMAN LEARA: Approved.

16 By your vote you've adopted Resolution

17 No. 20-004-B.

18 Next item on the agenda, consideration of
19 rules and regulations, proposed amendments.

20 Mr. Grewach, you have the floor.

21 MR. GREWACH: Thank you, Mr. Chairman,
22 Commissioners.

23 Under Tab H we have proposed amendments
24 to our Rule 12.090. There is a provision in
25 Section 12.090 (12) which is identical to a restriction

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1 in Alcohol Tobacco Control regulations that prohibits
2 advertising of liquor at a discount.

3 The Missouri Broadcasters Association filed a
4 court challenge to the ATC regulations, and the court
5 found that the ATC regulations prohibiting advertising
6 alcohol at a discount violated the First Amendment of
7 the United States Constitution. So, therefore, we have
8 drafted this proposed rule amendment to eliminate that
9 provision also from our rules as well.

10 The second amendment you'll find in this
11 proposed amendment is eliminating the term
12 nonintoxicating beer.

13 There was a statute that discussed and set
14 regulations and guidelines for 3.2 percent beer. That
15 statute has been repealed and, therefore, we're
16 eliminating that term for consistency with the existing
17 statute.

18 If you approve the proposed amendment, there
19 will be a public hearing on February the 9th, 2021. The
20 final orders of rulemaking will be presented to you at
21 your March 2021 meeting and will have an effective date
22 of July 30th, 2021.

23 CHAIRMAN LEARA: Questions for Mr. Grewach?
24 Seeing none, thank you.

25 I will move for the adoption of the amendment

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1 relating to 11 CSR 45-12.090, rules of Liquor Control
2 and ask for a second.

3 COMMISSIONER CONWAY: Second.

4 CHAIRMAN LEARA: Second, Mr. Conway.

5 Any other discussion?

6 Seeing none, Angie.

7 MS. FRANKS: Commissioner Hane.

8 COMMISSIONER HANE: Approved.

9 MS. FRANKS: Commissioner Conway.

10 COMMISSIONER CONWAY: Approved.

11 MS. FRANKS: Commissioner Boulware.

12 COMMISSIONER BOULWARE: Approved.

13 MS. FRANKS: Commissioner Finney.

14 COMMISSIONER FINNEY: Approved.

15 MS. FRANKS: Chairman Leara.

16 CHAIRMAN LEARA: Approved.

17 MS. FRANKS: By your vote you've adopted
18 proposed amendment 11 CSR 45-12.090.

19 CHAIRMAN LEARA: Next Item, No. VIII,
20 consideration of waiver for institutional investors.

21 Mr. Grewach.

22 MR. GREWACH: Yes.

23 Under Tab I we have a request of Fidelity
24 Investment for an institutional investor waiver.

25 Fidelity is a large investment company that

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1 manages mutual funds. At the time of their application
2 they owned a 9 percent interest in Boyd Gaming, a
3 10.5 percent interest in Caesars Entertainment and a
4 13.5 percent interest in Penn National.

5 CHAIRMAN LEARA: Any questions for
6 Mr. Grewach?

7 Seeing none, I will move for the adoption of
8 Resolution No. 20-044 and ask for a second.

9 COMMISSIONER FINNEY: Second.

10 CHAIRMAN LEARA: Second, Mr. Finney.
11 Any other discussion?

12 Seeing none, Angie, please call the roll.

13 MS. FRANKS: Commissioner Hane.

14 COMMISSIONER HANE: Approved.

15 MS. FRANKS: Commissioner Conway.

16 MS. CONWAY: Approved.

17 MS. FRANKS: Commissioner Boulware.

18 COMMISSIONER BOULWARE: Approved.

19 MS. FRANKS: Commissioner Finney.

20 COMMISSIONER FINNEY: Approved.

21 MS. FRANKS: Chairman Leara.

22 CHAIRMAN LEARA: Approved.

23 MS. FRANKS: By your vote you've adopted
24 Resolution No. 20-044.

25 CHAIRMAN LEARA: Next on the agenda, Item

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1 No. IX, consideration of Chairman delegation resolution.

2 Mr. Grewach.

3 MR. GREWACH: Yes.

4 Under Tab J we have a resolution authorizing
5 the Chairman to extend any license for up to 60 days
6 subject to later ratification of the Commissioners.

