BEFORE THE MISSOURI GAMING COMMISSION

Meeting

April 26, 2017

10:00 a.m.

3417 Knipp Drive

Jefferson City, Missouri

BEFORE: Herbert M. Kohn, Chairman
       Brian Jamison, Vice Chairman
       Larry D. Hale, Commissioner
       Thomas Neer, Commissioner
       Richard Lombardo, Commissioner

Reported by:

Patricia A. Stewart, CCR 401
Midwest Litigation Services
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AGENDA

I. Call to Order

II. Consideration of Minutes
A. March 29, 2017

III. Consideration of Hearing Officer Recommendation
B. James C. Muschamp
   1. Resolution No. 17-021
C. Diallo L. Simms
   1. Resolution No. 17-022

IV. Consideration of Relicensure of Class A Licensee
D. Eldorado Resorts, Inc.
   Presentation by Eldorado Resorts, Inc.
   19:23
   Public Comment
   36:16
   Investigative Summary
   37:4
   Staff Recommendation
   39:21
   1. Resolution No. 17-023
      (Class A Licensure)
   2. Resolution No. 17-024
      (Change of Control)
   3. Resolution No. 17-025
      (Key Business Entity Licensure)
   4. Resolution No. 17-026
      (Level IIs and Key Person Licensure)

V. Consideration of Disciplinary Actions
E. Tropicana St. Louis, LLC
   1. DC-17-05643:19
F. IOC-Caruthersville, LLC
   1. DC-17-05746:19
VI. Consideration of Relicensure of Certain Supplier's License

G. Landry Holdings, LLC d/b/a Casino Tech
   1. Resolution No. 17-027

H. Aristocrat Technologies, Incorporated
   1. Resolution No. 17-028

I. NRT Technology Corporation
   1. Resolution No. 17-029

J. Interblock USA, LC
   1. Resolution No. 17-030

K. Interblock d.d.
   1. Resolution No. 17-031

VII. Consideration of Bingo Settlement

L. American Legion Brown Twitty Post 595
   1. Resolution No. 17-001-B

XII. Motion for Closed Meeting under Sections 313.847 and 313.945, RSMo., Investigatory, Proprietary and Application Records and 610.021(1), RSMo., Legal Actions, (3) & (13) Personnel and (14) Records Protected from Disclosure by Law
C H A I R M A N K O H N : W e ' l l c a l l t h e m e e t i n g o f t h e
A p r i l 2 6 , 2 0 1 7 M o s s o u r i G a m i n g C o m m i s s i o n t o o r d e r .
A n g i e , p l e a s e c a l l t h e r o l l .
M S . F R A N K S : C o m m i s s i o n e r L o m b a r d o .
C O M M I S S I O N E R L O M B A R D O : P r e s e n t .
M S . F R A N K S : C o m m i s s i o n e r N e e r .
C O M M I S S I O N E R N E E R : P r e s e n t .
M S . F R A N K S : C o m m i s s i o n e r H a l e .
C O M M I S S I O N E R H A L E : P r e s e n t .
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C O M M I S S I O N E R J A M I S O N : P r e s e n t .
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I s t h e r e a m o t i o n t o a p p r o v e t h o s e m i n u t e s ?
C O M M I S S I O N E R L O M B A R D O : M o t i o n t o a p p r o v e .
C O M M I S S I O N E R H A L E : S e c o n d .
C H A I R M A N K O H N : A n g i e .
M S . F R A N K S : C o m m i s s i o n e r L o m b a r d o .
M S . F R A N K S : C o m m i s s i o n e r N e e r .
COMMISSIONER NEER: Approved.
MS. FRANKS: Commissioner Hale.
COMMISSIONER HALE: Approved.
MS. FRANKS: Commissioner Jamison.
COMMISSIONER JAMISON: Approved.
MS. FRANKS: Chairman Kohn.
CHAIRMAN KOHN: Approved.
MS. FRANKS: By your vote you've adopted the minutes of the March 29, 2017 meeting.
CHAIRMAN KOHN: Before we begin, let me as usual welcome all of you here who are in the audience. We're glad you're here and we'll try and get through the meeting as quickly as we can.

Mr. Seibert.
EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman, the first order of business is Consideration of Hearing Officer Recommendations. Mr. Bryan Wolford will present.

CHAIRMAN KOHN: Mr. Wolford.
MR. WOLFORD: Thank you, Mr. Director, Mr. Chairman, Commissioners.
For your consideration Resolution No. 17-021, the matter of James Muschamp.
At all relevant times Mr. Muschamp was a bartender at Hollywood Casino in St. Louis and a
Level II licensee.

The events, however, occurred at the Ameristar Casino in St. Charles. And just because the events occur at a different facility doesn't mean that the licensee is still not bound by the obligations as any Level II licensee would.

