BEFORE THE MISSOURI GAMING COMMISSION
STATE OF MISSOURI

Meeting
November 4, 2015
10:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

COMMISSIONERS PRESENT:

Brian Jamison, Chairman
Larry D. Hale
Thomas Neer

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

II. Consideration of Minutes
   A. September 23, 2015

III. Consideration of Disciplinary Actions
   B. Konami Gaming, Inc.
      1. DC-15-319 7:21
   C. Missouri Gaming Company
      1. DC-15-320 9:20
   D. PNK (River City), Inc.
      1. DC-15-321 11:5
   E. St. Louis Gaming Ventures, LLC
      1. DC-15-322 14:10

IV. Considerations of Rules & Regulations
   F. Proposed Amendments
      1. 11 CSR 45-5.070 - Payout Percentage for Electronic Gaming Devices
      2. 11 CSR 45-9.117 - Minimum Internal Control Standards - Chapter Q
   G. Final Orders of Rulemaking
      1. 11 CSR 45-13.051 - Bingo Hearings
      2. 11 CSR 45-13.065 - Settlements
      3. 11 CSR 45-30.025 - Bingo Promotions
      4. 11 CSR 45-30.060 - Operator(s) - Order Rescission
      5. 11 CSR 45-30.070 - Regular Bingo License - Order Amendment
      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

AGENDA (CONT'D)

IV. Considerations of Rules & Regulations

G. Final Orders of Rulemaking

14. 11 CSR 45-30.190 - Rules of Play
15. 11 CSR 45-30.200 - Merchandise Prizes
16. 11 CSR 45-30.235 - Hall Provider License
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
19. 11 CSR 45-30.280 - Net receipts from Bingo and Bank Account (Rescission)
20. 11 CSR 45-30.280 - Net Receipts from Bingo and Bank Account
21. 11 CSR 45-30.340 - Participation of Full-Time Employee, Full-Time Employee, Full-Time Staff Member, or Ordained Member of Clergy
22. 11 CSR 45-30.355 - Sale of Pull-Tab Cards by Bingo Licensees
23. 11 CSR 45-30.357 - Event Ticket
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 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
AGENDA (CONT'D)

V. Consideration of Licensure of Level I/Key Applicants

H. Resolution No. 15-056  24:8

VII. Consideration of Placement on Exclusion List

I. Resolution No. 15-057  26:14

VIII. 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
CHAIRMAN JAMISON: I'll call the November 4th Missouri Gaming Commission meeting to order, welcome everybody here this morning.

I wanted to let you know that we're holding a public hearing today at ten o'clock in the front conference room to obtain comments on our proposed regulations that are out there for comment.

Since some of you may have comments, I want to assure you that we'll keep that hearing open until an appropriate period of time after this meeting adjourns, so that if you have any comments that you want to make on those regulations, you will be given an opportunity to do that.

So don't worry that you need to be -- if you want to be here and there to make comments, you'll have the opportunity to do both.

So I just wanted to make you aware of that, if you have a desire to make any comments on the regulations that are being heard in that hearing today.

Angie, would you please call the roll.

MS. FRANKS: Commissioner Lombardo.

(No response.)

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Present.
MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Present.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Present.

Having a quorum, we will proceed with our Commission meeting this morning.

Before we start I just want to take a quick second and comment that Missouri Gaming Commission received back as a part of the State Auditor's annual report, or however many years it is between the reports, but they do an audit of the State departments, and the Missouri Gaming Commission received an excellent review as part of that.

And I just want to take a moment from the Commission to acknowledge all of the people that we have working for us and the great job that they do on a day-to-day basis and create the environment and the integrity that we have in the Missouri Gaming Commission, and I just want to take that moment to recognize that and express our appreciation as a Commission.

EXECUTIVE DIRECTOR SEIBERT: Thank you.

CHAIRMAN JAMISON: I'll now consider -- the Board would entertain a motion on the minutes of the September 23rd meeting.
COMMISSIONER HALE: Mr. Chairman, I would move for the adoption of the minutes from our September 23, 2015 meeting, the approval of those minutes.

COMMISSIONER NEER: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted the minutes of the September 23rd, 2015 meeting.

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

MR. GREWACH: Thank you.

Mr. Chairman, Commissioners, the first item under Tab B is a Preliminary Order of Discipline directed to Konami Gaming, Incorporated.