7 This is a resolution we place on an annual
8 basis on the December agenda because the rule provides
9 that the delegation expires in twelve months after being
10 granted.

11 CHAIRMAN LEARA: Any questions for
12 Mr. Grewach?

13 Seeing none, I will move for the adoption of
14 Resolution No. 20-045 and look for a second.

15 COMMISSIONER FINNEY: Second.

16 CHAIRMAN LEARA: Second, Mr. Finney.

17 Any other discussion?

18 Seeing none, Angie, please call the roll.

19 MS. FRANKS: Commissioner Hane.

20 COMMISSIONER HANE: Approved.

21 MS. FRANKS: Commissioner Conway.

22 COMMISSIONER CONWAY: Approved.

23 MS. FRANKS: Commissioner Boulware.

24 COMMISSIONER BOULWARE: Approved.

25 MS. FRANKS: Commissioner Finney.

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1 COMMISSIONER FINNEY: Approved.

2 MS. FRANKS: Chairman Leara.

3 CHAIRMAN LEARA: Approved.

4 MS. FRANKS: By your vote you've adopted
5 Resolution No. 20-045.

6 CHAIRMAN LEARA: Thanks, Ed.

7 MR. GREWACH: Thank you.

8 CHAIRMAN LEARA: The next item, I will make a
9 motion for closed session under Section 313.847, Revised
10 Statutes of Missouri, investigatory, proprietary and
11 application records, and Section 610.021, Subsection 1,
12 Revised Statutes of Missouri, legal actions and matters
13 subject to attorney-client privilege, Sections 3 and 13
14 personnel, Section 12 contracts and 14 records protected
15 from disclosure by law and ask for a second.

16 COMMISSIONER HANE: Second.

17 CHAIRMAN LEARA: Second, Mr. Hane.

18 Any discussion?

19 Seeing none, Angie, please call the roll.

20 MS. FRANKS: Commissioner Hane.

21 COMMISSIONER HANE: Approved.

22 MS. FRANKS: Commissioner Conway.

23 COMMISSIONER CONWAY: Approved.

24 MS. FRANKS: Commissioner Boulware.

25 COMMISSIONER BOULWARE: Approved.

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1 MS. FRANKS: Commissioner Finney.

2 COMMISSIONER FINNEY: Approved.

3 MS. FRANKS: Chairman Leara.

4 CHAIRMAN LEARA: Approved.

5 MS. FRANKS: By your vote we will go into
6 closed session.

7 (CLOSED SESSION.)

8 CHAIRMAN LEARA: Okay. We are going to go
9 back into open session. We will vote on going back in.
10 Angie, call the roll.

11 MS. FRANKS: Commissioner Hane.

12 COMMISSIONER HANE: Approved.

13 MS. FRANKS: Commissioner Conway.

14 COMMISSIONER CONWAY: Approved.

15 MS. FRANKS: Commissioner Boulware.

16 COMMISSIONER BOULWARE: Approved.

17 MS. FRANKS: Commissioner Finney.

18 COMMISSIONER FINNEY: Approved.

19 MS. FRANKS: Chairman Leara.

20 CHAIRMAN LEARA: Approved.

21 All right. We are in open session.

22 The next item on the agenda will be
23 consideration of relicensure for a licensee.

24 Representatives from Century Casino, you have
25 the floor.

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1 MR. RANDOLPH: Good morning, Commissioners
2 and staff. Thank you for the opportunity to be here in
3 Jefferson City to speak with you today on behalf of
4 Century Casinos.

5 I'm Managing Director and General Manager,
6 Lyle Randolph. I grew up in Southeast Missouri, down in
7 New Madrid County, earned my degree from the University
8 of Missouri in Columbia, and coming up in March it will
9 mark my 26th year in the gaming industry in Missouri.
10 So I was licensed back in 1995 at the property down in
11 Caruthersville.

12 Joining me today are some important members
13 of our team. We have first Marc Ellinger with
14 Ellinger & Associates in Jefferson City, our outside
15 counsel; Denny Callen, the General Manager of Century
16 Casino in Caruthersville. Denny and I have been working
17 together for well over 20 years at the properties there.
18 And Andreas Terler, the Senior Vice President of
19 Operations for Century Casino.

