BEFORE THE MISSOURI GAMING COMMISSION
STATE OF MISSOURI

Meeting
March 26, 2014
9:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

(Meeting start time: 9:00 a.m.)
AGENDA

I. Call to Order 4:2

II. Motion for Closed Meeting under Sections 313.847, RSMo., Investigatory, Proprietary and Application Records and 610.021 (14), RSMo., Records Protected from Disclosure by Law 4:16

III. Motion to Return to Open Session 5:13

IV. Consideration of Minutes
   A. February 26, 2014 5:25

V. Consideration of Licensure
   B. Tropicana Entertainment, Inc.
      * Presentation by Applicant 7:2
      * Presentation by City of St. Louis 30:17
      * Public Comment 34:5
      * Investigative Summary 34:10
      * Staff Recommendation 37:21
      1. Resolution No. 14-011 38:1

VI. Consideration of Settlement Agreement
   C. Bally Gaming, Inc. d/b/a Bally Technologies
      1. Resolution No. 14-012 38:21

VII. Consideration of Licensure of Level I/Key Applicants
   D. Resolution No. 14-013 41:6

IX. Motion for Closed Meeting under Sections 313.847, Investigatory, Proprietary and Application Records and 610.021(1), RSMO., Legal Actions, (3) Personnel and (13) Personnel and (14) Records Protected from Disclosure by Law 43:18
BEFORE THE MISSOURI GAMING COMMISSION
STATE OF MISSOURI

Meeting
March 26, 2014
9:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

COMMISSIONERS PRESENT:

Dr. Barrett Hatches, Chairman
Darryl T. Jones
Diane C. Howard

REPORTED BY:
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CHAIRMAN HATCHES: Good morning everybody.

COMMISSIONERS/AUDIENCE: Good morning.

CHAIRMAN HATCHES: Okay. Be like that then.

It will be a long day.

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Present.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Present.

MS. FRANKS: Commissioner Bradley.

(No response.)

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Here.

Mr. Stottlemyre.

EXECUTIVE DIRECTOR STOTTLEMYRE: The first item on the agenda would be going into a closed session.

CHAIRMAN HATCHES: Okay. Do I have a motion?

COMMISSIONER HOWARD: I'll make a motion for a closed meeting under Section 313.847, the Revised Statutes of Missouri, for investigatory, proprietary and application of records, and under 610.021, Subsection 14, the Revised Statutes of Missouri, the records protected from disclosure by law.

COMMISSIONER JONES: Second.
CHAIRMAN HATCHES: Moved and seconded.

Any discussion?

Angie, call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

Well, we're done.

(CLOSED SESSION.)

(OPEN SESSION.)

CHAIRMAN HATCHES: Well, thank you so much for your patience and staying with us. We're back now and we need to go back into open.

Angie, call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Present.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Present.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Present.

Now we're back. We can go on the record.

Mr. Stottlemyre.

EXECUTIVE DIRECTOR STOTTLEMYRE: The next
item on the agenda is the Consideration of Minutes for February 26, 2014.

CHAIRMAN HATCHES: Chair will entertain a motion.

COMMISSIONER JONES: Move for the approval of the February 26, 2014 minutes.

COMMISSIONER HOWARD: I second that motion.

CHAIRMAN HATCHES: Moved and seconded. Any discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted the minutes of the February 26, 2014 meeting.

CHAIRMAN HATCHES: Mr. Stottlemyre.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, the next item on the agenda is the Consideration of Licensure of -- we have Tropicana Entertainment, Incorporated.

I believe Mr. Rob Cantwell is here, and I will let him do the introductions of the folks making
the presentation.

MR. CANTWELL: Chairman Hatches, Commissioner Howard, Commissioner Jones, Executive Director Stottlemyre and staff, good morning.

CHAIRMAN/COMMISSIONERS: Good morning.

MR. CANTWELL: My name is Robert Cantwell. I am with Lathrop and Gage in St. Louis, and I'm here today on behalf of Tropicana Entertainment, Inc. to present some materials in support of its proposed acquisition of Lumiere Place Casino and related assets.

There are a number of folks here today with us, some from Tropicana Entertainment, Inc., as well as some from the existing Lumiere Place Casino property, and also from the City of St. Louis as well, in support of the proposed transition of the property.

We're all before you here today to request respectfully your resolution on our proposed acquisition and your grant -- or allowance for a grant of the requisite licenses.

These licenses include a new Class A license for Tropicana Entertainment, Inc., a new Class B license for Casino One Corporation, which is d/b/a Lumiere Place under the new Tropicana umbrella, as well as five business entity key person licenses, one for Tropicana St. Louis, LLC, which is a holding company, one for
Icahn Enterprises, GP, Inc., one for Icahn Enterprises, LP, one for Icahn Enterprises Holding, LP, and one for Beckton Corporation.