We have a Rule 5.210, subparagraph 2, that requires manufacturers to notify Missouri Gaming
Commission of any malfunction or anomaly that affects
the integrity or operation of any device or system
within 48 hours of them becoming aware of that
situation.

This Preliminary Order of Discipline involves
three different programs. The first was the Dragon's
Lair software. It had a problem in which it crashed,
which required a random clear of the machine.

Konami became aware of the problem on
December 26, 2014 and did not report it to us.

The second program was the Great Luck Great
Profit program. It experienced a malfunction where it
would incorrectly display the winning amount and would
lock up.

Konami knew about the problem on
November 21st, 2014 and did not report it to us until
May 21st, 2015.

The third program was the Herds of Wins
promotion, which experienced a problem in which it
crashed in certain circumstances.

Konami knew about this problem on April
the 28th, 2015 and did not notify us until June 11th of
2015.

The recommended fine is $5,000.

CHAIRMAN JAMISON: Okay. Are there any
1 questions from the Commissioners?
2
3 COMMISSIONER NEER: No.
4
5 CHAIRMAN JAMISON: The Chair would entertain
6 a motion on DC-15-319.
7
8 COMMISSIONER HALE: Mr. Chairman, I would
9 move for the acceptance of the staff's recommendation
10 relative to DC-15-319.
11
12 COMMISSIONER NEER: Second.
13
14 CHAIRMAN JAMISON: Okay. It's been first and
15 seconded.
16 Angie, would you call the roll, please.
17
18 MS. FRANKS: Commissioner Neer.
19
20 COMMISSIONER NEER: Approved.
21
22 MS. FRANKS: Commissioner Hale.
23
24 COMMISSIONER HALE: Approved.
25
26 MS. FRANKS: Chairman Jamison.
27
28 CHAIRMAN JAMISON: Approved.
29
30 MS. FRANKS: By your vote you've adopted
31 DC-15-319.
32
33 MR. GREWACH: Under Tab C we have a
34 Preliminary Order of Discipline directed to the
35 Argosy Riverside Casino. It's for a violation of
36 Rule 7.030(1), which requires that the casinos maintain
37 surveillance coverage with full redundancy, so that the
38 failure of any one unit does not result in any lost
On May the 18th, 2015 we became aware that 39 cameras failed for a period of 35 minutes and that 41 cameras failed to record for a period of eight minutes.

We also cite a separate incident then on July 7th, 2015, where 16 cameras failed to record for a two-minute period.

The recommended fine is $7,500 as a combined fine for both incidents.

CHAIRMAN JAMISON: Any questions from any of the Commissioners?

COMMISSIONER HALE: No.

COMMISSIONER NEER: No, sir.

CHAIRMAN JAMISON: The Chair would entertain a motion on DC-15-320.

COMMISSIONER NEER: I recommend approval of DC-15-320.

COMMISSIONER HALE: Second.

CHAIRMAN JAMISON: First and seconded.

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approved.
Chairman Jamison.

Approved.

By your vote you've adopted DC-15-320.

Under Tab D we have a Preliminary Order of Discipline directed to River City Casino, Rule 4.410, Subsection 1, requires the casino to notify the Missouri Gaming Commission within ten days of an employee's termination.

They had terminated an employee on May the 3rd, 2015, and the Commission was not notified until May the 18th, 2015.

When we questioned the Human Resource employee responsible for the notification, she indicated that she had not been trained of the requirement to notify or report terminations to the Missouri Gaming Commission.

There was also a prior incident on January the 29th, 2015 in which the casino had failed to report 29 employees that had been terminated to the Commission.

In the prior case the Commission fined the casino $2,500, and the recommendation in this case is $5,000.

Any questions from the
Commissioners?

COMMISSIONER NEER: Do you know how long that Human Resources employee had been employed there?

MR. GREWACH: We could probably determine that, but I don't have that in my report.

COMMISSIONER NEER: Okay.

CHAIRMAN JAMISON: The action from the January violation, had that action taken place by May?

MR. GREWACH: Let me look that up for sure.

CHAIRMAN JAMISON: Okay. Because I know there is always time lag between actual, but I just wanted to know if they'd already been imposed a penalty before this May occurrence.

MR. GREWACH: Yes. That went to the Commission meeting in April of 2015.