20 And I'll turn it over to him to begin.

21 MR. TERLER: Chairman, Commissioners,
22 Director, good morning. It's a privilege to be here
23 today. Thank you for letting us.

24 My name is Andreas Terler. I'm Senior Vice
25 President of Operations of Century Casinos, and I'm an

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1 Austrian, as the company has been initially formed by
2 Austrians. This is how I ended up at Century Casinos.

3 I wanted to spend a few minutes to explain
4 Century Casinos, who we are and what we do, and then to
5 hand over to Lyle to explain how this first year went
6 for us.

7 So Century Casinos was formed by two
8 Austrians in 1992. Then it had extensive experience in
9 casinos in Austria, and they decided to try it on their
10 own in the U.S.

11 So soon after we got our first license in
12 Colorado, limited stakes gambling, and for the first few
13 years the company mainly consisted with this one license
14 in Colorado at that time and further expanded
15 internationally.

16 The next step happened in 2006 when the
17 company basically expanded its operations in Colorado
18 and got its second license in Central City.

19 We are a mid-size casino operator. We
20 operate mid-size casinos, and we cater mostly to locals
21 and local markets. We have about 3,500 employees. We
22 do about 400 million in revenue. And we are listed on
23 the NASDAQ for more than 25 years.

24 So from the initial beginnings in Colorado,
25 we grew further in Alberta, Canada, where we started

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1 with an operation in Edmonton and grew into five
2 operations, until recently when we sold one of these
3 operations.

4 So to date our focus is in North America.
5 80 percent of our revenue is from the U.S. and
6 40 percent from Missouri.

7 So besides in Missouri we operate in
8 Colorado, as I already mentioned, and we have a casino
9 racetrack in West Virginia, Mountaineer Racetrack.
10 Besides that we operate in Poland, where we own two
11 casinos in Poland.

12 So with that I wanted to hand it back to Lyle
13 Randolph for a explanation about what we did in this
14 first year of operations in Missouri.

15 MR. RANDOLPH: It has been an exciting year.
16 It's one year ago that the Commission transferred the
17 license to Century Casinos, the transition from Eldorado
18 Resorts. At that time we knew that 2020 was going to
19 be, you know, a busy year for us. We had a lot to do.
20 Of course, we didn't understand all of the other
21 additional challenges that we would be facing.

22 As we began the year we began with rebranding
23 the properties with new names. Caruthersville was
24 rebranded from Lady Luck to Century Casino. Also at the
25 same time we were making adjustments, the rebrand at

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1 Cape Girardeau, making it Century Casino Cape Girardeau.

2 Over \$200,000 was spent with local sign
3 vendors and other things just for essentially the name
4 change and the logo changes at the two properties.

5 At the same time we were both busy updating
6 messaging. We transitioned advertising, social media,
7 social media platforms, marketing collateral, all
8 upgraded to the new brand. As part of this effort
9 Century also looked at some digital technology, which
10 has been very helpful, moving forward with those as the
11 pandemic came into play.

12 We also rebranded all of our gaming
13 equipment. Table layouts, chips, cards, dice and slot
14 tickets were updated in January and February of this
15 year. About \$175,000 was spent to update those
16 supplies.

17 You know, those are all typical things that
18 you would see in every transfer and transition like
19 this, very similar things, but Century went much further
20 beyond that with some very significant technology
21 infrastructure at the two properties. These are
22 investments that sometimes get overlooked but are very
23 important to the success of the casino.

24 A technology investment of nearly
25 \$2.3 million was spent between the two properties for

1 upgrades at Cape Girardeau and Caruthersville.

2 These included the upgrade to the latest
3 version of Scientific Games tracking system and the
4 introduction of a new players' club, the Winners' Zone.

5 Century also upgraded to the latest version
6 of Scientific Games Slot Management System and
7 introduced downloadable credits, or free play, for the
8 first time at both of those properties. Staff will kind
9 of know how outdated some of the technology and
10 processes we were using previously. Neither property
11 had ever been able to utilize downloadable technology
12 prior to that time, and so we were able to introduce
13 that. And we did that, you know, early in the year and
14 got that initiated and finished that process shortly
15 after we reopened.

16 With these upgrades, in particular the
17 transition to downloadable credits, you know, Century
18 has now positioned the two properties on really a more
19 level playing field with other casinos within the state
20 and with our competitors in Illinois and also in
21 Arkansas, whose been expanding their gaming operations
22 in that state.