All of those entities are above Tropicana Entertainment, Inc. and part of its holding structure.

In addition, there are 15 keyperson licenses that would also need to be issued for the transaction to be consummated.

It's worth noting that, you know, this is 22 applications that were made, and suitability investigations were conducted by your staff in absolute record time.

In order to proceed with our presentation, I would just like to introduce a couple folks that are here with us, because not everyone -- mainly the people that will participate in the presentation.

Bill Murtha, General Counsel and Senior Vice-President of Tropicana Entertainment, Inc., Corporate.

Lance Millage, Chief Financial Officer of Tropicana Entertainment, Inc.

Don Perkins is the Corporate Compliance Officer of Tropicana Entertainment, Inc.

Jeff Babinski is here from Lumiere Place, existing Lumiere Place, and Jeff will also be the
General Manager of the facility once the transition is consummated with your approval.

In addition, Ryan Miller, the Compliance Officer for Lumiere Place, is here as well.

And Otis Williams from the City of St. Louis is present and will speak on behalf of the City.

In order to proceed, Darrell, if you'd like to come up, Bill Murtha will walk us through the details of the transition, and then obviously we're all here to answer any questions that you may have.

Thanks again for your consideration of the matter.

MR. MURTHA: Mr. Chairman, members of the Commission, good morning.

CHAIRMAN/COMMISSIONERS: Good morning.

MR. MURTHA: Thank you for inviting us here today to make this presentation on behalf of Tropicana, and Tony Rodio, our President and CEO, we're pleased to be here.

Tony asked me to express his regrets and apologies that he wasn't personally able to come here today. He had wanted to make this presentation and to meet you and to talk about our plans for Lumiere.

Hopefully he'll have a chance to do that sometime in the near future.
I'd also like to -- Rob mentioned this --

thank the Commission staff for its investigation in
record time to meet the FTC and other deadlines.

Throughout the whole investigation I can tell
you that I heard nothing but compliments about the
professionalism of the staff, and again wanted to thank
the staff for its efforts and for its patience with us
sometimes in supplying information not quite as timely
as the staff would have wanted to.

Subject to your approval here today, and
ultimately Mr. Stottlemyre's authorization to proceed,
Tropicana is ready to close the transaction next week
with Pinnacle.

Our staff, the Pinnacle team and the
Tropicana team and the Lumiere team have been working
for several months now on an operational transition
plan.

We think we have all of the pieces together.
We know we have all of the pieces together for that plan
in order to close next week, and we're prepared to do
that.

Jack Godfrey is here from Pinnacle. I just
want to say Pinnacle has been very cooperative in the
process, and so has the Lumiere staff and the FTC
monitor, Mike Regan, who is also here today.
So we think everything has gone very well in
the last few months and we're ready to proceed.

What I'd like to do is to just take you
through a brief overview of Tropicana, and then what
I'll do is turn over the podium to Lance Millage, our
CFO, who will talk about some operational matters and
handle the marketing which Tony would have handled
himself.

And then Jeff Babinski will talk about the
current MBE plans and the goals and objectives for the
property, bring you through where we are with the fourth
quarter, and then I'll come up and talk about the
redevelopment agreement and introduce Mr. Otis Williams
who is here today and he'll say a few words.

Tropicana was formed in 2010, essentially to
acquire and did acquire assets of Columbia Sussex, which
were in bankruptcy at the time.

Going from east to west, one of our flagship
properties is Tropicana Atlantic City. It's on the
Boardwalk in Atlantic City. It's our largest property,
over 2,000 rooms, about 2,600 slot machines, over
probably close to 30 dining and retail venues in a large
retail mall outlet.

And Tropicana has done very well, anchors our
East Coast. Many of our executives are originally
Atlantic City Casino executives.

Going to the Midwest of the country, Lumiere will be the flagship property for Tropicana in the Midwest. We have a very strong Midwest presence, and have had it before Lumiere, but with Lumiere we think we'll have really a great presence in the Midwest.

In addition to Lumiere, we kind of view Evansville, Tropicana Evansville, as a sister property because of the cross-marketing synergies we think we could achieve with that property.

Evansville has been our consistent performer. It's in somewhat of a protected market and has done very, very well. Just last year and the year before we renovated all of the hotel rooms at that property, and it's done very well for us.

And again, we think that -- Lance will talk about this in a little more detail, but we think that St. Louis could be a great feeder market for customers in Evansville who want to come up to St. Louis and see the city up here.

Going down river we have Tropicana Greenville. Tropicana Greenville when we initially bought it had two riverboats, the JMVS, or Jubilee Riverboat, and Lighthouse Point Riverboat.

