BEFORE THE MISSOURI GAMING COMMISSION
STATE OF MISSOURI

Meeting
June 24, 2015
10:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

COMMISSIONERS PRESENT:

Leland M. Shurin, Chairman
Diane C. Howard
Larry D. Hale
Thomas Neer
Brian Jamison

REPORTED BY:
Patricia A. Stewart, CCR 401
3432 West Truman Boulevard, Suite 207
Jefferson City, Missouri  65109
573-636-7551
AGENDA

I. Call to Order 5:2

II. Consideration of Minutes 5:18
   A. May 20, 2015

III. Consideration of Hearing Officer Recommendations
   B. Sara Uhes
      1. Resolution No. 15-043 10:8
   C. Keith Tran
      1. Resolution No. 15-044 15:18

IV. Consideration of Disciplinary Actions
   D. Casino One Corporation
      1. DC-15-20019:19
   E. Casino One Corporation
      1. DC-15-20123:1
   F. Casino One Corporation
      1. DC-15-20224:19
   G. HGI-Mark Twain, LLC
      1. DC-15-20329:15

V. Consideration of Placement on the Exclusion List
   H. Refat Daherdiab Khader
      1. Resolution No. 15-045 31:19

VI. Consideration of Relicensure of Certain Suppliers
   I. Tech Art Manufacturing, Inc.
      1. Resolution No. 15-046 34:25

VII. Consideration of Licensure of Level I/Key Applicants
     1. Resolution No. 15-047 37:2

VIII. Consideration of Rules and Regulations
      K. Proposed Rules & Amendments 39:12
         1. 11 CSR 45-13.051-Bingo Hearings
         2. 11 CSR 45-13.065-Settlement
         3. 11 CSR 45-30.025-Bingo Promotions
         4. 11 CSR 45-30.060-Operator(s)
         5. 11 CSR 45-30.070-Regular Bingo
VIII. Consideration of Rules and Regulations (Cont'd)

K. Proposed Rules & Amendments

6. 11 CSR 45-30.090-Additional Application Information for Bingo and Pull-Tab Licenses
7. 11 CSR 45-30.130-Member(s) in Charge
8. 11 CSR 45-30.140-Worker--Player
9. 11 CSR 45-30.145-Premises Required to be Open for Inspection
10. 11 CSR 45-30.150-Information to be Posted
11. 11 CSR 45-30.155-Bingo Equipment Defined
12. 11 CSR 45-30.175-Organization (Operator) Record Keeping Requirements
13. 11 CSR 45-30.180-Inventory, Ownership and Leasing of Bingo Equipment
14. 11 CSR 45-30.190-Rules of Play
15. 11 CSR 45-30.200-Merchandise Prizes
16. 11 CSR 45-30.235-(Reasonable Market Rental Rate for Leased Premises and Leased Locations)
17. 11 CSR 45-30.250-Subsidiary Body-Application for License
18. 11 CSR 45-30.270-Premises Defined, Inspections, All Gambling and Gambling Devices Prohibited
19. 11 CSR 45-30.280-Net Receipts from Bingo Bank Account (Rescinded)
20. 11 CSR 45-30.280-Net Receipts from Bingo Bank Accounts
21. 11 CSR 45-30.340-Participation of Full-Time Employee, Full-Time
VIII. Consideration of Rules and Regulations

(Cont'd)

K. Proposed Rules & Amendments

24. 11 CSR 45-30.370-Progressive Games
25. 11 CSR 45-30.523-Supplier License
26. 11 CSR 45-30.525-Supplier Record Keeping Requirements
27. 11 CSR 45-30.535-Penalties
28. 11 CSR 45-30.540-Approval of Bingo Paraphernalia
29. 11 CSR 45-30.545-Contraband
30. 11 CSR 45-30.550-Licensee's Duty to Report and Prevent Misconduct
31. 11 CSR 45-30.575-Pull-Tab Packaging, Assembly and Distribution
32. 11 CSR 45-30.580 Procedure for Entry of Names to the (Ineligible Persons List) List of Ineligible Persons
33. 11 CSR 45-30.590-Duty of Licensee to Exclude Ineligible Persons
34. 11 CSR 45-30.600-Electronic Bingo Card Monitoring Devices
35. 11 CSR 45-30.610-Wireless Technology

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

CHAIRMAN SHURIN: Okay. We'll call the
meeting of June 24, 2015 of the Missouri Gaming
Commission to order.

Please call the roll.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Present.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Present.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Present.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Present.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Present.

We have the minutes of the last meeting. Is
there a motion?

COMMISSIONER HOWARD: While you're warming up
your computer, I'll go ahead and make a motion that we
approve the minutes of our last get-together on May 20,
2015 as we have received them.

COMMISSIONER NEER: Second.

CHAIRMAN SHURIN: Is there any discussion of
the minutes?