23 The number and scope of these projects would
24 not have been possible in this short of timeframe
25 without significant assistance from the staff and -- the

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1 Missouri Gaming staff.

2 We really sincerely want to offer our thanks
3 for everything that was done really for this project
4 that we were able to complete during the midst of this
5 pandemic using the appropriate safety protocols, but we
6 were able to get so much accomplished.

7 These are projects that typically would take
8 a very long amount of time, process to go through, and
9 we were able to get those done quickly, and we
10 appreciate the staff for allowing us to do that.

11 And then after investing in all that
12 technology, Century went further and invested even more,
13 in \$1.3 million in new slot machines at both properties.
14 A new slot tournament solution was introduced at
15 Cape Girardeau. The investment will continue as we
16 expect another order of additional slot machines to be
17 approved before the end of the year. So significant
18 investments at those properties.

19 Century Casinos also understands that it is
20 the local people, communities and team members that make
21 the company and the brand of success. Century has a
22 strong commitment and a history of giving back to the
23 community.

24 We introduced Century Cares, Century's
25 charitable brand, which has been adopted by both of our

1 properties in Missouri. The properties and team members
2 have donated time and money to various organizations
3 throughout the year.

4 Although the pandemic created some challenges
5 for some of those normal projects, it has also provided
6 some new opportunities.

7 You'll notice in the bottom lower corner, one
8 of the things that occurred during the pandemic, we
9 offered our parking lot and worked with the City. We
10 had a drive-through farmers market to give -- so people
11 could come and safely get fresh produce.

12 You know, we had space available. We were
13 closed at that time and worked with them to do that.
14 And it was very -- you know, the City of Cape was very
15 happy that we allowed them to do that, and it was great
16 for the community and for our employees as well.

17 As you'll see, you know, COVID and the
18 pandemic is obviously a significant situation. As it
19 began to impact our community, we knew that our top
20 priority was to keep our guests and team members safe.
21 Century immediately introduced stringent cleaning
22 protocols and other procedures.

23 When the difficult decision was made to close
24 the casinos in the state, we saw an opportunity at that
25 time to really prepare for the reopening. We installed

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1 thermal cameras at not only the employee entrance but
2 the guest entrance, so everyone would be checked for
3 temperature upon coming in.

4 Using utilizing a local supplier -- you know,
5 Plexiglas was hard to find for a while. We found a
6 local company that could make exactly what we needed.
7 And we created barriers really for every touch point
8 between a customer and our team members. We put
9 barriers on slot machines and at table games.

10 And I would really challenge anyone that came
11 to visit the property in Cape Girardeau and
12 Caruthersville to go somewhere else and find property
13 that was not more prepared and took extra steps that
14 were beyond requirements to try to protect the team
15 members and staff, and we're proud of what we've been
16 able to accomplish there.

17 As a result of these efforts, the team
18 members and the employees really saw what we did there
19 and appreciated that, and they remain resilient despite
20 very difficult circumstances.

21 One of the first things that Century did
22 after the acquisition before the pandemic, they brought
23 back in holiday pay and a few other benefits that had
24 gone away previously, and those type of things were very
25 important for the staff. It came as an extra cost to

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1 the company, but it also helped really establish the
2 positive relationship that was crucial through those
3 difficult times. And I think that is a testament to the
4 company and how they came into the property and had the
5 proper approach.

6 As a result of all those efforts, Century
7 Casinos in Cape Girardeau and Caruthersville have
8 produced solid financial results despite that very
9 difficult environment. When compared statewide, the
10 Century Missouri properties have outperformed all
11 regions in the state since reopening in June.

12 While the Kansas City, St. Louis and other
13 outstate markets, excluding Century, are down in gaming
14 revenue, Adjusted Gaming Revenue at Century Casino is up
15 6.7 percent since June.

16 So, you know, a very favorable story.
17 Obviously different locations deal with different
18 challenges, but we're pleased that we were able to
19 accomplish that.

20 As we look forward, our future is even
21 brighter. Initial plans for food and beverage venues
22 have been delayed because of the pandemic, but we hope
23 to introduce several new venues in 2021, the Red Star
24 Grill and the Beacon 53, some exciting projects that we
25 continue to work on the development.