In a 2011 flood they were damaged. The
pavilion was damaged at Lighthouse Point. We rebuilt that into a land-side casino, and we've been so successful with that -- at the time we built it into a land-side casino, we closed down the Jubilee boat, and that was so successful that we've now expanded and we're going to more than double the size of that facility.

We have a construction project going on there now that we hope to have finished by the end of this year, and again, it will bring all of the gaming and amenities in a land-side facility.

So Greenville has been a very good market for us.

And then going down river further we have the Belle of Baton Rouge in Downtown Baton Rouge. It's another riverboat property with a riverboat on the river.

What is unique about that property is that there's a block-long street that had been vacated and an atrium built over the top of it. So the property consists of a very large atrium area, with a hotel and food and beverage amenities within the atrium, which is quite unique in Downtown Baton Rouge.

The property has had some difficulty with the opening of L'Auberge, but I think the market has
stabilized and the property is doing very well in
relation to its downtown competitor.

In the west we have three properties,
Montbleu in Lake Tahoe, and we have two properties
currently in Laughlin, Tropicana Laughlin, which is our
flagship property in that city, and River Palms, which
we are currently -- it's currently trying to sell that.
It's been on the market for about a year right now.
It's a smaller property on the Colorado River, and
again, it's not a core asset for us.

Other than the United States, we have one
property in Aruba, which is a 361-room timeshare/hotel,
with a very small casino. Most of the timeshare units
are not sold, so we generally run that as a hotel.

It's been good for cross-marketing in terms
of having our players come from the United States down
to Aruba for a bit of a vacation.

That's an overview of the company.

We have one of the strongest balance sheets
in the industry. We currently have in excess of $400
million in cash. We've refinanced our debt last
November, have a very strong balance sheet, with only
300 million in long-term debt and access to a
$15 million revolver.

We'll utilize obviously 260 million of that
Going to the next slide, this is our corporate management team, consisting of Tony Rodio as President and CEO.

The years that are below each name are not the ages of the people, unfortunately. We'd like that to be the case. But they're actually the years of casino gaming experience for each of our key executives.

And quite frankly, most of our executives have spent their entire career or most of their entire career in the gaming industry.

Many of us, most of us, have multi-jurisdiction gaming experience. Both Lance and Tony have actually worked in the Midwest, and, again, many of our executives have been throughout the country working.

We have Eric Fiocco, who is in Atlantic City, is our VP of Marketing. Joe Long, who is our Chief Information Officer, is in Las Vegas, along with Lance Millage, our CFO. Chuck Barry is our VP of Security and Surveillance. He's former FBI. And Tina Tartaglio is our Corporate VP of Human Resources, and Tina is in Atlantic City as well.

So just like being disbursed across the country, our corporate team is disbursed too between Nevada and New Jersey, and generally our philosophy in
terms of corporate management is not to -- is a de-
centralized approach.

We like to have the general managers operate
and manage the properties. We obviously work as a team,
but we allow a lot of latitude, particularly on the
marketing side and on some of the other operational
sides, with the properties themselves.

The general managers on the second line,
again, just to indicate their many years of experience,
and most of them have been general managers at multiple
properties throughout the country.

The last one, of course, is Jeff Babinski.

We're very happy to Jeff is going to be joining
Tropicana. We don't expect many, if any, changes at the
property. Hopefully Jeff's team will stay onboard and
we'll have a consistency with respect to the property
operations.

I'd now like to turn it over to Lance for a
few words.

MR. MILLAGE: Thank you, Bill.

Executive Chairman, fellow Commissioners, Rob
told me to keep this to five minutes, but Bill just took
my five minutes, so I'll try and move through this
relatively quickly.

Thank you very much for letting us be here.
Bill touched on it when he went through the geographic distribution of the company, and he talked about Lumiere, and we already put Lumiere on the map, maybe a little presumptive on our part, but it's just to illustrate the breadth of our company.

I want to point out that this is the first acquisition that we as Tropicana Entertainment, the new company, has actually executed. So we're very excited about it, very, very thrilled with the opportunity, the privilege to potentially operate in the state of Missouri and operate within the City of St. Louis.

So thank you very much for all your efforts and all your expedited responses to the gaming license application. We really appreciate it.

Bill touched on this briefly. I'm going to run through some operational management changes, as well as then kind of touch on about three or four slides for marketing.

I am a finance guy, so Tony would have given it a lot more flare probably, but I'll do my best to kind of bring you through it real quickly.

From an operational perspective -- Bill touched on this already. When we signed the purchase agreement last August, shortly thereafter we were afforded the opportunity to meet Jeff and meet his
executive team, really started to understand what their philosophies were as far as operating the property and how they were positioning it and positioning it to compete against now their competitor, River City, and some of the other properties.