Okay. Angie, please call the roll for a
vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted the minutes of the May 20th, 2015 meeting.

EXECUTIVE DIRECTOR SEIBERT: Mr. Chair, if you don't mind, I have a presentation for retirement.

CHAIRMAN SHURIN: Fine. Thank you.

EXECUTIVE DIRECTOR SEIBERT: If I could, could I get Tony Chinnici to come up with me, please.

Mostly within the Missouri Gaming Commission and those on the east side of the state will know Tony Chinnici, who is the Eastside EGD Coordinator.

Tony today for the second time -- and I'm proud to have this opportunity because I also presented him with his retirement -- when he retired from the Highway Patrol, I was able to present him with his
retirement.

So for the second time I'm going to get to present him with the retirement plaque from the Missouri Gaming Commission.

And I'd like to present this plaque that says in special recognition of distinguished service, March 2005 to July 2015, Missouri Gaming Commission.

And this really doesn't entail everything about Tony because one of the things I know Tony is most known for is love and pride of his family.

He cherishes friendship, his care for his fellow employees, pride in himself and providing the absolute best he can and a tremendous sense of humor, an upbeat personality.

With the Highway Patrol he had a distinguished -- a very distinguished career, established a sterling reputation, unyielding dependability and incredible loyalty.

And Tony and I are probably a little bit closer than most people realize because while I was troop commander at Troop C, his son and my middle son went to St. John Vianney together, so we got to do a lot of things.

So, you know, I'm kind of -- you know, people close to me all seem to be retiring and, you know, I
don't know if that is saying something or not, but one
of the things, we were in a training session and Tony
had got up and said some very warm, kind things, and I
told him, I said, you know, when you get over 60 years
old, for some reason in men you lose the ability to
control your emotions.
So all morning I drank a bunch of coffee so
I'd be real jittery, and I had to tell myself no tears,
no tears, no tears. But Tony is more than an employee.
He's a good friend.

MR. CHINNICI: I appreciate it. Thank you.

Wow.

Do I get to say something, Commissioner?

CHAIRMAN SHURIN: Please do.

MR. CHINNICI: Thank you.

You know, I can't tell you how having a
second wonderful career with the Gaming Commission means
to me. It means a lot.

I worked at the Patrol for 28 1/2 years and
had a great career and met a bunch of great, wonderful
people. I thought they were all gone after that until I
got here, and I figured out, my gosh, there is another
place on earth where there is wonderful people,
dedicated people, people that the State gets every
pennies worth out of because they do a great job, and
you Commissioners can be very proud of each and every one of these people.

CHAIRMAN SHURIN: We are.

MR. CHINNICI: And you should be.

And I will tell you this again if I ever get the chance, but they are. Everybody here does a great job. Every day they put everything into what they do here at the Commission.

I needless to say had a great and caring boss, Mr. Nelson, who watched after me when my wife got sick, made sure everything was taken care of and I had everything I needed to do what I needed to do, but that was great too.

And there is other people here the same way. Bill is the same way.

And other than that, you know, I thank you all. It's been a wonderful career.

One person that is not here that I'd like to thank seriously is Blaine Preston, and I'd like to thank him because he made me aware that true, good men can wear pink. So thank you for that, Blake. But other than that, no. Thank you, Blaine, a great employee.

But, Todd, I thank you a lot. You have taught me a lot. You say we taught each other a lot but you have taught me a lot.
And thank you all, and I hope to see you once in a while. I appreciate it. Thanks.

EXECUTIVE DIRECTOR SEIBERT: Mr. Chair, I will try in my straightest voice without quivering, the first order of business is Consideration of Hearing Officer Recommendations, Mr. Bryan Wolford.

MR. WOLFORD: Thank you, Mr. Director.

Mr. Chairman, Commissioners, for your consideration Resolution No. 15-043, the matter of Sara Uhes. Ms. Uhes is employed by Hollywood Casino as the Director of Casino Marketing.

On the 23rd of April 2014 Commission Auditor Cynthia Fleener received a report that the casino had a slot tournament scheduled for the four Wednesdays in April and the Commission had not received the rules to that tournament.

She conducted a regulatory investigation. The Code of State Regulations at 11 CSR 45-5.183(A) requires that the Commission be notified of the tournament rules for casino slot tournaments at least ten days prior to the first day of the event.

And the purpose for this is that these tournaments could affect the revenue through buy-in fees and payouts, which also has tax implications for the company.
The rules are distributed to the boat agent and are placed on the casino floor during the tournament.

Ms. Fleener's investigation revealed that the rules for the April slot tournament came in from the casino's marketing department, and the Casino Director of Regulatory Compliance stated that Ms. Uhes was the person responsible for sending them.

At hearing Ms. Uhes testified that she had signed off on the rules ten days prior to the tournament start date and she had then instructed a subordinate to submit the rules. The subordinate did not do so.