I might point out too, though, that at the time that it occurred on January 29th, of course, they are given a Notice of Investigation, and discussions were had with the casino at that point about the importance of maintaining compliance, and they had represented to us that they were taking steps to remediate the problem.

CHAIRMAN JAMISON: And that would have all taken place prior to the Commission's action in April?

MR. GREWACH: Correct.
CHAIRMAN JAMISON: So there would have been a period between January and May when there was dialogue between the Commission and the licensee that there was a problem, they were going to take steps to correct it but then after that we have this violation?

MR. GREWACH: That's correct.

And that's the reason the staff has come forward with a recommendation of a fine even though it only involves one failure to notify, but it's based on the fact that we had those discussions and were given some assurances that they would do training and other steps to try to prevent the problem from happening.

CHAIRMAN JAMISON: And it happened within a fairly short period of time from that other conversation?

MR. GREWACH: Correct.

CHAIRMAN JAMISON: Any other questions?

COMMISSIONER HALE: I have none.

CHAIRMAN JAMISON: The Chair would entertain a motion on DC-15-321.

COMMISSIONER HALE: I would move for adoption of staff's position relative to DC-15-321.

COMMISSIONER NEER: Second.

CHAIRMAN JAMISON: It's been first and seconded.
Angie, would you please call the roll.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.


MR. GREWACH: Under Tab E we have a Preliminary Order of Discipline directed to the Hollywood St. Louis Casino.

Minimum Internal Control Standard E12.10 requires that all tickets that are printed from electronic gaming devices be nonexpiring.

On March 24th, 2015 it came to our attention that between the opening of the casino on November the 2nd, 2012 until they performed an upgrade on May 13, 2014, that over 70,000 tickets had been shown expired in their system, which totaled $30,613 worth of funds in those tickets.

They subsequently then were able to perform an additional upgrade that changed the status of those 70,000 plus tickets back to valid.

The recommended fine in this case is $5,000.
CHAIRMAN JAMISON: Any questions from any Commissioners?

COMMISSIONER NEER: No.

COMMISSIONER HALE: No.

CHAIRMAN JAMISON: Hearing no questions, the Chair would entertain a motion on DC-15-322.

COMMISSIONER NEER: Make a motion to approve DC-15-322.

COMMISSIONER HALE: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie, would you please call the roll.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted DC-15-322.

EXECUTIVE DIRECTOR SEIBERT: The next order of business is Consideration of Rules and Regulations. We have two distinct different groups on those.

Mr. Ed Grewach will do the Proposed Amendments, and Ms. Carolyn Kerr will do the Final
Orders of Rulemaking.

MR. GREWACH: Under Tab F we have two proposed amendments, an F.1 and 2.

F.1 is a proposed amendment to Rule 5.070. This amendment is being proposed in response to a citizen's written request that we received.

The existing rule requested that a sign be placed at the entrance of the casino and the front of the main cage giving the aggregate payout percentages for the most current data for the casino.

The citizen's complaint was that they would like to see the breakdown by denomination, such as pennies, quarters, dollars, on the signs.

The existing rule also allowed us to require that additional language be placed on signs that would refer persons to the MGC website, where they could then obtain the complete payout by denomination, which would be a rather large amount of data, which would be impractical to put on a sign.

So it was the staff's position that we should make it mandatory to have all of the signs have that reference to the MGC website location, where anyone could go to look at the breakdown of the EGD payout by denomination.

Item 2 is an amendment to Chapter Q of the
Minimum Internal Controls. In the existing rule, 2.01(B), requires that when someone goes on the disassociated person list, that their account be flagged, and the flag specifically denotes that they are Missouri DAP, a disassociated person.

We had requests from industry, one of our operators who operates in several different states, who has one system for flagging accounts that is common among all of the jurisdictions they do business in.

So their request was to ask if they could use a generic flag as opposed to saying Missouri DAP as their flag.

Staff's position was, yes, that would work for our purposes as long as that generic flag was followed by a note which specifically told the employee that was looking at the screen that the generic flag was caused by the person being on the Missouri DAP list.

This also affected Chapter Q, Section 601 and 602, for persons who are rescinded from the DAP list.