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1 Another project, The Delta Blues Fish House,
2 it's a local partnership with a local family-owned
3 business that has been already introduced in
4 Caruthersville, and we're hoping to get them introduced
5 in Cape Girardeau, another way to connect with the
6 community in a way and really provide additional value
7 for the area.

8 Within the next couple of months Century
9 Casinos will launch its new app for the Missouri
10 properties, and in 2021 we will also bring the first
11 electric vehicle charging stations to downtown
12 Cape Girardeau, something that we're partnering with the
13 local power company and sharing the cost to do that.

14 We added this picture of Caruthersville. We
15 wanted to remind everyone of the property down in
16 Caruthersville. It's still a first-generation
17 riverboat. That is the West Virginia Bell -- what used
18 to be the West Virginia Bell. It was an old dinner boat
19 that cruised over in the eastern U.S. But you can
20 imagine the challenges of operating this type of
21 facility are significant.

22 I believe it was in January that I had to
23 call the company and let them know that a barge had
24 broken loose and had struck part of the facility. Those
25 kind of challenges that we face, you know, make it

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1 difficult.

2 And Century continues to have discussions
3 about how to develop this property. And, you know,
4 they're looking at plans to relocate on the protected
5 side of the flood wall. You know, that would be
6 successful for the operation, while also providing much
7 needed economic development for the community, and we
8 hope to continue to look at those and develop that and
9 hopefully find an opportunity that makes sense.

10 Honestly these are efforts that would be very
11 difficult with another company. So when you think about
12 Century -- and it's one of those things that make
13 Century to me a special company, the ability to make
14 right decisions at the local level for not only our
15 business but for our employees and for our community,
16 you know, that not only from the financial sense,
17 although that is very important, but also taking into
18 consideration the people and the communities involved.

19 And for someone like me that grew up in
20 Missouri and Southeast Missouri that chose to stay and
21 raise my family here, those are things that are very
22 important to me. And it's refreshing working for a
23 company like Century that has given us the ability,
24 Denny and I leading those properties, to do that.

25 So I'm excited to see how we can work in the

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1 future to continue the development of our successful
2 operations and at the same time play an important role
3 in the future development of our communities.

4 So thank you so much for your time.

5 At this time I'd like to turn it back over to
6 Andreas for his final comments.

7 MR. TERLER: So my closing remarks would be
8 that it was an absolutely exciting year despite the
9 pandemic. We accomplished so much.

10 You need to understand that Century Casinos
11 is very lean when it comes to the corporate entity. I
12 have been doing exactly what I'm doing here for more
13 than 15 years. This is to go in states, countries and
14 to work with the local management like Lyle and Denny
15 but also to directors and managers.

16 We have found here wonderful people who are
17 totally committed to the operations, which we find
18 amazing and which we try to support.

19 So I'm not coming in here with the idea of
20 knowing everything. I see my role as an enabler for
21 local management, and we work on the ideas we have
22 together. And Lyle already said we think we can really,
23 really even advance these properties from here, and
24 you'll see this in the next few years.

25 So on a personal note, I must tell you that I

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1 haven't been in Missouri until one and a half years ago,
2 and in the interim I really learned to appreciate the
3 food, friendly people. I traveled north and south, and
4 by tomorrow I will have seen all casinos in this state
5 and in the neighboring states.

6 So this shows you hopefully of our
7 commitment. We are here to stay. We are thankful for
8 the Commission to be supportive during the pandemic.
9 You know, we have a comparison to other states, to other
10 countries. You have demonstrated flexibility and also
11 have helped us to get through this we feel quite feel.

12 So thank you a lot and hope to see you soon
13 for many years again. Thank you.

14 CHAIRMAN LEARA: Any questions for
15 Mr. Terler?

16 Mr. Conway.

17 COMMISSIONER CONWAY: Just a comment,
18 Mr. Chair, please.

19 I had the opportunity to go to Cape Girardeau
20 in the last six or eight weeks or whenever, and I really
21 want to commend you for the safety protocols that you
22 put into place at that facility.

23 Subsequent to my visit in Cape Girardeau I
24 had the opportunity to be in Las Vegas. I toured a
25 number of facilities. None of them compared to the

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1 impression that a person received when they walked
2 through your doors of the safety that was being
3 established, not only by the players but for the
4 employees.