She testified that she was not his direct supervisor, and that the employee admitted to failing to send the rules and was subsequently disciplined by the casino, not by the Commission.

She also testified that at that point, April of 2014, the casino's marketing department was in a transitional state and several supervisory positions in the marketing department were not staffed. She was assisting other departments as needed by the casino due to the lack of personnel.

Her position as Director of Casino Marketing was mainly to cater to the patrons of the casino, to the executive hosts and such.
She was on one side of an organizational chart; whereas, the other side was filled with vacancies. There were no supervisory level personnel over there.

So she stated that it was not her duty to submit these rules. However, she was delegated this duty to ensure that the slot tournament rules were submitted to the Commission. She then assigned that duty to the subordinate but did not follow up to ensure compliance, and as a result the rules arrived approximately weeks after the tournament had begun.

Therefore, the hearing officer recommends that the Commission affirm the one calendar-day suspension as proper and appropriate discipline.

CHAIRMAN SHURIN: Are there any questions of Mr. Wolford on this?

Is Ms. Uhes here?

MS. UHES: Yes.

Good morning.

CHAIRMAN SHURIN: Good morning.

MS. UHES: How are you?

CHAIRMAN SHURIN: We have a letter I think that you have prepared and given to us.

MS. UHES: Yes.

CHAIRMAN SHURIN: Do you want to say anything
further other than what is in your letter?

MS. UHES: Yes. I would just like to say at the time that this occurred, as Mr. Wolford pointed out, that there was a lot of vacancies within our marketing department, within the org chart.

We did not currently have a VP of Marketing, no Director of Marketing, no Marketing Manager, no Special Events Coordinator.

I am the Director of Casino Marketing, and I am responsible for the other side of marketing, which is the VIP business, executive hosts, VIP hosts.

At no time had promotions ever reported to me, and at the time that this did occur there was just a lot of transition at the property, and we were really just trying to keep things together as much as possible.

So I was trying to assist. I delegated the job. I did everything that I was asked to do, and it really wasn't my responsibility to follow up with the young man, Jordan Barton, who did not submit the rules to Compliance, because at the point that I signed off on them, everything that I was asked to do I had done.

COMMISSIONER JAMISON: But you did sign off on the form?

MS. UHES: I did sign off on the form, yes.

COMMISSIONER JAMISON: So they were your
responsibility. You signed the form, so you assumed
responsibility for that form.

MS. UHES: For the form and for the rules
were accurate and then they were submitted to the
lawyer, yes.

COMMISSIONER JAMISON: Do you know what you
cannot delegate?

MS. UHES: No.

COMMISSIONER JAMISON: The responsibility.

You can delegate the tasks but you cannot delegate a
responsibility.

MS. UHES: Okay.

COMMISSIONER JAMISON: Okay?

MS. UHES: Understood.

CHAIRMAN SHURIN: Any other questions or
comments by any Commission members?

COMMISSIONER HOWARD: No.

COMMISSIONER HALE: I have none.

CHAIRMAN SHURIN: Is there a motion to
approve the hearing officer's recommendation on
Resolution No. 15-043?

COMMISSIONER JAMISON: I move for the passage
of Resolution 15-043.

COMMISSIONER NEER: I'll second.

CHAIRMAN SHURIN: Is there any further
discussion on that resolution?

Would you please call the roll for a vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 15-043.

CHAIRMAN SHURIN: Thank you. Thank you for appearing.

MS. UHES: Thank you.

MR. WOLFORD: Mr. Chairman, Commissioners, for your consideration Resolution No. 15-044, the matter of Keith Tran.

Mr. Tran was employed as a dealer at Harrah's North Kansas City. He had been in the gaming industry for approximately 15 years and as a dealer for 10 years. On the 11th of July 2014 the Commission's boat agent began an investigation after surveillance had
advised him that a dealer, Mr. Tran, failed to follow proper procedure while dealing a game of blackjack.

Tran was dealing blackjack to a patron.

After dealing the first card but before dealing the second Mr. Tran looked at the card and began to gesture towards the plus three bonus on the blackjack table, encouraging the patron to place a bet on that plus three bonus.

Now, up to that point the patron had not been making these bonus bets during the game. The patron did eventually place a $5 chip on the plus three bet as indicated by Mr. Tran.

Tran then dealt the second card revealing that the patron had won the bonus. Had the patron not placed that bonus bet, he would have otherwise won nothing on that hand. Tran paid out $50 to the patron and the patron then tipped Tran $10, two $5 chips.

Tran testified that he did not know the patron, but he admitted to encouraging the bet and that it was a big mistake.

