BEFORE THE MISSOURI GAMING COMMISSION
STATE OF MISSOURI

Meeting
December 3, 2014
10:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

(Meeting start time: 10:00 a.m.)
AGENDA

I. Call to Order

II. Consideration of Minutes
   A. October 29, 2014

III. Consideration of Hearing Officer
     Bryan Wolford's Recommendations
     B. David Merritt
        1. Resolution No. 14-087
     C. Leif Nelson
        1. Resolution No. 14-088
     D. Jamie Cagle
        1. Resolution No. 14-089

IV. Consideration of Disciplinary Actions
     E. Casino One Corporation
        1. DC-14-44416
     F. Harrah's North Kansas City, LLC
        1. DC-14-44517
     G. IOC-Cape Girardeau, LLC
        1. DC-14-44621
     H. IOC-Cape Girardeau, LLC
        1. DC-14-44723
     I. Harrah's North Kansas City, LLC
        1. DC-14-45724
     J. Missouri Gaming Company
        1. DC-14-44926
     K. Missouri Gaming Company
        1. DC-14-45026
     L. Missouri Gaming Company
        1. DC-14-45826
     M. PNK (River City), LLC
        1. DC-14-45932
     N. PNK (River City), LLC
        1. DC-14-46033

V. Consideration of Addition to List of Extended Persons
   O. David VanWinkle
      1. Resolution No. 14-090

VI. Consideration of Delegation of Authority to Vice Chairman
    P. 1. Resolution No. 14-091
AGENDA

VII. Consideration of Rules & Regulations
   Q. Final Orders of Rulemaking
      1. 11 CSR 45-10.040 - Prohibition and Reporting of Certain Transactions 38:21

VIII. Consideration of Bingo Settlement Agreement
   R. Veterans of Foreign Wars Post 2591
      1. Resolution No. 14-002-B 46:4

IX. Consideration of Relicensure of Certain Suppliers
   S. Gaming Laboratories International, Inc.
      1. Resolution No. 14-092 48:6
   T. Lightning Slot Machines, LLC
      1. Resolution No. 14-093 48:6
   U. House Advantage, LLC
      1. Resolution No. 14-094 48:6

X. Consideration of Licensure of Level I/Key Applicants
   V. Resolution No. 14-095 51:6

XI. Consideration of Waiver of Institutional Investors
   W. Fidelity Investments
      1. Resolution No. 14-096 53:11
   X. State Street Corporation
      1. Resolution No. 14-097 53:11

XII. Consideration of Relicensure of Certain Bingo Suppliers & Manufacturers
    Y. Bingo Suppliers
       1. Resolution No. 14-003-B 55:19
    Z. Bingo Manufacturers
       1. Resolution No. 14-004-B 55:19

XIII. 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 58:9
BEFORE THE MISSOURI GAMING COMMISSION
STATE OF MISSOURI

Meeting
December 3, 2014
10:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

COMMISSIONERS PRESENT:

   Darryl T. Jones, Vice Chairman
   Suzanne Bocell Bradley
   Diane C. Howard

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

VICE CHAIRMAN JONES: Good morning everyone.
Welcome to the December 3rd, 2014 Missouri Gaming
Commission meeting.

This morning before the meeting gets underway
we are going to recognize some important people at the
MGC.

First the retirement. Sergeant Jeff Smith
has retired from the Kansas City office. Sergeant Jeff
Smith joined the Missouri State Highway Patrol on
July 1st, 1987. He was one of the original officers
assigned to the then newly formed Gaming Division in
October of 1993.

And I knew there was someone here that was
affiliated with the Gaming Commission longer than
myself. I just knew it. I just knew it.

Jeff has been a background team supervisor
for the majority of his gaming tenure. He's most well
respected and known for his philanthropy and volunteer
work with those in need. He is unassuming and humble
and a truly great guy who will be missed.

Jeff Smith is not able to be here today but
expresses his sincere appreciation to everyone. We will
send him his plaque. It reads, a special recognition of
distinguished service 1993-2014, Missouri Gaming
Commission, Sergeant Jeff Smith.

(Applause.)

VICE CHAIRMAN JONES: Also this morning the Commission would like to recognize staff members who have gone above and beyond in developing an internet portal for the use by the Commission.

This portal enables gaming suppliers to submit materials to one central location, which then allows staff to review and approve these materials. I've made it sound small but it has been a major undertaking, and the staff is currently working on Phase II of this project.

The Commission would like to recognize Jared Looser, Kelly Allen, Kelly Florea, Cody Hanavan, Drew Biermann, Tina Amick, Anthony Linhardt, Nik Deshpande and Missy Backues.

Congratulations on your hard work, and we have certificates which we'll get to the staff later today.

Thank you.

(Applause.)

VICE CHAIRMAN JONES: Now to the hard work. Angie, will you call roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Present.
MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Present.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Present.

And pardon me. Just some housekeeping.

If you can turn your phones off so they don't interfere with the transmission on the stenographer here.

Item II on the agenda, Consideration of Minutes.

COMMISSIONER HOWARD: I'll move for the approval of the October 29, 2014 minutes.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: It's been moved and seconded.

Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted the minutes of the October 29, 2014 meeting.

VICE CHAIRMAN JONES: Consideration of
MR. WOLFORD: Thank you, Mr. Vice Chairman, Madam Commissioners.

For your consideration Resolution No. 14-087, the matter of David Merritt.

Mr. Merritt was employed at Argosy as a pit manager, and on December 1st of 2012 an underage male patron was able to gain access onto the gaming floor at the Argosy Casino.

He sat down at several table games while he was there, including Mr. Merritt's table game, where he did place a wager. He did win some money as well.