We were not surprised but thrilled with their expertise and their knowledge about Lumiere Place and how it has to work within the local community, within Downtown St. Louis, and we are just so focused on having a successful transition that we determined it's not in our best interest to make any changes at all. In fact, we're going to benefit greatly by having Jeff and his team down there, and we look to learn from him and understand the St. Louis community and work in the environment very well. So again, we feel very privileged and lucky to have Jeff as part of our team, so we look forward to working with him.

Going on to any manager or any operational changes. Again, our focus has been on a very smooth and successful transition. We haven't really got our hands on the operation and worked with Jeff and his team to understand where we could deploy capital from -- the capital from a strategic standpoint to increase revenues and drive business.
So what we're looking at for the next three to six months and what we'll follow is the plans that Jeff and his team have already put in place. They're going to go through a casino floor layout renovation, going to be brand new carpet come in, a new customer experience, better flow for the overall customer. That's going to start in the quarter of Q3 and end probably in Q4.

In addition, the property has opened up recently a new dining outlet. It's called The Diner. It used to be where the Burger Bar was. That's been very successful for them, so we're very supportive of that as well too.

Lastly there are four outlets that we're going to have to re-brand, the Stadium Bar -- I think the Stadium Sports Bar, ETC, Blush and Globar. Those are proprietary names for Pinnacle, so we'll have to re-brand those within six months. That's going to be a media focus as well too.

For more of the near mid-term-type strategy we acquired a couple additional parcels that are adjacent to the property. We've been told and we kind of see on peak weekends that the property may be parking constrained. So we're going to take an aggressive look at that and see if there is not something we can do with
those lots maybe to expand the parking and create a
little better, you know, awareness and approach to the
property, a little bit safer feel to the property with
some additional parking.

So that's it right now. There will be future
things coming from a capital standpoint. It's just too
preliminary in the process for us to really commit and
say clearly here is what we're going to do with the
property.

Lastly and without question, I mean, we'll
continue to operate the property in a first-class
manner. We have a great asset with Four Seasons. We're
thrilled to have that as part of the portfolio and part
of the brand.

Bill touched on it. We're going to use Four
Seasons as an asset to lure our customers from our other
properties, specifically Evansville, and hopefully all
of the Cardinal fans will come up for the weekend and
help us drive some incremental revenue to that property.

Okay. The marketing piece.

Let me start off with that I'm not going to
read through all of the details in the slide. You guys
have that in front of you, but I'll start by saying
we're going to be very aggressively marketing the
property.
I think historically, if we look at the last six months of this year, the St. Louis market itself has trended down about 9 percent. Lumiere has actually out-paced that decline. I think they're down 11, 12 percent. We're going to immediately work to rectify that and turn that around.

I think if you go back a year and a half ago, Lumiere Place held about a 15 percent share of the market, and they're now down around a 14 percent share. Again, we're going to get it back to 15 percent, and we're going to do everything we've got within our wherewithal and the property's wherewithal to drive that from an aggressive marketing strategy standpoint.

So we'll start with positioning, how we are going to position the property. We're going to -- we're always going to keep in mind and understand that a huge component of our business is the local business, so we're going to focus on that. We're going to market to that. You'll start seeing billboards that come up that are specific in addressing those customers.

But in addition, when we first looked at this asset, we looked around and said there is 7,500 hotel rooms within a mile and a half of this property.

There's -- you know, you have the Edward Jones Dome basically across the street, Cardinals,
Blues, Laclede's Landing, all of the development that is going on in the property. There's a lot of opportunity within the property to use those additional hotel rooms, to work with the City of St. Louis, to really offer up Lumiere as an additional amenity to conventions and businesses that are coming down.

So that's one of our key positioning and key focuses is to make it an anchor of Downtown and work with the City of St. Louis, all the while never forgetting about that core segment of the local customer and developing them as well too.

Moving on to the Players Card and Loyalty Program. The current program in place, the mychoice program, this really ultimately becomes a communication and technology issue.

We will be ready during the closure -- and Jeff will touch on that time period and what is going to occur on that. But once we open the doors hopefully on April 2nd at 8:00 a.m. we'll be ready to launch Trop Advantage.

I'll show you a couple other slides, and there is some communication material on that, what those billboards and that communication looks like, but our Trop Advantage program will offer slightly different rewards than other programs within the market. We fully
believe -- and we'll use all of the -- kind of the liabilities on the balance sheet from the Player Reward standpoint to reincent the customers and bring them back in and re-reward those customers.

And the Trop Advantage program I think will be a fresh program within the market, and we will communicate that pretty heavily and pretty strongly.

But again, April 2nd, we've got everything on the property to re-launch that day one and issue cards immediately, so we'll be up to speed.