Under the statute, 313.830, Section 4 of the Revised Statutes of Missouri, it expressly prohibits a person from interfering with the game or attempting to affect the outcome of the game and classifies that as a felony.
And then under the State regulations at 11 CSR 45-10.030(4) it requires all licensees to take reasonable action to safeguard casino assets from losses. The purpose of the statute and the rules here are obviously to prevent losses of assets from the casino but also to preserve the integrity of the game being played and the integrity of gaming in Missouri as a whole. Mr. Tran as a ten-year dealer knew the rules of the game. He knew bets could not be placed after the first card is dealt. However, he encouraged the patron to take on this bonus bet anyway, and as a result, the patron won $50 of casino assets that he otherwise would not have won but for Mr. Tran's interference. Tran's actions destroyed the integrity of the game and resulted in a loss of casino assets. The hearing officer recommends that the revocation of Mr. Tran's license be affirmed as proper and appropriate discipline.

CHAIRMAN SHURIN: Is Mr. Tran present?
He is not.
Are there any questions of Mr. Wolford on this?
COMMISSIONER NEER: Not that it makes that
0018
1 much difference, but was it just the one hand that we
2 know about --
3
4 MR. WOLFORD: Correct.
5
6 COMMISSIONER NEER: -- that the transaction
7 took place?
8
9 MR. WOLFORD: It was just one hand on that
10 transaction, and then in reviewing Mr. Tran's prior
11 history, I think he had received a single compliance
12 directive in his entire 15 years with the -- as a
13 Level II licensee.
14
15 He was extremely apologetic for what he did,
16 recognized it was a mistake, but really did not have a
17 good reason to explain why he violated the rules of the
18 game.
19
20 COMMISSIONER NEER: Thank you.
21
22 CHAIRMAN SHURIN: Are there any further
23 questions or comments?
24
25 Is there a motion to approve
26 Resolution 15-044?
27
28 COMMISSIONER HALE: So moved.
29
30 CHAIRMAN SHURIN: Is there a second?
31
32 COMMISSIONER JAMISON: Second.
33
34 CHAIRMAN SHURIN: Any questions or comments
35 about the motion?
36
37 There being none, please call the roll for a
vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 15-044.

MR. WOLFORD: Thank you, Mr. Chairman, Commissioners, Mr. Director.

EXECUTIVE DIRECTOR SEIBERT: The next order of business, Mr. Chairman, is Consideration of Disciplinary Actions. Mr. Ed Grewach will present.

MR. GREWACH: Thank you.

Under Tab D we have a preliminary order of discipline directed toward Lumiere Place Casino for placing an electronic gaming device, an EGD, into service prior to completing Phase II testing. Phase II testing is a process where the EGD is checked to verify that it's successfully
communicating with the slot accounting system and that
the machine is operating correctly.

There are several sections in the Minimum
Internal Control Section Chapter E, 4.03, 4.04 and 4.05,
that require this Phase II testing prior to placing a
machine back into service once it's been moved.

In this specific case a number of EGDs were
moved as part of a carpet installation on November the
29th, 2014.

When the machines were moved back on December
the 4th, 2014, one of the EGDs was placed back into
service without the Phase II testing taking place.

This constitutes the eighth such incident for
this casino since April of 2014. I might also say,
however, that they addressed this in terms of some
additional training, but more significantly they hired a
slot performance manager who was specifically tasked
with ensuring compliance for the Phase II testing issues
that they previously had and the recommended fine is
$2,500.

CHAIRMAN SHURIN: Any questions or comments
regarding this matter?

Was the person hired to oversee Phase II
testing after this incident that's been brought?

MR. GREWACH: That's correct. That was in
response to this incident occurring.

CHAIRMAN SHURIN: Is there a motion to approve DC-15-200?

COMMISSIONER HALE: So moved.

COMMISSIONER NEER: Second.

CHAIRMAN SHURIN: Any discussion on the motion?

COMMISSIONER NEER: Nothing other than just to note that there are 30 violations within two years. These vendors may want to start paying a little more attention to what they're doing because we are.

MR. GREWACH: Yes. As you look through the priors for this particular casino which purchased this property, Tropicana did, from Pinnacle in April of 2014, when you look at the priors, you'll see that none of them involved a casino fine.

This became a case in the staff's point of view for a fine because of the number of violations that occurred during that time period from their opening of April that year to the end of that calendar year.

CHAIRMAN SHURIN: Well, there were eight such violations since beginning 2014?

MR. GREWACH: Beginning April of 2014 through the end of 2014 there were eight total of these same problems with failure to perform the Phase II testing
before putting the machine into service.

CHAIRMAN SHURIN: Then why do you think the $2,500 fine is sufficient?

MR. GREWACH: Well, there are two thoughts on the staff level. One is this isn't normally a type of violation that you would see as a casino fine, and secondly, they did respond by hiring this individual, and additionally, there have been no further problems since they've hired this slot performance manager and tasking him with this duty.

CHAIRMAN SHURIN: Okay. Any other questions or comments?