And at no time did Mr. Merritt ask to see his identification. In fact, it wasn't until about an hour later when the underage patron went to cash out at the cashier's cage that someone actually checked his license at that time.

He handed them his actual driver's license which showed that he was 20 and not 21, and at that point we realized we had an underage patron.

And Petitioner testified at the hearing that he was aware of his duty to look for and report any possible underage patrons. He testified that this patron did not look way underage, as his exact quote was, and because of the underage patron's ethnicity, he
said people of that ethnic group tend to look younger than what they actually are.

The MICS and the ICS say that persons under 21 may not place wagers, and unfortunately that did happen in this case and, therefore, the hearing officer recommends that the one-calendar-day suspension be affirmed as proper and appropriate discipline.

VICE CHAIRMAN JONES: Is Mr. Merritt here today?

All right.

COMMISSIONER BRADLEY: I have a question.

VICE CHAIRMAN JONES: Yes.

COMMISSIONER BRADLEY: I notice that there were others on the information -- that I have in front of me, there were other violators, as you might say, in the report of the investigation.

Any other action taken against any other employee? Because there were other employees present, like, seven or eight that I reviewed.

MR. WOLFORD: Yes. And I'll let Carolyn speak to that.

COMMISSIONER BRADLEY: Thank you.

MS. KERR: It looks like there were seven other employees, and they were issued either a one- or two-day suspension. They either didn't appeal it or
that's been taken care of. The casino was also fined $5,000.

COMMISSIONER BRADLEY: My question is, I wanted to make sure just not that one person; there was others who were involved?

MS. KERR: Correct.

COMMISSIONER BRADLEY: Thank you.

VICE CHAIRMAN JONES: Any other comments from the Commissioners?

Can we get a motion?

COMMISSIONER HOWARD: I'll move for the approval of Resolution No. 14-087.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie, call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-087.

VICE CHAIRMAN JONES: Thank you.

MR. WOLFORD: Thank you.
Mr. Vice Chairman, Madam Commissioners, for your consideration Resolution No. 14-088, the matter of Leif Nelson.

Mr. Nelson was a floor supervisor aboard the Isle of Capri Casino in Cape Girardeau. On the 9th of March 2013 he and a table dealer inventoried the checks at a gaming table and they recorded their count, and they recorded there was $4,600 worth of $25 checks.

Later that day whenever the table was opened up again the dealer and supervisor did the inventory again and noted that there was only $4,100 worth of $25 checks, which was a discrepancy of $500.

And the original count that was performed by Mr. Nelson and the dealer, Ms. Shetfield (phonetic sp.), was inaccurate, and he did testify that he admitted to making the counting mistake, and he also had a previous compliance directive for not making a correct table count in the past.

The MICS, Chapter D, 4.01, states that when they're doing the count, each of the persons, the dealer and the supervisor, have to count and then independently verify the amount of the checks. That didn't happen here; otherwise, the error would have been caught.

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

VICE CHAIRMAN JONES: Is Mr. Nelson present today?

Comment from the Commissioners?

All right. Can we get a motion?

COMMISSIONER BRADLEY: I'd like to move to approve Resolution No. 14-088.

COMMISSIONER HOWARD: I'll second that.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-088.

MR. WOLFORD: Mr. Vice Chairman, Madam Commissioners, for your consideration the matter of Jamie Cagle. It's Resolution No. 14-089.

Ms. Cagle was the receiving coordinator aboard the Lady Luck Casino at Caruthersville, and on April 17th, 2013 the casino received a shipment of playing cards. And these shipments, they arrived in a giant shipping container and then inside of the shipping
container are subsequent white boxes that then contain the individual boxes of the cards.

And when the shipment arrives, the MICS, Chapter D, 11.01, states that they must be inspected. All cards and dice must be inspected for proper quantity and for any obvious damage on them.

And typically what occurs is that brown shipping box, they remove the white boxes from them and then inspect those white boxes for any damage.

During transport, even if there is no obvious damage to the outside of that brown box, there could be damage or factory errors inside of those white boxes.

And in this case the Petitioner, Ms. Cagle, did not ensure that that process was followed. They just simply opened up the brown box, removed one of the white boxes out of there and passed the shipment off as inspected.

Therefore, the hearing officer does ask that the one-calendar-day suspension against Ms. Cagle be affirmed as proper and appropriate discipline.

VICE CHAIRMAN JONES: Is Ms. Cagle present today?

Comments from the Commissioners?

COMMISSIONER BRADLEY: I have a question.

In reading the transcript it sounds like
there was a little bit of discrepancy over the last
year. Procedures have changed. Did I understand the
transcript?

MR. WOLFORD: Correct.

And the reason why this came to the attention
of the Commission is they had had some errors in their
card storage and inter-facility card shipment prior to
this, so the Commission boat agent was reviewing the
surveillance to make sure that the procedure was being
followed since it hadn't been in the past.

But, yes, since then the casino has taken the
remedial efforts to comply with the regulations.

COMMISSIONER BRADLEY: And were there actions
taken against the other -- I believe the transcript said
there were two people to be involved in checking the
boxes. Is that correct?

MR. WOLFORD: Correct. And I'll defer to
Carolyn.

COMMISSIONER BRADLEY: Thank you.

MS. KERR: Yes. The lead pit manager and one
other person -- I'm not sure what SO slash --

MR. WOLFORD: Security officer.

MS. KERR: Security officer. They were
issued two- and one-day suspensions, and they've either
served them already or didn't appeal them. And in this
case Ms. Cagle has already served her suspension as well.

COMMISSIONER BRADLEY: Okay. Thank you.

VICE CHAIRMAN JONES: Any other comments?

COMMISSIONER BRADLEY: No.