Here is a quick billboard. It kind of shows you what our method will look like, Welcome to Lumiere Place, new club, more rewards.

The transition to the Tropicana messaging, again, all advertising, all website, all signage, immediately the beginning of April is going to switch out.

You know, we are not going to change the name Lumiere, obviously, because we think there is a lot of brand recognition to that, but you'll start to see an overlay and an overlap with the Trop Advantage and the Tropicana name in there as well too.

On property all signage will flip. All signage will move. So again, a lot of hard work over the last three or four months with Jeff and his team.
When we open the doors, it will be re-branded with those items as Tropicana.

The last slide is simply just a general brochure, again, kind of gives you a feel for the collateral and the messaging that is going to go out to the customers.

With that I'll turn it over to Jeff. Thank you very much.

CHAIRMAN HATCHES: Thank you.

MR. BABINSKI: Good morning.

CHAIRMAN/COMMISSIONERS: Good morning.

MR. BABINSKI: And I too want to thank you, Mr. Chairman, Commissioners and staff, for a quick and expeditious process in bringing us here today to this day.

I will say I'm very excited, and the 1,200 plus team members that we have at Lumiere are very excited to have a new owner, and we can't wait for you guys to hopefully give us approval today.

Just to give you an update since we went over this this past October. A lot of this you've seen before, but I really want to touch on the top bullet points where we've had discussions.

And, Commissioner Jones, it was one of your questions in the last -- in our Class B relicensing. I
feel strongly and I still feel strongly today. We've had great conversations with Tropicana. And they give us 110 percent support on continuing our mission with the MBE/WBE process.

And I'll actually show you the fourth quarter numbers which we've, as you know, have been operating independently since August, and those numbers, again unaudited, have improved.

So two other things I want to point out on this slide which is beneficial to us at Lumiere. We'll be able to use and tap into some of the suppliers and vendors that Tropicana has for potential MBE/WBE vendors.

And then ultimately, Nick Pettibone, who is our Shared Services, who was there with Josh McCloud, is now the Purchasing Manager with us at the Lumiere facility.

So we're glad to have Nick onboard. He will help us continue our focus, and since he already knows the vendors, that continuity will remain in place. So I'm excited to have him onboard as our Purchasing Manager.

So I just wanted to kind of go over our fourth quarter numbers real quick. As you can see, we went from 17-- went from 11.7 percent in Q3 for minority
spend to 17.4 percent, and we went from 28.6 percent in WBE spend to 30.3, for a total of 47 percent in the fourth quarter, which we're very proud of and very excited to have.

And then finally our vendor utilization, it remains in place. I am going to continue on as a board -- as a director on the Board for the St. Louis Minority Business Council. I think it's very important for us.

And as you can see, we'll continue our best efforts in going out there and growing and trying to develop minority and women-owned businesses.

Finally, this is not on your agenda but I just wanted to touch on it briefly. The plan for closure begins on April 1st at 1:00 a.m. There will be a series of items that we'll go through. We'll complete the entire drop of the floor and then we'll begin to decouple the systems from River City, because we've been on a shared system, where players can earn points at Lumiere and they still see those points at River City. So we'll take that process.

And then April 2nd at 8:00 a.m. we'll resume normal business hours, and we'll be, potentially with your approval, a Tropicana owned property.

And now I will bring Bill Murtha back up.
CHAIRMAN HATCHES: I just have one question for you.

You're staying at the property. Right?

MR. BABINSKI: Yes, I am staying at the property.

CHAIRMAN HATCHES: What about Josh?

MR. BABINSKI: Josh is staying with Pinnacle at River City. That's why I thought it was very important to mention that Nick Pettibone, who has been working with Josh, underneath Josh, has been promoted to the Purchasing Manager, and we'll have that continuity because he's been there since day one in the Shared Services position.

CHAIRMAN HATCHES: Thank you.

MR. MURTHA: Before I begin the next slide I just wanted to say to the Commission that Tropicana fully supports the MBE/WBE program.

Jeff and the crew at the property have done a great job with it, setting high hurdles. We understand its importance to the City and to the business community and to the State government, and we'll be behind Jeff 100 percent to make sure that we not only achieve the great results that he's achieved and the team has achieved in the past but to exceed those results.

With respect to the Redevelopment Agreement...
and the Four Seasons Agreement, right after we signed the Equity Purchase Agreement with Pinnacle we actually met with the mayor and the leaders of the Redevelopment Authority in St. Louis the following week.

We've maintained contact with that agency and have recently executed an assignment and assumption agreement between the redevelopment agency, Pinnacle, and Tropicana, whereby on the closing date Tropicana will assume and Pinnacle will assign all of the rights and obligations with respect to the Redevelopment Agreement.