As you know, after five years of being on a DAP list, you can apply to get off. Some casinos then, even once you're off the DAP list, have other reasons to exclude you. Maybe you got into an altercation at the facility or possibly because you're on a list in another state, or whatever reason from the business purpose the
casino decides to exclude that rescinded DAP.

So, again, on the idea of having a generic flag, the staff was comfortable with that as long as it was followed by notes which specifically indicated that the exclusion was for some other purpose and not because a person was a Missouri DAP.

And the reason for the rule in the first place is we wanted to avoid someone being rescinded from the DAP list, showing up at a casino and then being told they're on the Missouri DAP list and then calling us back, and it involves a lot of communication and frustration on the patron's part trying to figure it out.

We want to bring clarity to it. If someone is excluded from the casino, their system should say to the employee that is excluding the patron exactly where the exclusion lies.

So that was the process that brought us to propose this amendment.

Now, if approved by the Commission, there will be a 30-day public written comment period. There will be a public hearing on January 20th, 2016. Any written or verbal comments we receive will be incorporated into a Final Order of Rulemaking, along with our staff's response to those, and it would be
presented back to the Commission for a Final Order of Rulemaking.

And one motion can include these two proposed amendments.

CHAIRMAN JAMISON: Okay. Any questions from the Commissioners?

COMMISSIONER HALE: No, sir.

COMMISSIONER NEER: No, sir.

CHAIRMAN JAMISON: Do I have a motion to approve these proposed amendments?

In the motion I think you're going to have to spell out the CSRs and statute numbers, so if you would for me, please.

COMMISSIONER HALE: Mr. Chairman, I would move for approval of the staff's recommended amendments to 11 CSR 45-5.070 and 11 CSR 45-9.117.

COMMISSIONER NEER: I'll second.

CHAIRMAN JAMISON: Okay. First and seconded.

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.
MS. FRANKS: By your vote you've adopted proposed amendments 11 CSR 45-5.070 and 9.117.

MR. GREWACH: Thank you.

MS. KERR: Good morning, Commissioners.

CHAIRMAN/COMMISSIONERS: Good morning.

MS. KERR: Tab G is 35 Final Orders of Rulemaking all relating to bingo.

The regulations have already been through most of the rulemaking process. We've reviewed the language, received comments from industry and staff and have had a public hearing. All comments have been incorporated into these Final Orders of Rulemaking.

The Commission previously voted on the content and to file the proposed amendments and rules with the Secretary of State's Office and with the Joint Committee on Administrative Rules. That was in our June 25th, 2015 meeting.

And so this hearing is to approve the Final Orders of Rulemaking for each of these rules. Of these 35, two of them -- they all revolve around bingo.

Two of them revolve around the hearings and settlements portion for bingo and the remaining 32 are bingo related generally.

Of those 32 we are proposing to rescind four, and there are two new rules. Those two new rules deal
with the pull tabs and event tickets. Those are 11 CSR 45-30.355 and 357.

I won't go through each one of these because we've already been through that in one meeting.

The purpose of these filings, though, is to update all of the existing rules. Some of these rules had not been updated since the mid '90s. And also to address questions that have come to the bingo section over the years, to clarify some of our staff's positions and interpretations.

The rules also address event ticket rules. Those event tickets are a relatively new type of game, similar to pull tabs, and so we wanted to make sure that we included these when we went through and overhauled and reviewed the entire bingo rules.

Like I said, the last time the bingo rules were amended was in 2011 but they had not had a filing overhaul or complete review since the mid to late '90s. Throughout the process we have had contact with and engaged licensees to get their thoughts and comments on these rules, and those few comments that we did receive at the hearings have been incorporated in the Final Orders of Rulemaking.

Once these Final Orders of Rulemaking are approved, they'll be filed with the Joint Committee on
Administrative Rules. On December 4th they'll file those Final Orders of Rulemaking with the Secretary of State's office. They'll be published in the Missouri Register on January 15th of 2016, and then published in the Code of State Regulations on January 30th and become effective on February 29th, 2016.

CHAIRMAN JAMISON: Thank you.

Any questions on any of those that are in there?

COMMISSIONER NEER: No, sir.

COMMISSIONER HALE: No, sir.

CHAIRMAN JAMISON: Okay. I'm going to try to make it easy for us.

If I can do it this way, Angie. You tell me if I can.

I would entertain a motion on 11 CSR 45-13.051 and 065.