Call the roll for a vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted DC-15-200.
MR. GREWACH: Under Tab E we have a preliminary order of discipline directed to Lumiere Place Casino for failing to send a notice and a copy of the rules to the Missouri Gaming Commission ten days prior to the start of tournaments.

Rule 5.180, paragraph 3, requires that both the agent in charge at the boat and MGC's tax section receive the notice of the tournaments and the rules ten days prior to the start of the tournament.

This violation involved three separate tournaments. Two of the tournaments, the $50 daily poker tournament, which was scheduled to run from Monday through Friday, and the $60 daily poker tournament, which was scheduled to run every Friday and Saturday, began on January the 1st, 2015.

However, we did not receive any notice, nor a copy of the rules until January the 12th, 2015.

The third tournament was the baccarat tournament which was scheduled to begin on February the 7th, 2015, but we did not receive the notice or the rules until January 30th, 2015, which was inside of the ten-day requirement, and the recommended fine in this case is $2,500.

CHAIRMAN SHURIN: Any questions or comments?

Is there a motion to approve DC-15-201?
COMMISSIONER NEER: So moved.

COMMISSIONER JAMISON: Second.

CHAIRMAN SHURIN: Any discussion on the motion?

If there is none, please call the roll for a vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted DC-15-201.

MR. GREWACH: Under Tab F we have a preliminary order of discipline directed to Lumiere Place Casino for violations arising out of their $250,000 cash explosion drawing.

Section 5.181, paragraph 2, of our rules provides that promotions shall not be conducted in any manner that reflects negatively on the licensee and
further requires that all prizes be awarded according to the rules of the promotion.

This promotion, according to the rules, provided for a drawing every Saturday in December of 2014 and on January the 1st, 2015.

According to those rules players were earning entries by play and were to receive ten times the amount of entries by their play every Wednesday from 6:00 a.m. until the following Thursday at 6:00 a.m. in December.

So in other words, every casino has a gaming day that is set up for accounting purposes and for our tax purposes, and this particular one was set up from 6:00 am. one day to 6:00 am. the next day.

So that's what the rules provide for.

Unfortunately, the system that they used was set up to run on a calendar day.

So the effect of that was that players playing from midnight on Wednesday to 6:00 a.m. Thursday, who according to the rules should have received their ten times points to earn additional drawings in the drawing, did not get their ten times promotion.

Conversely, people that played from midnight on Tuesday to 6:00 a.m. on Wednesday did receive ten times the points but weren't supposed to receive those
additional points toward their entries during that time period.

This investigation started with a patron complaint, and the recommended fine in this matter is $10,000.

CHAIRMAN SHURIN: Are there any questions or comments regarding this matter?

I guess the one question I would have -- and I hope I can articulate this -- is during the six-hour period that patrons did not receive their ten times points, were those patrons ever able to get those points in some way?

MR. GREWACH: They were not. The casino indicated to us they could not determine, identify those patrons, and further represented to us that they didn't even send out any notice concerning the problem, and it was the casino's position that because the drawing had already taken place by the time the patron complaint was received, that there really wasn't anything they could do to remedy the problem --

CHAIRMAN SHURIN: Okay.

MR. GREWACH: -- or provide restitution to those patrons.

CHAIRMAN SHURIN: Any other questions or comments?
COMMISSIONER HOWARD: I'm appreciating the $10,000 suggestion for the violation. It is similar to our latest situation and the situation before. And you know where I'm going.

MR. GREWACH: Yes.

COMMISSIONER HOWARD: I know we're not reprinting the same agenda month to month, but sometimes the names don't even change. And I'm not repeating names because those who are involved know who they are. But, you know, I'm -- you know, the names of some of these, you know, directors or special promotions and things, you know, I shouldn't know these people by name. I shouldn't see their names often enough to know what their names are. And at my age I'm not even that good at remembering names.

And so that's not a good sign to those of you who are out there who are running these casinos that I know the names of your directors of special promotions, because I'm seeing their names popping up frequently enough that I remember that, Miss so and so or Mr. so and so made a mistake again and is resulting in another $10,000 fine. Their names should not be familiar to me.

And I'm reminding myself of my mother -- which is a good thing by the way. My mother was a saint -- that my own grandchildren's names sometimes
escape me.

So, you know, we're seeing too much that points are missing again, you know. The same -- the same offenses over and over again. I'm sounding like my mother.

We don't like imposing these fines. We'd rather not see these things on the agenda over and over again. Because mistakes are made. Everybody makes mistakes. We understand that.

CHAIRMAN SHURIN: Those are good points, and I hope some of these people do take that to heart.

COMMISSIONER HOWARD: Yes. My colleagues here will soon be around as long as I've been around and will get tired of -- not tired. You know what I mean.

We want our industry to be such that we're not imposing the fines. It's frustrating. It's frustrating for the same issues, especially with the promotions. The promotions are so good for business if they're run correctly.