VICE CHAIRMAN JONES: May we have a motion, please?

COMMISSIONER BRADLEY: I'll move to approve Resolution No. 14-089.

COMMISSIONER HOWARD: I'll second that motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-089.

MR. WOLFORD: Thank you

EXECUTIVE DIRECTOR STOTTLEYRE: Mr. Vice Chairman, the next item on the agenda is Consideration of Disciplinary Actions. Mr. Ed Grewach will present.
MR. GREWACH: Good morning.

VICE CHAIRMAN/COMMISSIONERS: Good morning.

MR. GREWACH: The first item under Tab E is a preliminary order of discipline directed to Lumiere Place Casino.

On March 22nd, 2014 a security officer allowed a minor onto the gaming floor without checking his ID. The 19-year-old minor made contact with two other casino hosts who also did not check his ID.

The minor consumed three alcoholic beverages but did not gamble and was on the gaming floor for approximately one hour before he was discovered by another casino employee and escorted off the floor.

The recommended fine is $2,500.

VICE CHAIRMAN JONES: Comments from the Commission?

Can I have a motion, please?

COMMISSIONER HOWARD: I'll move for approval of DC-14-444.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.
MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-444.

MR. GREWACH: Under Tab F we have a preliminary order of discipline directed to Harrah's North Kansas City for failing to meet the reporting requirements under the rules.

Regulation 5.053 states it's a violation for failing to report any suspected violation of law.

In addition, 10.0301 places an affirmative obligation on the casino to promptly report any facts that give them reasonable grounds to believe that a violation of law has occurred.

And in paragraph 3 of that section, to immediately report if the licensee knows or should have known of any illegal activity on or about the casino facilities.

This particular case then involves the casino's facility manager, Scott Bargeman. Mr. Bargeman contracted with a vendor, a construction company, who was also a vendor of the casinos, and Mr. Bargeman asked that company to do certain work on his septic tank in his private residence. And that occurred in November of 2013.
The company then originally invoiced Mr. Bargeman for that work. In February of 2014 Mr. Bargeman still had not paid that, received contact from the company that he was going to be sent to collections.

Mr. Bargeman then called his contact person he deals with on a regular basis with that vendor, both in his personal capacity as facilities manager, and asked that person, that contractor's office, to redo an invoice and invoice this cost of the septic tank work directly to the casino.

So they redid that and that person complied, redid the invoice, directed the bill to the casino, even changed the language on the invoice as to what the work was for, because obviously casinos don't have septic tanks, so he had to put something else on there to indicate that.

The casino found out about this when they received a call from the general manager of the company who in reviewing these invoices found that discrepancy, and on March the 3rd, 2014 the casino was contacted by the construction company indicating that this had occurred.

That notice triggered the reporting requirement, but instead of notifying us they decided to
conduct their own investigation, and, in fact, did not report this to us until March 18th, 2014.

The DRB recommended a fine of $15,000. In their response to the 14-day letter the casino wants to change or interpret that language in the rule that states they have to promptly report any facts that gives them reasonable grounds to believe a violation of law has occurred to saying that they don't have to report until they believe those facts have been substantiated, which is not what the rules state.

They assert that they don't have to report anything until they subjectively feel they've substantiated whatever these reports may be.

DRB voted to retain the fine of $15,000.

This type of situation creates a problem for the MGC because it takes away our ability to investigate an incident while the evidence is fresh, while the witnesses are fresh.

And we certainly have no problem with the casino conducting a concurrent investigation along with ours, but the rules in those three places I cited require them to immediately report that to us, and failing to do so really prejudices our ability to conduct a full investigation on the matter.

So DRB is continuing its recommendation of a
VICE CHAIRMAN JONES: Comments from the Commissioners?

Ed, I know it's a private company, the supplier. Do you know what happened to the guy that kind of changed the invoice or the person that the licensee was interfacing with that changed the invoice to reflect, you know, the casino paying the invoice?

MR. GREWACH: The construction company fired him immediately upon learning of this --

VICE CHAIRMAN JONES: Okay.

MR. GREWACH: -- incident.

COMMISSIONER HOWARD: I appreciate the position of the DRB. And this isn't the first time we've seen this type of issue where the licensee wants to conduct an internal investigation and then notify the Commission after the results of their investigation.

And like you I'm supportive of licensees wanting to conduct investigations. You know, I think that's important, but it is also important that you have information regarding licensees promptly so that investigations -- parallel inquiries can be made.

And I do think that that message needs to be understood, that it is not a situation where some type of preliminary investigation and determination is made
and then the Commission is informed after a preliminary inquiry. That is not the system that has been established by regulation.

Again, we don't make these rules. Someone else -- well, we do actually, but we make them pursuant to law. We don't make the law. Someone else makes the law and we just follow it.

COMMISSIONER BRADLEY: I concur in those remarks.

VICE CHAIRMAN JONES: Can we have a motion, please?

COMMISSIONER BRADLEY: I make a motion to approve DC-14-445.

COMMISSIONER HOWARD: And I will second that motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-445.

MR. GREWACH: Tab G is a preliminary order of
discipline directed to the Isle of Capri Cape Girardeau Casino.

The rules require all casinos to update the changes to the disassociated person list, the DAP list, every seven days.

An audit determined that on five different occasions in 2013 the casino failed to do so. The most egregious was the first occasion in which 54 days passed without the casino updating its DAP list. The second was a 14-day time period without the casino updating the DAP list.

The last three of the five were relatively minor. They were updated in eight days instead of seven. But for the fullness of disclosure in showing the entire incident we've included those last three as well, but certainly the most egregious were the first and second time periods when the list was not updated.

The recommended fine is $5,000.