As part of that assignment and assumption agreement the parties have acknowledged to each other that the agreement has been in full compliance and Pinnacle has done what they promised to do under that Redevelopment Agreement.

We just got news yesterday that Pinnacle has made the final payments to the City for the City/Arch project and has also made the final $300,000 payment to the Hot Spots, the Metropolitan Police Department payments.

In addition, right after, I think, or right before we signed the Equity Purchase Agreement, the Cherrick property was conveyed by Pinnacle to the Great Rivers Greenway District, and we'll support the
district's bike trail and that park project down there on the river.

Pinnacle has also made the final payment to the National Blues Museum. Jeff is on the board of that museum, and the sponsorship rights will stay with Lumiere. So that was important to us, the fact that the Blues Museum was just a few blocks from the property, and we thought that there was a real synergy between the property and downtown, and that having the Blues Museum as part of Lumiere and part of Tropicana in terms of that relationship going forward was very important, and Pinnacle agreed to that.

We've also -- upon the assumption of the agreement, of course, Tropicana will step into the shoes of Pinnacle and assume the $1 million obligation under the City services fee, as well as the outstanding obligations related to the Community Improvement District on an annual basis in terms of special assessments, as well as the security services that are performed in that redevelopment area by Lumiere for the city.

In addition, Tropicana and Pinnacle have agreed obviously to reimburse the City and Redevelopment Authority for its legal fees and costs related to this transition and will be doing that at or prior to
With respect to the Four Seasons, we've met with the general manager and I've spoken with the general counsel of Four Seasons, so we have a relationship going there.

As part of our agreement and Pinnacle's obligation, Four Seasons has agreed, looking to Tropicana, that we're, in fact, a qualified person and, therefore, this change of control can take place from Pinnacle to Tropicana.

So just in summary we're very happy to be part of the City. We've taken steps to meet the City officials and looking forward to working with the City and the Redevelopment Authority.

I think Otis Williams is next to say a few words.

MR. WILLIAMS: Good morning --

CHAIRMAN/COMMISSIONERS: Good morning.

MR. WILLIAMS: -- to Chair and Commissioners and staff. I'm very happy to be here.

Again, I'm Otis Williams. I'm the Executive Director for the St. Louis Development Corporation, which is the City's economic development arm, and I'm here on behalf of Mayor Slay and his team.

I think previously you received a letter from
Mayor Slay and myself both supporting the sale from --
actually the movement of the property from Pinnacle to
Tropicana.

I'm here today to reiterate that we fully
support Pinnacle Entertainment's sale of Lumiere Place
Casino and Hotel to Tropicana Entertainment.

Lumiere Place is a major asset for the City
and for the state, and Pinnacle has made a considerable
investment in Lumiere and surrounding properties on
Laclede's Landing and has been a valued partner in the
City's economic development efforts.

Pinnacle invested twice the amount,
$583 million, that it initially committed to investing
in the city, and it's been a valued corporate citizen,
supporting numerous organizations, programs and
initiatives throughout the city.

Pinnacle is current, as Mr. Murtha indicated,
on its development obligations under the City agreement
and has made all of the payments that Mr. Murtha
outlined, so we're pleased with that and have no issue.

Tropicana has met with us and the mayor and
his key staff and they have indicated that they are
ready to accept and continue Pinnacle's obligations per
the Redevelopment Agreement, and the City is looking
forward to working with them.
So again, we're here to just say that we are supportive of the transaction hopefully that you will approve.

CHAIRMAN HATCHES: Thank you, sir. One question for you.

MR. WILLIAMS: Sure.

CHAIRMAN HATCHES: Are there any additional agreements that the City has signed on with the new owner?

MR. WILLIAMS: We have not. During our discussions we have indicated that we will continue to talk and have discussions but there are no other signed agreements that we have in place.

CHAIRMAN HATCHES: Thank you.

MR. MURTHA: Commissioners, that concludes our presentation today. We'd be happy to take any questions that you might have.

Rob made sure that I would say that we obviously respectfully request that you approve this transaction and grant the license approvals that Tropicana has applied for.

So thank you very much, and again, if you have any questions, please let us know.

CHAIRMAN HATCHES: Thank you.

I don't have a question at this time, but I
would like to reiterate something that you have already acknowledged, and that is the work of this staff in pulling this together in such a short time.

I can remember when the discussion first came up and, you know, this has not been the only thing going on at the Commission over the last year.

And so for this team to do the kind of job that they have in the time that they've done it, they're really to be commended, and from the Commission's standpoint, I certainly want to say to all of you how much we appreciate your work on it in making this possible, quite honestly. So thank you very much.

Other questions or comments from the Commission?

COMMISSIONER HOWARD: I have to echo. The amount of information that the Commission received in association with this transaction and the professionalism that it showed on the part of the Commission's staff was -- well, it was not surprising.