Can I do it that way?

MS. FRANKS: Sure.

CHAIRMAN JAMISON: And 11 CSR 45-30.025, .060, .070, .090, .130, .140, .145, .150, .155, .175, .180, .190, .200, .235, .250, .270, .280 which is a recision, and then .280 which is a new rule. Okay.

COMMISSIONER HALE:  So moved.

COMMISSIONER NEER:  Seconded.

CHAIRMAN JAMISON:  Am I nice to you guys or what?

COMMISSIONER HALE:  Absolutely.  Absolutely.

CHAIRMAN JAMISON:  It's been first and seconded.

Angie, would you please call the roll.

MS. FRANKS:  Commissioner Neer.

COMMISSIONER NEER:  Approved.

MS. FRANKS:  Commissioner Hale.

COMMISSIONER HALE:  Approved.

MS. FRANKS:  Chairman Jamison.

CHAIRMAN JAMISON:  Approved.


CHAIRMAN JAMISON:  Can you repeat that?

Thank you.

MS. KERR:  Thank you.
EXECUTIVE DIRECTOR SEIBERT: The next order of business, Mr. Chairman, is the Consideration of Licensure of Level I and Key Applicants.

Sergeant Jason McTheeney will present.

SERGEANT MCTHEENENY: Mr. Chairman and Commissioners, good morning.

CHAIRMAN/COMMISSIONERS: Good morning.

SERGEANT MCTHEENENY: 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 are being presented for your consideration: Joseph Edward Bertolene, DEQ Systems Corporation, President and Chief Executive Officer; Matthew Alexander Doheny, Affinity Gaming, Director; Martin Ellis Franklin, Jarden Corporation, Executive Chairman; Jason Edward Griffiths, BMM North America, Incorporated, Director of Service Delivery; Robert Joseph Morse, Caesars Entertainment Operating Company, Incorporated, President of Hospitality; Edward
Adam Peters, Sr., Everi Payments, Incorporated, formerly Global Cash Access, Incorporated, Executive Vice-President of Sales; Michael J. Tamburelli, St. Jo Frontier Casino, Director of Operations; Brian Patrick Watts, Isle of Capri Casinos, Incorporated, Regional Vice-President of Operations.

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 JAMISON: Thank you.

EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman, staff does recommend approval.

CHAIRMAN JAMISON: Any questions from any of the Commissioners?

COMMISSIONER HALE: I have none.

COMMISSIONER NEER: No.

CHAIRMAN JAMISON: No questions.

The Chair would entertain a motion on Resolution No. 15-056.

COMMISSIONER HALE: Move for approval of staff's recommendation relative to Resolution No. 15-056.

COMMISSIONER NEER: Second.

CHAIRMAN JAMISON: It's been first and
seconded.

Angie, would you please call the roll.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 15-056.

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 I we have a resolution to place Chad A. Arment on the exclusion list. The exclusion list is created by our Rule 15.030, and that rule delineates certain criteria for someone to be placed on the list, and those criteria are taken verbatim out of the rule and you'll see them in the first paragraph of this proposed resolution.

The one that applies to Mr. Arment's case is the conviction of a felony of any crime involving moral turpitude.

Once placed on the list, then a person on the
list is prohibited from entering any casino in the state of Missouri permanently.

Mr. Arment pled guilty on April 17, 2015 in Lafayette County, Missouri for three counts of forgery for passing counterfeit $100 bills.

He received a 15-year sentence, with a suspended execution of sentence, being -- a suspended execution of sentence as opposed to a suspended imposition of sentence, means that he has, in fact, been convicted of the crime, and obviously fraud and counterfeiting is a crime involving moral turpitude.

Now, the reason that we're requesting Mr. Arment be placed is that he did have an extensive gambling history.

As you can see in the resolution, at the Mark Twain Casino from 2013 through 2015 his total wagers were over 700,000, as well as over 100,000 at the Isle of Capri in Boonville, and a smaller amount at the Hollywood St. Louis Casino.

And, therefore, we are asking to have Mr. Arment placed on the involuntary exclusion list.

CHAIRMAN JAMISON: Is Mr. Arment present here today?

Okay.

MR. GREWACH: He, in fact, even though not
here today, will be sent a notice, and he does have the
opportunity to request a hearing once he receives this
and then the hearing can take place and may come back
before you if he does do so.