On June 1st, 2016 a Commission agent on the boat was advised of a person smoking marijuana at the Ameristar parking lot. The Commission boat agent did an investigation and observed Mr. Muschamp with three other individuals standing by a car. One of the individuals took out a marijuana cigarette and handed it to Mr. Muschamp, who then possessed it and ingested it.

At the hearing Mr. Muschamp did admit to possessing and smoking the marijuana. He did say it was a bad decision and he did ask for leniency from the Commission at the hearing.

As a Level II licensee Mr. Muschamp was aware that he must refrain from illegal activity and, further, that he had the duty to report illegal activity. In a sense, Mr. Muschamp had the duty to self report his own violation of possessing and smoking the marijuana.

Based on the foregoing the licensee did commit misconduct and is subject to discipline by the Commission. Mr. Muschamp again did not present any
evidence that the recommended discipline by the panel was unjust. He did ask for leniency however. Therefore, the hearing officer recommends affirming revocation as just and appropriate discipline.

I'd be happy to answer any questions.

CHAIRMAN KOHN: Any questions of Mr. Wolford?

COMMISSIONER LOMBARDO: So this took place at the garage of a casino, not the one he worked at?

MR. WOLFORD: Correct.

COMMISSIONER LOMBARDO: And he was not -- obviously he was not on duty at the time. Right?

MR. WOLFORD: Correct.

COMMISSIONER LOMBARDO: I was looking for the similar incident data here, and I looked at it a couple of nights ago.

Do you have anything that you consider really similar to this situation?

MR. WOLFORD: Not that I've experienced during my tenure, and no evidence was presented at hearing of any similarly situated licensees or individuals. That's why the hearing officer didn't have that data or evidence before me to diverge any from the panel's recommendation of revocation.

COMMISSIONER LOMBARDO: Okay. And I'm looking at similar cases, and it looks like somebody
showed up at work intoxicated, so they're actually at work intoxicated, and they got ten days. It looks like other people might have been revoked for smoking marijuana at their place of employment but nothing really similar to this. Correct?

MR. WOLFORD: Not that I'm aware of.

And again, Level II licensees are bound by the requirements whether they're at work, whether they're not at work, whether they're at their facility of employment or whether they're at any gaming facility.

COMMISSIONER LOMBARDO: Okay. And he showed up at the hearing and basically said I screwed up; it's on me?

MR. WOLFORD: Absolutely. He was very contrite.

COMMISSIONER LOMBARDO: All right.

MR. WOLFORD: And he is present as well today to speak to the Commission.

CHAIRMAN KOHN: I was just about to ask that. Before we hear from Mr. Muschamp, are there any other questions of Mr. Wolford?

COMMISSIONER HALE: Yes, I do, Mr. Chairman.

Were there any remnants of this marijuana cigarette recovered by the Gaming Commission agent?

MR. WOLFORD: Yes, Commissioner Hale. The
remnants were found on the floor amongst the group of
persons who had passed it around, by the Commission boat
agent.

        I will say, Commissioner Hale, that none of
the individuals were cited as a result of this incident
criminally.

COMMISSIONER HALE: No arrests at all?

MR. WOLFORD: Correct.

COMMISSIONER HALE: Okay. Thank you.

CHAIRMAN KOHN: Any other questions?

Go ahead.

COMMISSIONER JAMISON: I thought one was
arrested that evening.

MR. WOLFORD: Correct. I'm sorry.

The individual who brought the marijuana
cigarette I guess who produced it first was cited, but
the other -- Mr. Muschamp and the other two individuals
who possessed and ingested it were not -- did not
receive any citations.

But, yes, sorry. I misspoke. The individual
who brought it did.

COMMISSIONER JAMISON: If I remember right,
Mr. Muschamp's judgment did come into effect when the
owner of the -- for lack of a better word, the guy who
brought the marijuana, said he was going to roll one up.
Muschamp said not now but it happened anyway and what happened is what happened.

CHAIRMAN KOHN: Any other questions of Mr. Wolford?

COMMISSIONER LOMBARDO: No.

COMMISSIONER HALE: No.

CHAIRMAN KOHN: Is Mr. Muschamp here?

MR. MUSCHAMP: Yes, sir.

CHAIRMAN KOHN: Are you represented by counsel?

MR. MUSCHAMP: No, sir.

CHAIRMAN KOHN: Would you like to address the Commission?

MR. MUSCHAMP: Yeah. I mean, like I said --

CHAIRMAN KOHN: Please stand up and introduce yourself for the record.

MR. MUSCHAMP: James Muschamp.

I said I admitted to everything. I understand it was a completely wrong decision. I mean, I don't know if you guys want to go through the whole story.