I think that's the most important thing to say in my experience on this Commission. In fact, it is what I expect from this group. So I'm pleased and proud to be able to say that.

CHAIRMAN HATCHES: It seems like the more we put on them the better they perform. We've got to find
their breaking point. Right? Open up a casino, closing one down, investigating a new owner and they still just shine, so we got to keep pushing on.

Mr. Stottlemyre.

EXECUTIVE DIRECTOR STOTTLEMYRE: The next item would be any public comment that we might have.

And if not, we would have the investigative summary which will be presented by Sergeant Sammy Seaton.

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

CHAIRMAN/COMMISSIONERS: Good morning.

SERGEANT SEATON: As you're aware, on August 16, 2013 Tropicana Entertainment, Incorporated announced a $260 million Equity Purchase Agreement with Pinnacle Entertainment, Incorporated, pursuant to which Tropicana agreed to acquire the ongoing operations of Casino One Corporation doing business as Lumiere Place Casino and Hotel, Lumiere.

Following the announcement of this agreement, MGC staff conducted a preliminary review of Tropicana's corporate and ownership structure resulting in the identification of seven interrelated companies and fifteen associated key persons which would require suitability investigations.
Beginning on September 12, 2013 the MGC began receiving applications from the entities directly related to the operation of Lumiere.

Specifically, a Class A license application was received from Tropicana, a key business entity. Application was received from Tropicana St. Louis, LLC, which is a wholly owned subsidiary of Tropicana, and finally a Class B application was received from Lumiere, which upon closure of the transaction will become a wholly owned subsidiary of Tropicana St. Louis, LLC.

During this same timeframe the four interrelated key business entities identified in Tropicana's ownership structure also submitted their respective KBE applications. Those companies are Beckton Corp, a corporation wholly owned by Carl C. Icahn; Icahn Enterprises GP, Incorporated, a general partnership corporation wholly owned by Beckton; Icahn Enterprises, LP, a master limited partnership; and Icahn Enterprises Holdings, LP, a limited partnership and holder of a controlling interest in Tropicana.

The 15 related keyperson applications were received at various times throughout the remainder of 2013 and into late January 2014.

Upon receipt of those applications Missouri
Highway Patrol investigators began conducting comprehensive civil and criminal background checks on the aforementioned companies, as well as the associated key personnel. MGC financial investigators also conducted a financial analysis of each company and individual.

The results of our investigations were provided to the Gaming Commission staff for their review and specific details related to those findings are contained within the comprehensive summary in your possession.

Thank you.

CHAIRMAN HATCHES: Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE: Any questions of Sergeant Seaton?

Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE: The next thing I would like would be for Mr. Grewach to explain the resolution for us, if you would, please.

MR. GREWACH: Thank you.

The resolution includes findings of the suitability for the applicants for licensure in this case.

As we have done in other transitions, MGC staff will continue to be involved and to monitor the
transition to make sure that all of the applicable
regulation and internal controls have been complied
with.

You'll see in the resolution that once staff
is comfortable with the fact that all of the proper
steps have been taken and the rules and internal
controls have been complied with, then at that point in
time we will physically deliver the license to the
applicants.

And the license won't be effective until the
date we do physically deliver the license, and they
won't be able to open or start business until that act
has taken place.

CHAIRMAN HATCHES: Okay.
EXECUTIVE DIRECTOR STOTTLEMYRE: Any
questions from the Commission on this?

MR. GREWACH: Thank you.

CHAIRMAN HATCHES: Is that it for you?

MR. GREWACH: Yes.

CHAIRMAN HATCHES: Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE: The next
thing would be to say the staff recommends approval of
Resolution No. 14-011.

CHAIRMAN HATCHES: Chair will entertain a
motion.
COMMISSIONER HOWARD: I'll move for approval of Resolution No. 14-011.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-011.

CHAIRMAN HATCHES: Congratulations.

MEMBERS IN AUDIENCE: Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE:

Mr. Chairman, the next item would be Consideration of Settlement Agreement.

Mr. Grewach will present.

MR. GREWACH: This item is a resolution to approve a settlement between the Commission and Bally Gaming, Incorporated.

This investigation involved events in the state of Alabama. In 2004 Bally, along with other
companies, started to supply electronic bingo terminals to different counties in Alabama.

In 2009 the Governor appointed a task force to investigate the legality of these electronic bingo terminals.

The governor's task force sent three letters to Bally during late 2009 and 2010. One of the counts is that Bally failed to disclose those letters that were required by the rule to be disclosed in the timeframe that they were required to be.

The task force also subsequently executed a search warrant at one of the locations and seized some of the Bally machines.