CHAIRMAN SHURIN: Okay. Is there a motion then to approve DC-15-202?

COMMISSIONER NEER: So moved.

COMMISSIONER HALE: Second.

CHAIRMAN SHURIN: Is there any further discussion on that motion?
There being none, please call the roll for a vote.

MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.
COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.
COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.
COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.
CHAIRMAN SHURIN: Approve.


MR. GREWACH: Under Tab G we have a preliminary order of discipline directed to the Mark Twain Casino arising out of problems in their December 2014 and January 2015 four-times point promotion.

Once again, 5.181, subparagraph 2, prohibits a casino from conducting a promotion in the manner that reflects negatively on the licensee and requires prizes be awarded according to the rules of the promotion.

This started also from a patron complaint. And the promotion, according to the rules, stated that any player playing on December the 18th, 2014,
December 24, 2014 and January 1st, 2015 should receive four times the points that they would otherwise receive. Due to a malfunction in the system, which was supplied by Bally, there are 324 patrons who did not receive the correct amount of points.

Now, the background is Mark Twain did run a test when they set the promotion up on December 18th, 2014 but failed to run the test after midnight on December 18.

Had they run that test after midnight on December 18 they would have found this problem in time to have fixed it for the other dates involved.

Bally, their supplier, did fix the promotion. Mark Twain did, in fact, add $2,512 worth of points to the affected patrons.

They also adopted a policy requiring their managers to run tests after midnight of promotions such as these that are scheduled for a particular calendar day, and the staff's recommendation is a $2,500 fine.

CHAIRMAN SHURIN: Are there any questions or comments about this matter?

Is there a motion to approve DC-15-203?

COMMISSIONER JAMISON: I move for approval of DC-15-203.

COMMISSIONER HALE: Second.
CHAIRMAN SHURIN: Any discussion on that motion?

Being none, please call the roll for a vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted DC-15-203.

EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman, the next order of business is Consideration of Placement on the Exclusion List. Mr. Ed Grewach will present.

MR. GREWACH: Thank you.

Under Tab H we have a resolution to place Refat Khader on the involuntary exclusion list.

This is different than the voluntary exclusion list, or what we refer to as the DAP list, and it's authorized by Chapter 15 of our Code of State Regulations.
That regulation lists a number of circumstances that can allow the Commission to place someone on the involuntary exclusion list. The two that apply here would be any person who performs an act that violates any provision of Chapter 313 and any person who performs any act which would adversely affect public confidence and trust in gaming.

On April 30th, 2013 Mr. Khader was at Isle of Capri-Cape Girardeau. He was caught past posting a bet. He also attempted to past post another bet and was stopped.

Past posting is an act where you place a bet after the cards have been dealt. So once you see you have a winning hand you slide another chip onto the pile or onto a square, and it constitutes cheating under Section 313.830.

In investigating the matter we found that Mr. Khader was known to have been caught cheating at other casinos.

Mr. Khader was originally charged with a Class B felony of cheating at a gambling game. Through his attorney's plea negotiations with the county prosecutor that was reduced to a Class A misdemeanor of attempted cheating at a gambling game in violation of
313.830 of the State statutes.

Mr. Khader received a suspended imposition of sentence and two years supervised probation on June the 4th, 2014.

So again, it's not a conviction but it is an act that violates a section of Chapter 313.830, and it is an act that adversely affects public confidence and trust in gaming, which qualifies Mr. Khader for the exclusion list.

COMMISSIONER HALE: Was this this gentleman's first prosecution?

MR. GREWACH: It is my understanding it is, yes.

COMMISSIONER HALE: Okay.

CHAIRMAN SHURIN: If he's on a two-year probation, is the prosecutor advised of this violation? Did the two-year probation come from this violation?

MR. GREWACH: It came from this violation.

That was a result of his plea to the amended charge for this act.

CHAIRMAN SHURIN: Okay. Any further questions or comments?

Is Mr. Khader here?

Since there is no response I assume he's not.

Is there a motion to approve Resolution
No. 15-045?

COMMISSIONER HALE: So moved.

COMMISSIONER NEER: Second.

CHAIRMAN SHURIN: Any discussion on the motion?

There being none, please call the roll for a vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 15-045.

MR. GREWACH: Thank you.

EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman, the next order of business is Consideration of Relicensure of Certain Suppliers. Sergeant Brian Holcomb will present.

SERGEANT HOLCOMB: Mr. Chairman,
Commissioners, behind Tab I you will notice supplier Tech Art Manufacturing, Incorporated is being presented for relicensure.

Tech Art Manufacturing and its affiliated companies manufacture and distribute the MAXtime hole card reader security device used on blackjack tables. Additionally the company licenses the use of blackjack variation games known as Super Fun 21 and Bet the Bust. Tech Art Manufacturing is located in Las Vegas, Nevada.