VICE CHAIRMAN JONES: Comments?

Could we have a motion, please?

COMMISSIONER HOWARD: I'll move for approval of DC-14-446.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie.

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

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-446.

MR. GREWACH: Tab H is a preliminary order of discipline directed to Isle of Capri Cape Girardeau Casino.

On March the 11th, 2014 while working on issues relating to emergency access to tech rooms, casino personnel discovered a ring with seven sensitive keys hanging in a cabinet in the security supervisor's office.

They indicated that those had most likely been there for 16 months from the opening of the casino until their discovery.

The rules require certain keys to areas such as tech rooms, which would be critical IT areas, to be treated as sensitive keys, and there's a system in which they're placed and accounted for and access is limited to those.

The recommended fine is $2,500.

VICE CHAIRMAN JONES: Comments?
May we have a motion, please?

COMMISSIONER BRADLEY: Motion to approve DC-14-447.

COMMISSIONER HOWARD: I'll second that motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-447.

MR. GREWACH: Under Tab I is a discipline against Harrah's North Kansas City.

The violation arises out of a repeat audit finding for an audit we conducted for the time period of September the 1st, 2012 to December 31st, 2013.

There were three repeat audit findings in that audit. The first involved the failure of their employees to clear their hands in the count room as the members moved their hands to and from the table.

The second was the failure to issue unique user accounts to vendors who had remote access to
critical IT systems, and the third was for failing to
document jackpot overrides.

Three of these violations had been noted in a
prior audit, and as the Commission may recall, one of
these was actually the subject of a prior fine, the
failing to clear hands issue, a prior fine in a recent
meeting that the Commission handled.

In that prior case the fine for that repeat
audit finding was $5,000, and based on that the DRB's
recommendation for this finding is a $20,000 fine.

VICE CHAIRMAN JONES: Any comments from the
Commissioners?

COMMISSIONER HOWARD: So this is the third
go-around for that issue. Am I correct?

MR. GREWACH: Correct. There was an audit
finding, a repeat audit finding, an audit finding and a
repeat audit finding.

And I could call Leshia Kempker to clarify
that if I'm not correct or not stating that accurately.

MS. KEMPKER: Leshia Kempker, Compliance
Manager.

There were three instances, the audit
finding, the followup and then another audit finding.
During the last followup to the most recent it has been
corrected.
COMMISSIONER HOWARD: I thought that was my recollection, that we're seeing that now the third time.

MR. GREWACH: Thank you.

VICE CHAIRMAN JONES: Do we have a motion, please?

COMMISSIONER BRADLEY: Motion to approve DC-14-457.

COMMISSIONER HOWARD: I'll second that.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-457.

MR. GREWACH: Mr. Vice Chairman, with your permission I'd like to present Items J, K and L together because they all arise out of the same sequence of events and they all involve the Argosy Riverside Casino.

In Tab J you'll see an incident where on January the 28th, 2014 and January the 29th the recorder malfunctioned and lost six to eight minutes of
The rules require that every casino have surveillance equipment in place that has a redundancy built into it, so that if there is any kind of malfunction or a power failure, that we never lose any time period of surveillance coverage.

Now, this had actually, this fine had been -- prior to this there had been a couple different violations.

The first on November -- in November of 2013 there was a failure and some lost surveillance coverage at that point in time. The DRB took no action on that first incident.

Then in January -- early in January of 2014 again it occurred. There was some malfunction and we lost some time period of surveillance coverage.

And for that incident a letter was sent from staff to the casino indicating that was unacceptable, that they needed to find this problem and get it fixed and corrected.

So when we get to these January 28th and 29th fines, they were arising out of, you know, this continuing problem we had that began back in November of 2013.

DRB originally recommended a fine of $5,000.
In response to the 14-day letter the casino indicated that it was taking remedial steps to upgrade and repair the system. They provided us with a contract that they had entered into for a million dollar cost for this upgrade and that they were undertaking that.

With that the DRB voted to lower the fine to $2,000. And the $2,000 is a combined fine for the two dates, the January 28th and 29th incident.

If you go forward then to Tab K, then on March 18, 2014 we then had twelve cameras malfunction and we lost five minutes of coverage.

Now, this is the time period between when they've undertaken to try to upgrade the system and haven't got it done yet, so DRB recommended a fine of $1,000 for that incident.

And Tab L then addresses an event on April 14, 2014, where again there was a recorder malfunction. The backup failed and we lost six minutes of coverage, and again the DRB recommended a fine of $1,000 on that.

Because it is the DRB's feeling that the compliance obligation is really upon the casinos, and they can't escape the exposure for the violation by saying, well, you know, it was the equipment's problem or the vendor's problem.
So that's why we continued to recommend fines for all three of these incidents, but as you can see, they were very low fines, acknowledging the fact that they were moving in the right direction to get this problem fixed.

VICE CHAIRMAN JONES: Comments from the Commission?

COMMISSIONER HOWARD: So where are we now?

MR. GREWACH: They have upgraded the program. We've had no problems since they completed that upgrade. And I think that was probably accomplished -- Les Hahn would know when that upgrade was finished perhaps.

MR. HAHN: Les Hahn with the Commission. They have replaced -- the new system is online. We're doubling up, running both systems simultaneously for an entire month to ensure that the new system runs fully operational. Once that month is done then they bring down the old system.

COMMISSIONER HOWARD: During the month of?

MR. HAHN: I don't recall exactly the date that the other system came on. I believe it was -- they should have completed that full month of double operation.

COMMISSIONER HOWARD: So the new system is
now up and running and running satisfactorily?

MR. HAHN: Yes, ma'am, that's correct.