But, yeah, after we left Ameristar I told him not here. You know, he continued to roll it up. He lit it and, you know, as a bad judgment I did take it. They showed up. I wasn't arrested. I wasn't cited.
You know, I admitted to everything. I'm not saying -- you know, I never said I didn't do it. I never disagreed. I never fought the battle. I took full responsibility.

Like I said, I just ask for leniency. I figured, you know, if I showed up here, it would show a little bit better decision.

I've been there for a year and a half, love my job, love my co-workers, love my regulars there. This isn't me. I don't go out partying every night. I go to my children every night. When I'm not at work, I'm with my children. Even the days that I do work I have my children during the day.

I just don't want this one stupid, bad decision to affect, you know, what I was hoping to become a full, long career and was allowed opportunities at the casino, you know, not only as bartending but, you know, to further advance possibly another position, you know, of management or someone on the floor.

I was very excited when I got this job. I just don't want it to be disrupted by one stupid decision that I made.

The people that I was with that night, I mean, that was the first time I met two of the people. I have never seen them again afterwards.
It was one stupid night and I took responsibility for it, and I hope you guys show leniency. That's all.

CHAIRMAN KOHN: Any questions of Mr. Muschamp?

COMMISSIONER LOMBARDO: No.

COMMISSIONER HALE: None.

COMMISSIONER NEER: No, sir.

CHAIRMAN KOHN: Thank you, sir. You may be seated.

Any other discussion?

If not, is there a motion to either approve the staff recommendation or any other motion?

COMMISSIONER LOMBARDO: I would make a motion to amend the staff recommendation to a seven-day suspension.

COMMISSIONER HALE: I'll second that.

CHAIRMAN KOHN: Discussion on the motion?

COMMISSIONER NEER: I'd like to make it 15.

CHAIRMAN KOHN: I'm sorry. 15 days?

COMMISSIONER NEER: I'd recommend 15 days.

I know there are many different ideas from one end of the spectrum to the other on the use of marijuana. The fact remains that until things change it is still against the law.
COMMISSIONER LOMBARDO: Tom, I agree with you that it is, and I'm wondering if we could maybe go ten days. I don't know that we usually negotiate out loud.

MR. GREWACH: I was going to say, procedurally there's a motion and a second on the floor, so that motion would either have to be voted on or withdrawn and a new motion made.

CHAIRMAN KOHN: But the motion could be amended. Right?

MR. GREWACH: The motion could be withdrawn.

COMMISSIONER JAMISON: It could be amended and you vote on the amended and then vote on the amended.

CHAIRMAN KOHN: We're not going to get hung up on procedure here. We'll decide what we want to do.

COMMISSIONER LOMBARDO: Ed, we like to do things by consensus here when we can.

COMMISSIONER NEER: In the interest of time and justice I would agree to ten days without any argument.

CHAIRMAN KOHN: Will you accept the amendment to ten days from seven days?

COMMISSIONER LOMBARDO: Absolutely.

CHAIRMAN KOHN: Any other discussion on Resolution 17-021 as amended?
Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn.

CHAIRMAN KOHN: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 17-021 as amended to a ten-day suspension instead of revocation.

CHAIRMAN KOHN: Thank you.

Mr. Wolford, you're still up.

MR. WOLFORD: Thank you, Mr. Chairman.

For your consideration Resolution No. 17-022, the Matter of Diallo Simms.

On September 15, 2016 Mr. Simms had made an application with the Commission for a Level II occupational gaming license.

The application has Question No. 14B, and it specifically asks, have you ever been arrested, detained, charged, indicted, convicted, pled guilty or
pled no contest to any sort of offense, Federal, State, local, anything, and the chart gives examples of what it could be.

And Mr. Simms did disclose five arrests or citations he had received throughout the years, including things for no driver's license, improper traffic turn signals, speeding and failure to appear on municipal charges.

At the end of that question it has the applicant affirm that they have nothing else to declare in regard to this question, and Mr. Simms did sign that.

During the Commission investigation they revealed that Mr. Simms had failed to disclose an arrest on October 4th, 2007 for second-degree child molestation out of the Warrensburg Police Department. Now, these charges were subsequently dismissed a year later.

Further, Mr. Simms testified that he was 17 years old at the time that this happened, and he didn't think it was an arrest because he was never formally handcuffed and taken to the police station.

The Division of Family Services was involved and he did meet with law enforcement officers; however, he believed that it was an administrative matter with Family Services and not what would be considered an arrest.
However, the Commission's investigator testified that as part of the applicant packet that the applicant receives and reviews and signs off on there's an explanation page to Question 14B that states answer yes and provide all of the information to the best of your ability even if you did not commit the offense, the charges were dismissed, you were not convicted, and Mr. Simms did sign saying that he read and understood that to be.