Highway Patrol and MGC financial investigators conducted the relicensing investigation which consisted of jurisdictional inquiries, feedback from affected gaming company clients, an examination of disciplinary actions, litigation and business credit profiles, as well as a review of key persons associated with the company.

The investigative summary was provided to the MGC staff for review and investigators are present to answer any questions you might have.

CHAIRMAN SHURIN: Any questions of the sergeant or other members of the staff in regard to this?

EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman, Staff does recommend approval.
CHAIRMAN SHURIN: Any discussion, comments?

Is there a motion to approve Resolution 15-046?

COMMISSIONER HOWARD: I move to approve Resolution No. 15-046.

COMMISSIONER JAMISON: Second.

CHAIRMAN SHURIN: Any discussion on the motion to approve the resolution?

There being none, please call the roll for a vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you’ve adopted Resolution No. 15-046.

EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman, the next order of business is Consideration of Licensure of Level I and key applicants. Sergeant Gary Davidson
will present.

SERGEANT DAVIDSON: Mr. Chairman,

Commissioners, behind Tab 7 you'll notice the consideration for license of Level IIIs and key individuals.

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

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

The following individuals are being presented for your consideration: Christopher Walter Bruno, Argosy Riverside Casino, Vice-President of Finance/Chief Financial Officer; Steven Winograd, Caesars Entertainment Operating Company, Incorporated as the Director; Douglas C. Duffendack, Isle of Capri Casinos, Incorporated, Slot Department Manager; Ronald James Naples, Penn National Gaming, Incorporated as Director; and Ameet Lalikumar Patel, Penn National Gaming, Incorporated as Senior Vice-President of Regional Operations.

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

CHAIRMAN SHURIN: Thank you.
Are there any questions of Sergeant Davidson?
Any of the persons whose licenses are being
discussed here in attendance?
Hearing none, is there a motion?
EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman,
Staff does recommend approval.
CHAIRMAN SHURIN: Thank you. I meant to ask
you.
Is there a motion to approve Resolution
15-047?
COMMISSIONER JAMISON: Move for approval of
Resolution 15-047.
COMMISSIONER HALE: Second.
CHAIRMAN SHURIN: Is there any discussion of
that motion?
There being none, please call the roll for a
vote.
MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approve.
MS. FRANKS: Commissioner Jamison.
COMMISSIONER JAMISON: Approve.
MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 15-047.

EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman, the next order of business is Consideration of Rules and Regulations. Mr. Ed Grewach will present.

MR. GREWACH: Thank you.

Under Tab K, Items 1 through 35, consist of proposed rules, amendments and rescission of certain rules to Chapter 30 of our regulations pertaining to bingo.

These are a result of a comprehensive review of Chapter 30, which was based on questions that have arisen and situations encountered by our staff over the past several years.

A draft of these changes were sent to our bingo licensees. We solicited comments from those, made some changes pursuant to those comments, and what is presented to you here today is the end product of that process.
Now, if the Commission approves these proposed changes today, there will be a 30-day written comment period, and there will further then be a public hearing on September the 9th, 2015.

After that takes place, then the rules and changes will be presented to you again, along with any comments we receive and any changes we made in response to those comments, and that will be presented to you for a decision on the final order of rulemaking.

Now, without going through all of them, I just wanted to point out a few just as examples representative of what was done here.

If you look at Item 9 under 30.145. That was rescinded because it was redundant. That same provision was present in another section, Section 270.

If you look at Item 23 on the agenda, that deals with something called an event ticket.

Now, pull tabs are a game which is played and you pull a tab. You see if you have the winning combination obviously. And a traditional pull tab is a set amount of tickets for a set amount of money, and it could go over several bingo events, because you want to keep going until you've sold all of the box of pull tabs that you have.

Over time this concept of an event ticket
arose where an event ticket, it is all drawn out and
it's all paid and played that night of that particular
bingo event.

We had before been just applying regular pull
tab rules to that, and so this rule change was made to
clarify the rules and specifically set out the
procedures of what is going to occur if you're going to
have an event ticket.

Now, many of the amendments clarify existing
requirements or possibly clean up language, change the
word must to shall or, you know, some grammatical change
like that.

But if you want to look at an example of a
more substantive amendment, if you look at Item 28,
30.540. That deals with our review of pull tabs.

Under the current rule the manufacturers have
to submit pull tabs to us. We have to inspect them to
determine that the winning combinations are correct,
that they don't contain any objectionable symbols in the
pull tabs when you open them. But currently they're
required to send us a hard copy.

And this amendment allows the manufacturers
to submit those pull tabs to us electronically. So we
can look at the pull tabs themselves. We can compare
the tabs to the paid tables without having to physically
handle that.