And it's an identical system in a lot of ways. In fact, enhanced with a generation upgrade to systems that are operating successfully in other properties.

VICE CHAIRMAN JONES: Any more comments?

A motion, please.

COMMISSIONER HOWARD: I'll move for approval of DC-14-449.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Why don't you take all three of them?

MR. GREWACH: We'd probably prefer to vote on these resolutions, Mr. Vice Chairman, individually just in case someone wants to ask for a hearing on one. And theoretically, I mean, the Commissioners might want to vote for one and against the other, and voting for them separately certainly accommodates both of those.

COMMISSIONER BRADLEY: I second the motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.
COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-449.

COMMISSIONER HOWARD: Now I'll move for approval of DC-14-450.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-450.

COMMISSIONER HOWARD: And I'll also move for approval of DC-14-458.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.
MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-458.

MR. GREWACH: Under Tab M we have a preliminary order of discipline directed to the River City Casino.

On April the 4th, 2014 they self-reported a problem with a promotion. The poker tier calculator had been incorrectly set and players who, according to the rules of the promotion, should have received 20 points per hour of rated play were only receiving one point per hour of rated play. This error impacted 225 patrons from April the 1st until April the 4th. The DRB recommended a $10,000 fine.

In response to the 14-day letter the casino stated that this occurred during the decoupling of the Lumiere and River City systems following the sale of Lumiere Casino, that they were closed for a 32-hour period and they had employees working 24 hours around the clock, some of them, and that that led to this error.

They suggested a fine of $1,500. The DRB voted to retain the recommendation of a $10,000 fine. They felt, you know, there's been a series of
promotional problems that have occurred and really the 
nexus of the problem is the fact that this reflects 
negatively on both the casino and the industry when 
these problems occur, 225 patrons.

I do have to say that they did go back and 
add those points to those 225 patron accounts but it 
still is the casino's obligation to operate the 
promotion in accordance to the published rules.

VICE CHAIRMAN JONES: Comments from the 
Commission?

A motion, please.

COMMISSIONER BRADLEY: Motion to approve 
DC-14-459.

COMMISSIONER HOWARD: I'll second.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted 
DC-14-459.

MR. GREWACH: Under Tab N we have a 
preliminary order of discipline directed to the River
1 City Casino.
2
3 Rule 12.090 prohibits the use of
4 complimentaries for the purchase of or acquisition of
5 alcohol.
6
7 We were notified on April the 8th, 2014 that
8 on four separate occasions two different deli attendants
9 accepted comps for alcohol.
10
11 In addition, their manager knew about the
12 problem on April the 3rd, 2014 and failed to notify us
13 until that April 8th date. He indicated he just got
14 busy and forgot to notify us of the violation as is
15 required by the rules.
16
17 In addition, as we looked at the training
18 documents for the employees, there are inconsistent
19 materials within the training documents and inconsistent
20 ways in which they were distributed and the training --
21 we found some flaws in the training of the employees,
22 all of which led the DRB to recommend a $5,000 fine in
23 this case.
24
25 VICE CHAIRMAN JONES: Comments?
26
27 Ed, would we be seeing anything from the
28 supervisor?
29
30 MR. GREWACH: Well, they did -- the assistant
31 manager did receive a one-day suspension. I don't know
32 if he asked for a hearing or not.
VICE CHAIRMAN JONES: Okay.

MR. GREWACH: The two attendants were just issued a nonpunitive letter indicating there was a violation but we weren't taking action, because, again, we felt the problem was more in the training --

VICE CHAIRMAN JONES: Training, absolutely.

MR. GREWACH: -- as opposed to the two attendants having received adequate training and then just not followed it.

VICE CHAIRMAN JONES: Okay.

Any other comments?

A motion, please.

COMMISSIONER BRADLEY: Motion to approve DC-14-460.

COMMISSIONER HOWARD: Second.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted DC-14-460.

EXECUTIVE DIRECTOR STOTTLEMYRE:
Mr. Vice Chairman, the next item on the agenda is Consideration of Addition to List of Excluded Persons.

Mr. Grewach.

MR. GREWACH: This is a resolution to add David VanWinkle to the list of excluded persons.

Mr. VanWinkle was a controller for Frontier Leasing in Joplin. He used his position to open accounts at banks, banks other than the regular banks used by the company in the company's name. He put himself as the authorized signatory on those accounts.

He would then take checks from customers made out to the company and deposit them in that account and then withdraw those funds for personal reasons, and between 2008 and 2013 he embezzled $4.9 million through this process through this account.

Upon his arrest he admitted that he used that money for personal expenses and for gambling. He pled guilty on February 28th, 2014 to both wire fraud and money laundering and was sentenced to 70 months in prison for those offenses, and both of those were felonies which make him eligible for the excluded persons list.

VICE CHAIRMAN JONES: Comments.

Can we have a motion, please?

COMMISSIONER HOWARD: I'll move for the
approval of Resolution No. 14-090.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-090.

EXECUTIVE DIRECTOR STOTTLEMYRE:

Mr. Vice Chairman, the next item on the agenda is Consideration of Delegation of Authority to the Vice Chairman.

MR. GREWACH: This is a resolution that we have to pass annually to give the Chairman, or in this case the Vice Chairman, the authority to extend a license for up to 60 days.

The obvious purpose of this is if a license is coming due and for some reason we cannot have a meeting prior to the expiration of the due date, it allows the Vice Chairman to extend the license for 60 days.

That action has to be ratified by the full
Commission within that 60-day time period or at the earlier of the next full Commission meeting. And again that gives us the flexibility to be able to deal with those type of situations.

COMMISSIONER BRADLEY: I'll move for the approval of Resolution No. 14-091.