The burden is on the applicant to prove their suitability for licensure. The burden is on the applicant to disclose any of these sort of law enforcement contacts from arrests to citations, and Mr. Simms failed to do so in this case, and the hearing officer recommends denial of his Occupational II license as appropriate punishment.

CHAIRMAN KOHN: I just want to make sure of something.

There is some discussion about whether he answered 14A instead of 14B.

MR. WOLFORD: That is correct. He placed the answer to 14B on 14A, so he did -- he was answering the questions on 14B but he just placed them on the wrong part of his application.

CHAIRMAN KOHN: But the recommendation is not
based on him answering 14A instead of 14B?

MR. WOLFORD: That is correct. The recommendation is based on the failure to disclose the arrest from Warrensburg PD for a sexual offense.

CHAIRMAN KOHN: Okay.

COMMISSIONER LOMBARDO: Okay. Was that disclosed on either 14A or 14B?

MR. WOLFORD: No, it was not.

COMMISSIONER HALE: And it was, in fact, an arrest; he was taken into custody in other words?

MR. WOLFORD: Correct. It was an official arrest. He did have a record of arrest when investigated by the Commission.

COMMISSIONER JAMISON: So on this closed record -- so to get into that closed record, was he fingerprinted as part of that process, do you know?

MR. WOLFORD: Yes, correct, he was.

COMMISSIONER JAMISON: Okay. So he was taken and fingerprinted to be able to have that closed record?

MR. WOLFORD: My understanding of what occurred, yes, he was.

COMMISSIONER JAMISON: Okay. So it wasn't that he just went to an office and had a discussion with someone, he was taken somewhere, processed with fingerprints and then questioned or talked to?
MR. WOLFORD: I believe his testimony was credible that he wasn't handcuffed and --
COMMISSIONER JAMISON: I agree with that.
MR. WOLFORD: -- there was nothing formal, but I do think that there was some formal processing that took place. That's how you get this sort of record attached to your name. There has to be a formal process involved.

COMMISSIONER JAMISON: And then if I remember correctly by reading the transcript, was there some discussion that he checked with an attorney to find out what was on a record, and the attorney obtained the open record for him and that's what he put on his application? Is that the testimony you remember?
MR. WOLFORD: That is correct. That was his testimony.

And again, I'll go back to the information sheet that he signed. It says even if an attorney tells you this is not on your record, you still have to disclose it if it happened.
COMMISSIONER JAMISON: But he was 17 at the time?
MR. WOLFORD: Correct, yes. He was for all intents and purposes an adult in the eyes of Missouri law.
COMMISSIONER JAMISON: Six months earlier and he wouldn't have been.

CHAIRMAN KOHN: Any other questions of Mr. Wolford?

Is Mr. Simms here?

Okay. Is there a motion with respect to 17-022?

COMMISSIONER NEER: Motion to approve.

CHAIRMAN KOHN: Is there a second?

Motion dies for lack of a second.

Are there any other motions?

Okay. Mr. Seibert.

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

CHAIRMAN KOHN: Thank you.

EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman, the next order of business is Consideration of Licensure of Class A Licensee.

Mr. Gary Carano, Chairman and CEO of Eldorado Resorts, will make the presentation and introductions as necessary.

CHAIRMAN KOHN: Mr. Carano.

MR. CARANO: Good morning, Chairman. Gary Carano, Commissioners, Executive Director.

With me today our President Tom Reeg and
Chief Financial Officer also Tom Reeg. Anthony Carano, my -- I shouldn't be funny -- my son, who is our General Counsel at the current time and Executive Vice President of Operations. Stephanie Lepori is our Chief Accounting Officer. She could not be here today. And also Barron Fuller, who is our Regional Operations, Senior Vice President with Isle who will continue to be in that role.

We are here today to ask for your approval to become licensed in your great state.

A little bit of our family culture and history. My father was a gaming attorney for many years in the state of Nevada and now he's a happy wine maker. He and his family own a winery in California.

But we grew up in the business. I'm the eldest of five children. We all grew up in the hotel/casino business in Reno. I went to work in Las Vegas in a training program at the Holiday Casino in Las Vegas which is now Harrah's.

I think when we had the opportunity to talk to Eric and Robert Goldstein from Isle, a lot of the -- the first -- I'll never forget the first time we had the opportunity to meet Mr. Goldstein, a lot of the same family cultures that Isle practices I think has been the culture that my father established in 1973 when
we started the casino business in Reno, Nevada.

We truly are a family business. We encourage family members to bring their family members to work as our fellow team members.

We have a culture that we're very involved in the local communities wherever we're at both from a charitable situation and from a relationship with the regulators and our policemen and firemen.

What else can I say?