Bally later intervened in this case as a party and again did not notify -- send written notice to the Commission of that event.

Additionally, Colorado's Gaming Commission sent a warning letter to Bally of possible disciplinary action directed to Bally by Colorado for not disclosing certain items to Colorado, and Bally did not disclose that correspondence to us.

The last count is that our Commission sent a request for documents to Bally that they were required to comply within seven days. They failed to do so, failed to completely reply, and there were some e-mails
that were applicable to the request that were not sent
in that timeframe.

The recommended fine and the fine reached in
this settlement agreement is $375,000.

The Commission may recall that IGT, another
supplier, was involved also in the Alabama transaction
and the $375,000 amount is the same amount that the
Commission settled with IGT for on their case.

CHAIRMAN HATCHES: Any questions?

EXECUTIVE DIRECTOR STOTTLEMYRE: The staff
recommends approval of Resolution No. 14-012.

CHAIRMAN HATCHES: Chair will entertain a
motion.

COMMISSIONER JONES: Move for the approval of
Resolution No. 14-012.

COMMISSIONER HOWARD: Second.

CHAIRMAN HATCHES: Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted
Resolution No. 14-012.

EXECUTIVE DIRECTOR STOTTLEMYRE:

Mr. Chairman, the next item on the agenda is the Consideration of Licensure of Level I and key applicants, and Lieutenant Mark Bielawski will present.

LIEUTENANT BIELAWSKI: Mr. Chairman and Commissioners, good morning.

CHAIRMAN/COMMISSIONERS: Good morning.

LIEUTENANT BIELAWSKI: Missouri State Highway Patrol investigators, along with Gaming Commission financial investigators, conducted comprehensive background investigations on multiple key and Level I applicants.

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

The following individuals from Tropicana Entertainment, Incorporated are being presented for your consideration: Daniel A. Cassella, Independent Director; SungHwan Cho, CFO and Director; Keith R. Cozza, Director; Hunter C. Gary, Director; Carl C. Icahn, Chairman of the Board; William A. Leidesdorf, Director; Joseph M. Long, Jr., Vice-President and Chief Information Officer; Lance J. Millage, Executive VP, CFO
and Treasurer; William C. Murtha, Senior Vice-President, General Counsel and Secretary; James L. Nelson, Independent Director; Daniel A. Ninivaggi, Director; Anthony P. Rodio, President and CEO; Daniel H. Scott, Director; and Jack G. Wasserman, Director.

The results of these investigations were provided to the Gaming Commission staff for their review and you have all related summary reports before you.

Thank you.

CHAIRMAN HATCHES: Thank you. Good job with all those names.

LIEUTENANT BIELAWSKI: A lot of practice.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, staff recommends approval of Resolution No. 14-013.

CHAIRMAN HATCHES: Chair will entertain a motion.

COMMISSIONER JONES: Just a question. Because of the transfer, I'm making the assumption that Jeff and the rest of the staff, they don't have to be relicensed on any of this even though they're transferring in name only.

EXECUTIVE DIRECTOR STOTTLEMYRE: They do not.

COMMISSIONER JONES: Okay.

CHAIRMAN HATCHES: Look at the big smile on
Jeff's face.

Any other questions?
Chair would entertain a motion.

COMMISSIONER HOWARD: Move for approval of Resolution No. 14-013.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-013.

EXECUTIVE DIRECTOR STOTTLEMYRE: The next item is the motion for a closed meeting again.

Record pace.

CHAIRMAN HATCHES: Yes.

Chair would entertain a motion.

COMMISSIONER HOWARD: I move that we go into closed session under Sections 313.847, the Revised Statutes of Missouri, for investigatory, proprietary and
application records, and Section 610.021. Subsection 1, Revised Statutes of Missouri, for legal actions, and Subsection 3 and Subsection 13 for personnel matters, and Subsection 14, records that are protected from disclosure by law.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

We're done. That's it. Thank you so much for coming.

COMMISSIONER JONES: Congratulations.

CHAIRMAN HATCHES: Congratulations again.

WHEREIN, the meeting concluded.
CERTIFICATE OF REPORTER

I, Patricia A. Stewart, RMR, RPR, CCR, a Certified Court Reporter in the State of Missouri, do hereby certify that the testimony that appears in the foregoing transcript was taken by me to the best of my ability and thereafter reduced to typewriting by me; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing 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 No. 401
The Missouri Gaming Commission (the “Commission”) went into open session at approximately 11:35 a.m. on March 26, 2014, at the Commission’s Jefferson City office.

Commissioner Jones moved to adjourn the open session meeting. Commissioner Howard seconded the motion. After a roll call vote was taken, Howard – yes, Jones – yes, and Hatches – yes, the motion was unanimously approved.

The meeting ended at 11:36 a.m.