COMMISSIONER HOWARD: You notice the Vice Chairman didn't ask any for comments.

VICE CHAIRMAN JONES: I guess it's that power feeling.

COMMISSIONER HOWARD: I'll second that.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-091.

EXECUTIVE DIRECTOR STOTTLER: Mr. Vice Chairman, the next item is the Consideration of Rules and Regulations.

Mr. Grewach.

MR. GREWACH: Under Tab Q we have a final
order of rulemaking for 11 CSR 45-10.040. This follows up on a proposed order of rulemaking that the Commission approved at its August meeting.

There are three objectives we had in drafting the changes to this rule. The first was to clarify that term change of control, and we've changed that term to material change or ownership or control.

The old term really only dealt with in the old -- before the revision to someone who acquired more than 25 percent of shares of stock in a company.

But as you might recall in the Affinity case you may have one company required 26 percent of the shares of stock. You approve a petition to change of control. Two months later someone else acquires 27 percent of the stock and you do another petition for change of control, which leaves the public sort of guessing, well, who is in control? You know, the term tended to imply something it really didn't.

And we use the 25 percent because obviously in the corporate world you don't have to have 51 percent to be in control of a company for a large publicly held corporation or even privately held.

You know, having 25 percent and some proxies from other voters could very easily place you in a position to be in control. It could very easily put you
as the largest shareholder in the company.

So that was the first thing to clarify, that term.

The second was, as I said before, the Commission approval was only required when someone acquired more than 25 percent of the stock.

We added to that the requirement to get Commission approval before the transfer of any real estate upon which the casino was located.

Now, there has been a trend in the gaming industry to transfer the real estate upon which casinos are located into a REIT, a Real Estate Investment Trust. There are certain tax and financial advantages to the companies in doing that.

We've already seen Penn Gaming do that with its two Missouri properties. We now understand that Pinnacle and Caesars have both announced their intention to put their real estate into REITs as well.

We've also personally as the staff been approached by nongaming REITs, asking what the regulatory implications would be of them coming in and acquiring the real estate upon which our casinos exist into their nongaming REITs.

The staff obviously felt this was a problem because we approve a Class B license based on the fact
that here is this casino. It owns this real estate. It
owns these assets. It's in this situation. And then
that changes drastically if they would sell their real
estate and then have a leaseholder arrangement with the
REIT.

And, you know, any time you have a landlord/
tenant relationship there is going to be -- the landlord
is going to have some significant influence upon the
tenant no matter how carefully we draft leases.

In Penn's case we did. We carefully went
through the lease. We made suggestions, all of which
they agreed to, but at that point in time they didn't
have to come to you for preapproval. If this rule
change goes into effect, it will.

No casino, no Class B, would be able to
transfer its real estate to another entity without
getting your approval ahead of time.

So we will be in the loop before that
happens, and before the rule changed we wouldn't. They
could do it and it wouldn't require your approval.

The third thing we did is we put in standards
for the Commission to evaluate any kind of material
change in control and ownership. The old rule said any
petition or change of control required prior Commission
approval or it was void, but the rule was silent as to
what factors the Commission would use to evaluate that change of control.

So as you can see in there, we've put in some factors, some of which we drafted specifically to deal with these unique circumstances. Others we borrowed from other areas.

For example, the best interest of the state of Missouri. That's language you'll see directly in our anticompetitive section of the CSRs.

When we decide change of ownership for a Class B itself, we have to look at that and that's a standard that is in there. So we incorporated that into that analysis as well.

We received comments during the public comment period from Penn National, from Gaming & Leisure Properties, Incorporated, which is Penn's REIT, from Pinnacle Entertainment and from Isle of Capri.

Now, all four presented a common concern that the use of the word lease in triggering the requirement for Commission approval was too broad.

They indicated that that could hamper their ability to lease a hotel, restaurant, a commercial space off the gaming floor, and staff agreed with that. I mean, we didn't have the intent when we went in there to look at this to say we want to have prior approval
before you lease this restaurant to Arthur Bryant's or
whoever you're going to lease it to.

We put the word lease in the first place
because a long-term lease can really be the substitute
for a sale. If we just say you can't sell it, fine.
We'll have a 99-year lease. So you could accomplish the
same, the same result. So we put lease in there.
So as you'll see, we have taken their
comments and even adopted some of the language which
Pinnacle had recommended to exempt out any leases that
are off the gaming floor and involve retail restaurant,
hotel types of uses. Those will not require any
Commission approval prior to their taking effect.
The other set of comments that you'll see,
and they're all stated there in the final order of rule
making, really addressed their concern that the
standards that we had established for the Commission's
review of these questions to be too broad.
The staff felt it was important to keep the
existing standards -- we made a couple changes in
language which they had suggested, but in general to
keep those standards where they were because these types
of situations are going to come in such a variety of
fact scenarios and such a variety of lease terms or sale
terms or whatever the case may be that we wanted to
retain with the Commissioners the flexibility to really
look at any particular situation and say, you know, this
situation is not in the best interests of the state of
Missouri. This situation has negative competitive
effects. This situation really -- you know, really
calls into question the Class B's financial suitability.

We approve a Class B. They come to us and
say we own this real estate. We own all these assets.
And now at the time of the transfer of the REIT they no
longer own the real estate. They just have a lease to
it. Now, would that cause us to reevaluate that?

So instead of us having to go out and say,
okay, B. We're going to let the sale go through and
analyze whether or not you're still suitable. We're
going to say, no. We think this would, you know, strip
down this Class B's assets below a level where we're
comfortable with. And we would have to approve it
before the sale would go through.

We did throughout the process, as we always
do, involve the industry. We've received comments even,
you know, in addition to the formal ones. We had
discussions and the final result arises out of those.