Our culture, Dad said we could never afford Frank Sinatra, so food became our Frank Sinatra. My youngest brother is a graduate of the Culinary Institute of America, Hyde Park, New York. That's where he met his wife Lisa.

Food is our main culture, and we're happy to say that we're very well known for that in all of our casinos and happy to say that Isle of Capri has that culture too. So like cultures.

As everyone in our industry is committed to quality service, that we felt that meeting the Isle team is very much part of their culture and it is our culture too.

Actually my brother Gregg will head up from the corporate standpoint guest relations throughout all of our 19 properties.
Our family started the business in Reno in 1973 with my dad's co-founder, his high school buddy, architect, and we built the Eldorado in Reno in 1973 from the ground up.

In 1995 we had the opportunity to build a property between us and Circus Circus. You'll see it in a future slide. It's a 1,700 room resort, Silver Legacy.

In 2005 the family -- you know, we were busting at the seams with family members. And truly we promote from within. A lot of our employees are 40-year employees. Our Senior Vice President of operations, Mike Whitemaine, played football with my brother Glenn at UNLV. He's been with the company for 30 some odd years.

Our Senior Vice President of Operations came in the door in internal audit, worked his way up the chain. Now he's Senior Vice President of Operations.

So a lot of our management team -- Stephanie Lepori, our Chief Accounting Officer, came in the door in the Accounting Department, worked her way up to the Director of Finance and now went to Corporate.

In 2005 we had the opportunity to buy the Hollywood Casino in Shreveport, Louisiana, which is a beautiful hotel/casino in Shreveport, Louisiana.
In 2013 the family made a big decision to continue to grow and diversify out of the portfolio we had, and we purchased the MTR Gaming Group with their three casinos in West Virginia, Pennsylvania and Ohio.

And then last -- 2015 we were operating the JV Partnership, the Silver Legacy, which was then partners with MGM and Reno. And next to that there was the 1,600 room Circus Circus we purchased through mainly 50 percent ownership in the Silver Legacy and all of the Circus Circus in November of 2015.

And today we stand in front of you asking for the approval of the great company Isle of Capri. Reno, like I said, was built in 1973. It's 800 rooms. It's what we would call in downtown Reno a boutique, high-end casino. Too many restaurants really but we are known for our food. We have a beautiful showroom. The normal number of suites.

The three properties are joined together. There is 4,100 rooms between the Eldorado. This is the Silver Legacy, which is 1,700 rooms. They're connected on the mezzanine via sky bridges, one sky bridge at the Eldorado.

We not only make our own wine but we make our own beer. We have a brewery at the Silver Legacy, 1,711 rooms, 1,200 slot machines, 63 table games,
dining, convention, hotel in downtown Reno.

The dome is 180 feet tall that encompasses the casino. It was built with the theme of the mining era in Nevada.

This is Circus Circus. 1,600 rooms that was built by the founders of Circus, and then when we purchased that it was -- MGM was the owner and operator. 1,600 rooms. 800 -- we've downsized the number of slot machines and table games, restaurants. It's a family operation.

It has the midway with carnival games and arcade games, and it's a very, very busy family weekend property.

This is one of the racinos that we owned when we purchased MTR Gaming in Columbus, Ohio, Scioto Downs, a 132,000 square foot facility, with 80,000 square foot of casino space, 2,200 VLTs, or slot machines. We built a microbrewery there, Brew Brothers, that we have in Reno also that we make our own beer there. It's a great property in Columbus and does very well. It's a harness racetrack.

Shreveport, as I said, a 400 all-suite hotel, 1,400 slot machines, 60 table games, your normal assortment of restaurants, your buffets, your steakhouses, parking garage and a ballroom.
In the market it competes very well and is probably the nicest property in the Shreveport/Bossier market. We're very happy with that property.

Presque Isle Downs in Erie, Pennsylvania, a racetrack again, that our general manager there is -- I don't know if I should say this or not -- but Brett Favre's brother, Jeff Favre, is our general manager there and has been with us since we bought the company. And this property is 1,600 slot machines, 39 table games.

We remodeled the clubhouse restaurant into a Brew Brothers there and a lot of surface parking and again a racino.

Mountaineer is the legacy property of MTR Gaming in West Virginia located on the Ohio River. My brother Gregg is the current general manager there and has been for about a year.

300 some odd hotel rooms, 1,500 slot machines, 45 table games, again, a racetrack, with also a golf course. A sprawling property that we have right-sized, and it has inherited a lot of competition from Pittsburgh and Cleveland and most recently from Youngstown.

So this map gives you the idea of the scope of the new company. We've gone from two and a half
properties, the family owning one property in Reno and a
half of the Silver Legacy and then the Shreveport
property, and then we acquired the MTR's three
properties to seven properties and now with the
acquisition of Isle of Capri with their twelve casinos,
that will bring us to 19 properties in ten states.