5 And I would think that the -- you know, and
6 you said flexibility. The one thing that I saw at that
7 facility was the flexibility of the Plexiglas that made
8 it so much different than any of the other operations
9 that I saw.

10 So I want to commend you for doing that. I
11 think it should also be something that the industry as a
12 whole will look at. Hopefully we'll get to a place
13 where it's not necessary, but I thought the safety
14 precautions that you put in were extraordinary.

15 So thank you.

16 MR. TERLER: Thank you for visiting us.

17 COMMISSIONER FINNEY: I just have one
18 question.

19 So you guys had mentioned that one of the
20 things you feel that is particularly useful and
21 important is the relationships that you've been able to
22 establish with the local businesses and how that really
23 strengthens your position and also benefits.

24 Why do you think you're able to do that? I
25 mean, what in particular fosters that relationship so

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1 successful in your opinion?

2 MR. RANDOLPH: Well, I think the opportunity
3 to -- like in the situation with -- we had, you know,
4 venues that -- we were not going to be able to open food
5 venues with the resources that we had and the staffing
6 issues, the challenges that we had.

7 And we looked for a partner in the community
8 that could -- that was willing in difficult times to
9 come into a facility and provide a service for our
10 customers, beneficial to them as well. In a normal
11 company environment that would be challenge for a local
12 operator to make that leap. You know, it's not
13 impossible, but it would have been a challenge with the
14 layers that you have to go through, the approvals.
15 Those type of things sometimes become a barrier in that
16 regard.

17 And I think the ability for me to call and
18 discuss with corporate about those type things and the
19 response, you know, it sounds reasonable. Do what's
20 best for the property, make those kind of decisions that
21 are impactful, really that difference.

22 You know, as we -- a lot of things we talked
23 about are bigger issues and bigger plans. And, you
24 know, the openness to address those things in a company
25 where -- you know, the Missouri properties are very

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1 important. As you mentioned, the percentage of revenue
2 generated. They're very important to the company, and
3 the opportunity for us to develop those is, you know, of
4 top priority.

5 So I think a combination of those things
6 really make for a great opportunity at the properties,
7 and it's exciting as a leader at the properties to be
8 involved in those things and have discussions and see
9 real change based upon ideas that people bring to the
10 table.

11 COMMISSIONER FINNEY: Well, thank you. I
12 appreciate the policy within your organization of really
13 developing relationships with the local businesses and
14 using them as vendors, so I'd like to encourage you to
15 continue that.

16 MR. RANDOLPH: And the flexible Plexiglas is
17 manufactured in Southeast Missouri. I mean, the signs,
18 again, using local vendors.

19 You know, and again, sometimes pricing with
20 corporate contracts at the higher level sometimes
21 handcuff us on who we can use for different things, and
22 the ability to work with local companies and develop
23 those relationships is very important.

24 CHAIRMAN LEARA: Anyone else?

25 I will echo a couple comments that were made.

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1 I've been to the Cape and Caruthersville. But the Cape
2 property is an outstanding property. That is very
3 attractive.

4 Were you able to open -- reopen that open-air
5 restaurant that you have on the riverside?

6 MR. RANDOLPH: So one of the plans -- we hope
7 to open that in the spring. Obviously the spring and
8 summer is the key time for that. It's the best spot on
9 the river.

10 CHAIRMAN LEARA: You were not able to?

11 MR. RANDOLPH: So it's not. Beacon is that
12 venue, and we hope to get that open soon. It's a
13 fantastic area.

14 CHAIRMAN LEARA: And then thank you once
15 again, and I want to echo the Commissioner's comments
16 about using local businesses. I did read that in the
17 report about you using that with the signage, and I know
18 that's expensive. So thank you for that.

19 Okay. Any other comments?

20 Seeing none, gentlemen, thank you.

21 Is there any public comment to the
22 relicensure of Century Casinos?

23 Seeing none, the investigative report from
24 Sergeant Holcomb. You have the floor.

25 SERGEANT HOLCOMB: Good afternoon,

1 Mr. Chairman, Commissioners.

2 Century Casinos submitted an application to
3 the Missouri Gaming Commission on October 5, 2020 for
4 renewal of the company's Class A riverboat gaming
5 license. This license is scheduled to expire on
6 December 31, 2020.