Now, that really benefits both sides because under the current rule the manufacturer has to go through the expense to actually produce the items, send them to us, taking the chance we might reject them, and then they're out of that time and effort and money to produce those items. This way they send them to us electronically. If we want changes, they make the changes prior to production.

It benefits us because we probably fill up one box a month for pull tabs, and it's a very labor intensive process to physically open the pull tabs and look at the sample that they send us to make sure again that the paid tables are correct and there is no objectionable symbols on those.

So it's a rule amendment that was made to really try to streamline the process and make it easier on both parties involved.

Besides that I'd be happy to entertain any questions on any of the other rules, amendments or rescissions.

COMMISSIONER HALE: When were these bingo related rules last amended, if ever?


COMMISSIONER HALE: 2010.
MR. GREWACH: But it wasn't comprehensive in 2010.

CHAIRMAN SHURIN: Any other questions or comments?

COMMISSIONER HOWARD: So a lot them are still the original 15-year-old rules probably?

MR. GREWACH: I think several of them are, yes.

COMMISSIONER HOWARD: In substance, maybe with a little bit here and a little bit there?

MR. GREWACH: I'd say that's correct.

CHAIRMAN SHURIN: Any other questions or comments?

Okay. Is there a motion to approve --

MR. GREWACH: And I might say they can all be done in one motion if somebody wishes to make a motion and recite all of the rule numbers or you can do them one at a time, whichever the Commission's preference would be.

COMMISSIONER HOWARD: Okay.

COMMISSIONER JAMISON: You know my preference.

COMMISSIONER NEER: I don't think we need to vote on that.

COMMISSIONER HOWARD: Well, here we go.
COMMISSIONER NEER: Do we have to approve a motion to approve as a block as opposed to individual?

MR. GREWACH: We could but it would have to all be stated in the motion, so it would be one very long motion reciting every one of the section numbers and then it could be voted on once, but it would have to recite all of the section numbers in the motion.

COMMISSIONER HOWARD: Well, I'll move that we approve the proposed rules and amendments for 11 CSR -- at least they're all in 11 CSR -- so 11 CSR 14-13.051.

MR. GREWACH: I believe you meant to say 45.

COMMISSIONER HOWARD: Oh. 45-13.051. Thank you. Not off to a good start.


COMMISSIONER NEER: Could you repeat that?

COMMISSIONER HOWARD: That's right. Yes, we
could have done them all. And, yes, does someone want
to second those all individually?

COMMISSIONER JAMISON: I'll second it as
moved.

COMMISSIONER HOWARD: You're a gutsy guy.

CHAIRMAN SHURIN: Is there any discussion on
that motion?

There being no discussion, please call the
roll for a vote.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Chairman Shurin.

CHAIRMAN SHURIN: Approve.

MS. FRANKS: By your vote you've adopted

11 CSR 45-13.051, 13.065, 30.025, 30.060, 30.070,
30.090, 30.130, 30.140, 30.145, 30.150, 30.155, 30.175,
30.180, 30.190, 30.200, 30.235, 30.250, 30.270, 30.280,
which is rescinded, 30.280, 30.340, 30.355, 30.357,
30.370, 30.523, 30.525, 30.535, 30.540, 30.545, 30.550,
CHAIRMAN SHURIN: Thank you.
Anything further in this session?
EXECUTIVE DIRECTOR SEIBERT: No, sir. We're ready for closed.
CHAIRMAN SHURIN: Okay. Chair will make a motion for a closed meeting under Sections 313.847, Revised Statutes of Missouri, investigatory, proprietary and application records, and 610.021, Subsection 1, Revised Statutes of Missouri, legal actions, Subsection 3 and Subsection 13, personnel, and Subsection 14, records protected from disclosure by law.
COMMISSIONER JAMISON: I so move.
COMMISSIONER HALE: Second.
CHAIRMAN SHURIN: Call the roll, please.
MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approve.
MS. FRANKS: Commissioner Jamison.
COMMISSIONER JAMISON: Approve.
MS. FRANKS: Commissioner Hale.
COMMISSIONER HALE: Approve.
MS. FRANKS: Commissioner Howard.
COMMISSIONER HOWARD: Approve.
MS. FRANKS: Chairman Shurin.
CHAIRMAN SHURIN: Approve.
MS. FRANKS: Okay. The meeting is adjourned.

WHEREIN, the meeting concluded.
CERTIFICATE OF REPORTER

I, Patricia A. Stewart, 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.

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Patricia A. Stewart
CCR No. 401
The Missouri Gaming Commission (the “Commission”) went into open session at approximately 12:40 p.m. on June 24, 2015, at the Missouri Gaming Commission’s Jefferson City office.

Commissioner Jamison moved to adjourn the open session meeting. Commissioner Hale seconded the motion. After a roll call vote was taken: Neer—yes; Hale—yes; Jamison – yes; Howard—yes; Shurin—yes, the motion passed unanimously.

The meeting ended at 12:41 p.m.