And we're very excited. Barron Fuller will
again be in charge of the Missouri division like he is
today, and we're just very excited about this
opportunity and are here to ask for your approval.

We take gaming licenses as a privilege and
nothing is guaranteed. We take it very seriously.
Again, my father being a gaming attorney growing up
taught us that.

So with that I'll turn it over to Tom Reeg
who will go through the transaction deal and will be
available for any questions if you have any.

Thank you.

MR. REEG: Mr. Chairman, Commissioners, Tom
Reeg, President and CFO of Eldorado Resorts, member of
the Board. Pleased to be in front of you today to
describe the transaction that we are asking for your
approval.

We agreed to acquire Isle for $23 per share.
The Isle shareholders have an election that is ongoing
as we speak. Their deadline is today to choose whether they will take their consideration in cash or shares of stock. The shares of stock were fixed as of date of announcement of the transaction in September of last year.

The consideration is hardwired, so that it will be 58 percent cash, 42 percent stock. So to the extent that the stock is oversubscribed, which likely will be the case given where the stocks traded subsequent to the announcement, Isle's shareholders will be probated, so it will be 58 percent cash, 42 percent stock.

Post the transaction the existing Eldorado shareholders will own 62 percent of the combined company. Isle shareholders will own 38 percent. Total purchase price is a billion-seven, including the assumption of Isle's $900 million plus of debt.

The financing. We completed our financing about a month ago. A new five-year 300 million revolving credit facility, a billion-four-fifty term loan and a new $375 million bond issue. We have an existing $375 million bond issue that remains outstanding. All other data on both sides is refinanced in that transaction.

Those proceeds are in escrow as we stand here
today. Once we move to closing escrow proceeds will be released. The debt will be repaid. And that will be our new capital structure. In terms of financing rates we got -- we are fortunate as we approach the markets, got favorable rates. Our cash interest expense post transaction will be under $100 million a year. We were expecting over $110 million a year when we entered into the deal.

In terms of timing we're in front of you today. There's a concurrent meeting going on in Pennsylvania as we speak. If we're fortunate enough to be approved in both jurisdictions today, those are the remaining approvals that we need at the State level to close the transaction. Expectation would be we would close next week.

This is an exciting transaction for us. Gary talked about the diversity it creates for us. We consolidate the corporate functions of both companies. That's where the bulk of the $35 million of synergies is created at the property level.

And in the state of Missouri, as Gary said, Barron will be in charge of our Missouri and Iowa division. He's already running Missouri operations for Isle.

As Gary told you, this is the latest in a
series of acquisitions for us. We tend to change, you
know, very little personnelwise at the property levels.
We want to come in and work with the existing management
teams. You know, we're not someone who comes in and
says, you know, we're going to bounce your guys and put
in our guys.

Post transaction we're going to be a strong
free cash flow generator. As I said we'll be under
$100 million of interest expense. We should be over
400 million of EBITDA. Our free cash flow should be in
excess of $200 million per year, so quite substantial.

Our intention in the near term is to use that
free cash flow to pay down debt. We come out of this
transaction a little over five times levered. We're
more comfortable in the fours than we would expect to be
and that's on a debt to EBITDA. Measurement base is we
would expect to be there by this time next year.

If you look at the structure of the
transaction, ERI is the public entity, Eldorado Resorts,
Inc. IOC Holdco becomes a wholly owned subsidiary below
Eldorado Resorts, Inc., standing alongside Eldorado
Holdco, LLC, which is the original Eldorado entity that
the family started in '73, and then the MTR Gaming Group
subsidiary which we acquired toward the end of 2014.

In terms of ownership Recreational
Enterprises is the Carano family entity. It will own about 15 percent of the combined company. Hotel Casino Management is the Poncia family entity, the original partner in the Eldorado. They'll be about 8 percent. GFIL is the Goldstein family entity that you're familiar with. They will be somewhere around 9 3/4 percent. That will be determined completely once the Isle shareholder election is done. 9 3/4 is based on full proration.

The rest are public shareholders, typical institutional shareholders, mutual funds, insurance companies, hedge funds and the like.

Our board is -- moves to nine members. There are seven independent members. Gary and myself are the insiders, but we run as an independent board under NASDAQ guidelines.

So with that I will turn it over to Barron.

MR. FULLER: Good morning everybody, Commissioners, Chairman Kohn, Bill, Tim.

I had the pleasure of meeting these guys about six months ago, and at that immediate moment I felt like family.

So the past 20 years -- 20 plus years I've had the fortune of working for the Goldstein family and the Isle of Capri team, spending 15 years of that in the
state of Iowa and then the last eight plus down here in the state of Missouri, where the winters are much more conducive to my liking down in Missouri, so I appreciate that.