That's all.

VICE CHAIRMAN JONES: Any comments from the
Commissioners?
COMMISSIONER BRADLEY: So this has been reviewed six months? Today is the final review or requesting final order of rulemaking, so it's been out in the public and has been discussed and the hearing, the comments we've reviewed right here?

MR. GREWACH: Correct. We had that public comment period. We've had the public hearing.

As you can see from the rule, actually just one person, Rayna Stover, appeared at the public hearing. Had no additional comment other than the written comments that had been previously submitted.

If approved by the Commission, the Actual effective date of the rule will be March the 30th, 2015.

COMMISSIONER BRADLEY: I'll make the motion to approve the final order of rulemaking on 11 CSR 45-10.040.

COMMISSIONER HOWARD: I'll second that motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.
VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted the final order of rulemaking 11 CSR 45-10.040.

EXECUTIVE DIRECTOR STOTTLEMYRE:

Mr. Vice Chairman, the next item on the agenda is Consideration of Bingo Settlement Agreement.

Mr. Grewach.

MR. GREWACH: This arises out of an investigation of a bingo licensee, the VFW Post 2591 in Sedalia.

In the premise inspection six illegal video gambling devices were found on the property. After a discussion with the bingo licensee and their counsel and negotiation on this matter, the staff has determined to recommend, subject to the Commission's approval, the settlement, which includes a one-day suspension per month of their bingo activities for a period of six months, a $500 fine, the requirement that the post quartermaster who was in that position when these machines were there step down and not participate with the post in a leadership position while they still have a bingo license, and in addition, that they forfeit all proceeds from the play on those six illegal video gaming devices. And the rule requires the Commission to approve that settlement before it goes into effect.
VICE CHAIRMAN JONES: Any questions?

Ed, the date, suspension day of the month, have they agreed on it? Will it be their slowest day or will it be their best day or will it be in the middle?

I'm just asking, you know.

MR. GREWACH: And it is stated in the order itself that it will be a regularly scheduled bingo day.

I can't tell you from memory if they play one or two days a week, but it will be -- they have set days they play. So it will be six of their regularly scheduled. And I believe we had set this to begin in January with the first date that was set for their regular bingo play.

VICE CHAIRMAN JONES: Okay. Any other comments?

A motion, please.

COMMISSIONER BRADLEY: I'll move to approve Resolution No. 14-002-B.

COMMISSIONER HOWARD: I'll second that motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.
MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-002-B.

MR. GREWACH: Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE:

Mr. Vice Chairman, the next item on the agenda is the Consideration of Relicensure of Certain Suppliers.

Sergeant Brian Holcomb will present.

SERGEANT HOLCOMB: Mr. Vice Chairman, Madam Commissioners, good morning.

VICE CHAIRMAN/COMMISSIONERS: Good morning.

SERGEANT HOLCOMB: Missouri State Highway Patrol investigators conducted the relicensing investigation of three supplier companies currently licensed in Missouri.

These investigations consisted of jurisdictional inquiries, feedback from affected gaming company clients, a review of disciplinary actions, litigation and business credit profiles, as well as a review of the key persons associated with each company.

The results of these investigations were provided to the Missouri Gaming Commission staff for their review and you possess comprehensive summary reports before you which outline our investigative
findings for each company.

The following supplier companies are being presented for your consideration: Gaming Laboratories International, LLC.

EXECUTIVE DIRECTOR STOTTLEMYRE: Staff recommends approval of Resolution No. 14-092.

VICE CHAIRMAN JONES: Do we have a motion?

COMMISSIONER BRADLEY: I move to approve Resolution No. 14-092.

COMMISSIONER HOWARD: I'll second that motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-092.

SERGEANT HOLCOMB: The second company for consideration is Lightning Slot Machines, LLC.

EXECUTIVE DIRECTOR STOTTLEMYRE: Staff recommends approval of Resolution No. 14-093.

VICE CHAIRMAN JONES: Do we have a motion?
COMMISSIONER HOWARD: I'll move for approval of Resolution No. 14-093.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you have adopted Resolution No. 14-093.

SERGEANT HOLCOMB: The final company for consideration is House Advantage, LLC.

EXECUTIVE DIRECTOR STOTTEMYRE: And staff recommends approval of Resolution No. 14-094.

VICE CHAIRMAN JONES: A motion, please.

COMMISSIONER HOWARD: I'll move for approval of Resolution No. 14-094.

COMMISSIONER BRADLEY: Second, please.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.
MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-094.

SERGEANT HOLCOMB: Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE: The next item would be Consideration of Licensure of Certain Level I and key applicants. Sergeant Gary Davidson will present.

SERGEANT DAVIDSON: Good morning, Mr. Vice Chairman and Commissioners.

VICE CHAIRMAN/COMMISSIONERS: Good morning.

SERGEANT DAVIDSON: 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: Rodney E. Centers, Ameristar Casino, Kansas City, Incorporated, Vice President and General Manager; Gary D. Stellar, II, Ameristar Casino,
Kansas City, Incorporated, Vice President and Assistant General Manager; Aaron B. Rosenthal, Argosy Riverside Casino, Vice President and General Manager; Mark R. Dunn, Aristocrat Technologies, Incorporated, Executive Vice President of General Counsel; Constance K. James, Aristocrat Technologies, Incorporated, Director and Chief Financial Officer; Craig J. Abrahams, Caesars Acquisition Company, Chief Financial Officer; Bernadette Hanson, Hollywood Casino, Vice President of Finance; Joelle Shearin, Hollywood Casino, Assistant General Manager; Yasuhiko Yoshimura, JCM American Corporation, Director; Thomas LaPlaca, Pinnacle Entertainment, Incorporated, Senior Vice President and Chief Accounting Officer.