7 This renewal is the first of two relicensing
8 periods following the initial license approval in
9 December 2019 as required by 11 CSR 45-4.190, which
10 states an application for renewal is due at least
11 90 days before the first and second anniversary of its
12 license and 180 days before the anniversary date for
13 each subsequent four years thereafter.

14 So there will be one more relicensing in
15 December 2021 prior to the company falling into a
16 four-year renewal rotation.

17 Missouri State Highway Patrol investigators
18 and Missouri Gaming Commission financial investigators
19 conducted a relicensing investigation that consisted of
20 a financial analysis, a review of disciplinary actions,
21 litigations and business credit profiles and a review of
22 key persons associated with the company.

23 The findings of this investigation were
24 provided to the Missouri Gaming Commission staff. I'll
25 be glad to answer any questions you might have.

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1 CHAIRMAN LEARA: Any questions for Sergeant
2 Holcomb?

3 You mentioned October they applied for the
4 renewal?

5 SERGEANT HOLCOMB: Correct.

6 CHAIRMAN LEARA: Was that enough time?

7 SERGEANT HOLCOMB: Yes, sir. Yes, sir.

8 CHAIRMAN LEARA: No problems there.

9 All right. Sergeant Holcomb, no other
10 questions. Thank you for your comments.

11 SERGEANT HOLCOMB: Thank you, sir.

12 CHAIRMAN LEARA: Yes.

13 Staff recommendation. I guess that's you,
14 Ed.

15 MR. GREWACH: Staff recommends renewal.

16 CHAIRMAN LEARA: Any other discussion?

17 Seeing none, I will move for the adoption of
18 Resolution No. 20-039, the renewal of licensure for
19 Century Casinos' Class A license.

20 Is there a second?

21 COMMISSIONER CONWAY: Second.

22 CHAIRMAN LEARA: Second from Mr. Conway.

23 Any other discussion?

24 Seeing none, Angie, please call the roll.

25 MS. FRANKS: Commissioner Hane.

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1 COMMISSIONER HANE: Approved.
2 MS. FRANKS: Commissioner Conway.
3 COMMISSIONER CONWAY: Approved.
4 MS. FRANKS: Commissioner Boulware.
5 COMMISSIONER BOULWARE: Approved.
6 MS. FRANKS: Commissioner Finney.
7 COMMISSIONER FINNEY: Approved.
8 MS. FRANKS: Chairman Leara.
9 CHAIRMAN LEARA: Approved.
10 MS. FRANKS: By your vote you've adopted
11 Resolution No. 20-039.
12 CHAIRMAN LEARA: Thank you for waiting.
13 All right. At this time I'll make a motion
14 for closed meeting under Sections 313.847 of the Revised
15 Statutes of Missouri, investigatory, proprietary and
16 application records, and Section 610.021, Subsection 1
17 of the Revised Statutes of Missouri, legal actions and
18 matters subject to attorney-client privilege, Sections 3
19 and 13 personnel, Section 12 contracts and Section 14
20 records protected from disclosure by law.
21 Is there a second?
22 COMMISSIONER FINNEY: Second.
23 CHAIRMAN LEARA: A second, Mr. Finney.
24 Any discussion?
25 Seeing none, Angie, please call the roll.

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1 MS. FRANKS: Commissioner Hane.

2 COMMISSIONER HANE: Approved.

3 MS. FRANKS: Commissioner Conway.

4 COMMISSIONER CONWAY: Approved.

5 MS. FRANKS: Commissioner Boulware.

6 COMMISSIONER BOULWARE: Approved.

7 MS. FRANKS: Commissioner Finney.

8 COMMISSIONER FINNEY: Approved.

9 MS. FRANKS: Chairman Leara.

10 CHAIRMAN LEARA: Approved.

11 We are now going into closed. Thank you.

12 WHEREIN, the meeting concluded at 12:30 p.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
December 9, 2020

The Missouri Gaming Commission (the “Commission”) went into the second open session at approximately 1:50 p.m. on December 9, 2020, at the Missouri Gaming Commission, 3417 Knipp Drive, Jefferson City, Missouri.

Chairman Leara moved to adjourn the open session meeting. Commissioner Hane seconded the motion, and after a roll call vote was taken, Hane – yes, Conway – yes, Boulware – yes, Finney – yes, and Leara – yes, the motion passed unanimously.

The second open session meeting ended at 1:51 p.m.