I'm looking forward to joining this team, and as they pointed out, I'm currently over the Missouri region and then taking on the title Senior Vice President of Regional Operations for the Missouri and Iowa regions.

I have two kids up in the state of Wisconsin, so getting back into Iowa moves me back a little bit closer to my family, so I'm looking forward to that.

What does this mean to Missouri moving forward and what are some of the objectives we're looking at for the state of Missouri?

As we pointed out earlier, stable operational teams. We have great teams at the four properties that we operate in at our Class B licenses.

Our newest member is Tony Rohrer down in Caruthersville. Tony has done an outstanding job down there. Tony has a good Legacy team surrounding him there.

Todd Steffen is a longstanding general manager at Kansas City. Todd has been with the Isle for a long time.
Lyle Randolph came to Cape Girardeau in 2013. Since Lyle's arrival in Cape Girardeau we have seen eleven consecutive quarters of year-over-year growth in both net revenue and EBITDA. So Lyle has done a good job there and done an outstanding job embedding himself into that community.

Boonville, again, a lot of talent in Boonville. Currently I hold the general manager's title there. We have a good replacement in mind to take my seat once I leave -- once I leave Boonville.

Continued commitment to compliance. This is a nonnegotiable in the state of Missouri for us and within our company. We look at operating in a highly regulated environment as a privilege. We form a lot of relationships with the people in this room, with our boat sergeants and the staff at the property. So we know trust is the No. 1 element, and that's how we live within this region.

Operational excellence. Obviously we want to take a look at growing the market, growing net revenue and growing EBITDA, but at the same time I think we have a great advantage to combine the two companies together, take the best practices of Eldorado, their knowhow as it relates to gaming operations and food operations and make it a much better experience for our team members.
Continued focus on minority spend and diversity. This has always been a big one for us. Over three years ago we created a strategic plan with the help of Marks & Associates.

Within that plan we focus on growing existing business with our current vendors, secondly cultivating new business with vendors that we don't currently do business with, and then lastly setting up a reporting structure that we monitor on a monthly basis. This program has worked out great for us. We continue to plan to use that moving forward.

In regards to capital, diligent plans in relation to our Cap X and our maintenance Cap X. We'll continue with that to keep our properties fresh, keep our properties safe for our team members and our guests.

And then our commitment to our team members. As the Eldorado team pointed out earlier, you look at their culture. It's a lot about family. We have always lived with that. We feel the same way. So that's a great opportunity for us moving forward.

The 1,500 team members that we have in the state of Missouri, we want to provide them with great jobs, great opportunities for growth and a great engaging environment to come to work with every day.

So I will turn it back over to Gary unless
there is any questions for me.

COMMISSIONER HALE: I just have one, if I might, Mr. Chairman.

You're certainly correct. The Isle in my view has had a very respectful MBE/WBE performance.

I'm assuming with the merger that you're not anticipating any change in the culture at least in that regard?

MR. FULLER: Not at all. I know that right now we have a couple relationships that we're working on right now within the state of Missouri, and more specifically with a Coca-Cola vendor, that will even add to that.

COMMISSIONER HALE: All right. Thank you very much.

MR. FULLER: Thank you.

All right. I'll turn it back over to Gary.

Thank you.

MR. CARANO: With that I appreciate this opportunity to present to you today, and we're happy to answer any questions.

One question that seems like it always comes up is do we have any plans for capital spending at the properties?

I think that, again, I go back to our
culture. It was not always the culture of Isle of Capri but it has been I think for about five years, and our culture, it always has been.

We don't get behind in our infusion of capital into our properties, whether it's the back of the house for our team members or the front side for our guests or, like Barron said, safety for our guests.

We feel in our industry if you ever get behind in your capital spending, you can't keep up. You can't catch up. So our properties are always fresh, exciting and both from an employee standpoint and from a player standpoint.

So with that we do not have any current plans. We haven't had the opportunity to really dive into all of the properties, but we have been to all of the properties two or three times, and we're very excited about this opportunity to stand in front of you today.

With that we'll answer any questions.

CHAIRMAN KOHN: Before we go on, let me announce that I'm going to recuse myself from this. I did not realize, or maybe I should have but I didn't, that one of your shareholders is a client of one of my firm's offices for estate planning purposes. So even though it may not be a conflict I'm going to recuse
myself and Vice Chairman Jamison will take over.

VICE CHAIRMAN JAMISON: And if I'm reading this correctly, Missouri will become your largest market share percentagewise of your holdings?

MR. REEG: Yes, it will be neck and neck with Reno and Ohio, but Missouri is the largest.

VICE CHAIRMAN JAMISON: But it's a substantial holding of your operations?