CHAIRMAN JAMISON: Okay.

Any questions from the Commissioners?

COMMISSIONER NEER: No, sir.

COMMISSIONER HALE: Yes, just very briefly.

Having this gentleman gambling with a
substantial sum of money over a period of, it looks
like, maybe two years, three years, has there been any
indication at all -- and, Ed, I don't know if you can
answer this or not, but did any portion or most of that
money, was that derived from his counterfeiting
activities, or do you know?

MR. GREWACH: We cannot definitively say
that.

One reason this case came to our attention is
La Grange is a very small town, and Mr. Arment is from
Edina, which is not very far from La Grange.

And initially with the amount he was
gambling, even the staff there at La Grange was a little
suspicious of it because they didn't -- as far as they
knew, Mr. Arment really didn't hold any steady
employment.
COMMISSIONER HALE: Yeah, that's what I was wondering.

MR. GREWACH: But the money he played at the casino, by the time we found out about the guilty plea, had already gone through the system and was no longer available to us.

He got caught in Lexington, Missouri when he passed a bill at a convenience store and the convenience store clerk thought the bill looked strange, called the authorities and, in fact, had passed some at that convenience store and some at McDonald's there in Lexington, but that's how it came to light.

But again, once it came to light, the bills that he gambled with were long gone, so we can't prove that.

COMMISSIONER HALE: Sure.

MR. GREWACH: But that's why it came as an exclusive case.

If you take a broad reading of the rule, you could say anyone in the state of Missouri convicted of a felony could be on the list, but as a practical matter, we only look for cases where there is a nexus to gambling.

And that comes from a couple sources, this one from the Highway Patrol, where they notified us.
They saw this case. The casino personnel were familiar
with his spending habits and his background, and that's
what led us to pursue this one.

Sometimes we'll see in the newspaper that
someone is arrested or convicted for embezzlement, and
in their statement they say they used the money for a
gambling habit. So then that is somebody else.

And probably the third broad category that we
come to you with an exclusion case is someone who
actually cheats at a casino. It may be a small amount
but they may cap a bet, meaning add another chip to
their bet after they knew they won, trying to make sure
the dealer doesn't see that.

And those are the kind of people we think --
even though that's a small amount, we don't really want
them in our casinos.

So that's generally the ways that we would
come about having an exclusion case brought.

COMMISSIONER HALE: Well, I think one of the
things that you mentioned that is particularly telling
about this gentleman is the source of the funds, that he
didn't apparently have any other legitimate sources for
that kind of money. This is close to a million dollars.

MR. GREWACH: Correct.

COMMISSIONER HALE: Okay. Thank you.
CHAIRMAN JAMISON: Any other questions?

COMMISSIONER HALE: No.

CHAIRMAN JAMISON: The Chair would entertain a motion for Resolution No. 15-057.

COMMISSIONER NEER: Motion to approve Resolution No. 15-057.

COMMISSIONER HALE: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie, please call the roll.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 15-057.

CHAIRMAN JAMISON: Any other business from the Commissioners?

COMMISSIONER NEER: No.

CHAIRMAN JAMISON: If not, I would entertain a motion for a closed meeting under Sections 313.847, Revised Missouri Statutes, for investigatory, proprietary and application records, and
Section 610.021, Subsection 1, Revised Missouri Statutes, legal actions, Subsection 3 and Subsection 13, personnel, and Subsection 14, records protected from disclosure by law.

COMMISSIONER HALE: So moved.

COMMISSIONER NEER: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie, would you call the roll.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approved.

MS. FRANKS: Commissioner Jamison.

CHAIRMAN JAMISON: Approved.

This meeting stands closed, and the hearing will be in the conference room starting now.

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

______________________________
Patricia A. Stewart
CCR No. 401
The Missouri Gaming Commission (the “Commission”) went into open session at approximately 10:54 a.m. on November 4, 2015, at the Missouri Gaming Commission’s Jefferson City Office.

The Commissioners set the Commission meeting dates for the calendar year 2016.

Commissioner Hale moved to adjourn the second open session meeting. Commissioner Neer seconded the motion. After a roll call vote was taken, Neer–yes, Hale–yes, and Jamison–yes, the motion passed unanimously.

The open session adjourned at 11:01 a.m.