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.

EXECUTIVE DIRECTOR STOTTLEMYRE:

Mr. Vice Chairman, staff recommends approval of Resolution No. 14-095.

VICE CHAIRMAN JONES: A motion, please.

COMMISSIONER BRADLEY: Motion to approve Resolution No. 14-095.

COMMISSIONER HOWARD: I'll second that
Vice Chairman Jones: Angie.

Ms. Franks: Commissioner Howard.

Commissioner Howard: Approve.

Ms. Franks: Commissioner Bradley.

Commissioner Bradley: Approve.

Ms. Franks: Vice Chairman Jones.

Vice Chairman Jones: Approve.

Ms. Franks: By your vote you've adopted Resolution No. 14-095.

Executive Director Stottlemyre:

Mr. Vice Chairman, the next item on the agenda is Consideration of Waiver of Institutional Investors.

Martha LeMond will present.

Ms. LeMond: Good morning, Mr. Vice Chairman, Commissioners.

Vice Chairman/Commissioners: Good morning.

Ms. LeMond: Behind Tabs W and X are resolutions regarding waivers of licensure for institutional investors holding and/or requesting to hold publicly traded interests of up to 20 percent in gaming licensees.

These investors have submitted requests for waivers to hold interest in these licensees in compliance with 11 CSR 45-4.
The submitted waiver requests certifies the holdings is for institutional investing purposes only, with no intent to be involved in the management or operation of the licensee. Because the holdings may exceed the 10 percent threshold for which the Executive Director may grant a waiver, this resolution is before the Commission today. Resolution No. 14-096 is for Fidelity Investments and Resolution No. 14-097 is for State Street Corporation. I'd be happy to answer any questions. EXECUTIVE DIRECTOR STOTTLEMYRE: Staff recommends approval of Resolution No. 14-096. VICE CHAIRMAN JONES: Can we have a motion, please? COMMISSIONER HOWARD: I'll move for approval of Resolution No. 14-096. COMMISSIONER BRADLEY: Second. VICE CHAIRMAN JONES: Angie. MS. FRANKS: Commissioner Howard. COMMISSIONER HOWARD: Approve. MS. FRANKS: Commissioner Bradley. COMMISSIONER BRADLEY: Approve. MS. FRANKS: Vice Chairman Jones.
VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-096.

EXECUTIVE DIRECTOR STOTTLEMYRE: And staff also recommends approval of Resolution No. 14-097.

VICE CHAIRMAN JONES: A motion, please.

COMMISSIONER HOWARD: I'll also move for approval of Resolution No. 14-097.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-097.

EXECUTIVE DIRECTOR STOTTLEMYRE:

Mr. Vice Chairman, the next item on the agenda is Consideration of Relicensure of Certain Bingo Suppliers and Manufacturers. Sergeant Mike Finnegan will present.

SERGEANT FINNEGAN: Good morning,

Mr. Vice Chairman, Commissioners. Today I am presenting several companies for relicensure as suppliers or
manufacturers of bingo products in the state of Missouri. All bingo supplier and manufacturer licenses are issued for the calendar year and expire on December 31st of each year.

The relicensure of both manufacturers and suppliers include but is not limited to a review of Federal and State tax checks, customer and product lists, corporate organizations, gaming license checks, as well as various criminal and financial background checks on each company's key persons.

The following two companies have applied for relicensure of their supplier's license: All American Bingo, Incorporated and Bingo Supply Center.

The following six companies have applied for relicensure of their manufacturer's license: Douglas Press, Incorporated, International Game, Incorporated, Arrow International, Incorporated, Fortunet, Incorporated, Pollard Games, Incorporated doing business as American Games, and VKGS, Incorporated.

Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE:

Mr. Vice Chairman, staff recommends approval of Resolution No. 14-003-B, which would be the bingo suppliers.

COMMISSIONER BRADLEY: I make a motion to
approve Resolution No. 14-003-B.

COMMISSIONER HOWARD: I'll second that motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.

VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-003-B.

EXECUTIVE DIRECTOR STOTTLEMYRE: Staff also recommends approval of Resolution No. 14-004-B, which is the bingo manufacturers.

COMMISSIONER BRADLEY: I'll move to approve Resolution No. 14-004-B.

COMMISSIONER HOWARD: I'll second that motion.

VICE CHAIRMAN JONES: Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.
VICE CHAIRMAN JONES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 14-004-B.

EXECUTIVE DIRECTOR STOTLEMYRE: Mr. Vice Chairman, we've moved along fairly fast this morning, so I guess we are ready to go into closed, if you want a motion to do so.

VICE CHAIRMAN JONES: Do we have a motion?

COMMISSIONER HOWARD: Well, it looks like we have a motion here.

I'll make a motion for a closed meeting under Section 313.847 of the Revised Statutes of Missouri, for investigatory, proprietary and application records, and Section 610.021, Subsection 1, of the Revised Statutes of Missouri, for legal actions, Subsection 3 and Section 13 for personnel and Subsection 14 for records protected from disclosure by law.

COMMISSIONER BRADLEY: Second.

VICE CHAIRMAN JONES: Angie, call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Vice Chairman Jones.
VICE CHAIRMAN JONES: Approve.

I'd like to thank everyone as we go into closed and if I don't see you, have a happy and safe Christmas.

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
MISSOURI GAMING COMMISSION
Second Open Session Minutes
December 3, 2014

The Missouri Gaming Commission (the “Commission”) went into open session at approximately 12:50 p.m. on December 3, 2014, at the Commission’s Jefferson City office.

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

The meeting ended at 12:51 p.m.