MR. REEG: No question.

VICE CHAIRMAN JAMISON: Okay. I don't have any other questions.

COMMISSIONER LOMBARDO: I don't have any questions.

COMMISSIONER NEER: No, sir.

COMMISSIONER HALE: No.

VICE CHAIRMAN JAMISON: We would now entertain any public comment if there is anyone in the audience that has any comments to make in reference to the resolutions.

Seeing none we'll proceed to the investigative summary.

EXECUTIVE DIRECTOR SEIBERT: Sergeant Brian Holcomb will present.

VICE CHAIRMAN JAMISON: Thank you, guys.

MR. CARANO: Thank you very much.
SERGEANT HOLCOMB: Mr. Chairman, Vice Chairman, Commissioners, good morning.

VICE CHAIRMAN JAMISON: Good morning.

SERGEANT HOLCOMB: Missouri Gaming Commission staff reviewed the corporate and ownership structure of Eldorado Resorts, Incorporated and identified four companies which would require licensure prior to the company's planned acquisition of Isle of Capri Casinos, Incorporated.

The Missouri Gaming Commission began receiving the following applications in October 2016, a Class A application from Eldorado Resorts, Incorporated, a key business entity application from Eagle II Acquisition Company, LLC, a wholly owned subsidiary of Eldorado Resorts, Incorporated, a key business entity application from Recreational Enterprises, Incorporated, which owns more than 5 percent of Eldorado's stock but is not a financial investment fund, and a key business entity application from Hotel Casino Management, Incorporated, which also owns more than 5 percent of Eldorado stock but is not a financial investment fund.

The Missouri Gaming Commission financial investigators and members of the Missouri State Highway Patrol were tasked with examining each company for the purpose of assisting the Missouri Gaming Commission in
determining Eldorado's suitability for licensure in the state of Missouri.

A detailed company profile was created by investigators who conducted site inspections, interviewed company representatives, confirmed appropriate insurance coverages, ensured the payment of taxes, contacted gaming regulators and law enforcement officials, reviewed litigation history and performed a comprehensive financial analysis. The fiscal and corporate mechanics of the proposed acquisition were also examined.

Additionally, comprehensive background investigations were conducted on multiple key person applicants. The investigations included but were not limited to criminal, financial and general character inquiries which were made in the jurisdictions where each applicant lived, worked and frequented.

The following individual applicants are being presented for your consideration: Gary Louis Carano, Chairman and CEO, Eldorado Resorts, Incorporated; Anthony Louis Carano, Executive Vice President of Operations, Secretary and General Counsel for Eldorado Resorts, Incorporated; Thomas Robert Reeg, Director, President and Chief Financial Officer for Eldorado Resorts, Incorporated; Stephanie Dana Lepori, Chief
Accounting Officer, Eldorado Resorts, Incorporated;
Frank Joseph Fahrenkopf, Jr., Independent Director,
Eldorado Resorts, Incorporated; James Barry Hawkins,
Independent Director, Eldorado Resorts, Incorporated;
Michael Edward Pegram, Independent Director, Eldorado
Resorts, Incorporated; David Paul Tomic, Independent
Director, Eldorado Resorts, Incorporated; Roger Philip
Wagner, Independent Director, Eldorado Resorts,
Incorporated; Donald Louis Carano, Shareholder,
Recreational Enterprises, Incorporated.

All investigative findings were provided to
the Missouri Gaming Commission staff for their review
and investigators are present at this hearing and would
be happy to entertain any questions you might have.

VICE CHAIRMAN JAMISON: Thank you.

Any questions?

COMMISSIONER LOMBARDO: No.

COMMISSIONER HALE: I have none.

COMMISSIONER NEER: No, sir.

VICE CHAIRMAN JAMISON: A recommendation.

EXECUTIVE DIRECTOR SEIBERT: Staff does
recommend approval.

VICE CHAIRMAN JAMISON: Can we do all four of
these resolutions at once since they're intertwined or
do we need to do one resolution at a time?
MR. GREWACH: One at a time.

VICE CHAIRMAN JAMISON: Okay. Any particular order or the way they're listed?

MR. GREWACH: I would do them the way they're listed.

COMMISSIONER LOMBARDO: Thank you for that, Ed.

MR. GREWACH: I'm glad to help.

VICE CHAIRMAN JAMISON: The Chair would entertain a motion on Resolution 17-023, Class A licensure.

COMMISSIONER NEER: Motion to approve 17-023.

COMMISSIONER HALE: Second.

VICE CHAIRMAN JAMISON: It's been first and seconded.

Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Vice Chairman Jamison.

VICE CHAIRMAN JAMISON: Approved.

MS. FRANK: By your vote you've adopted
Resolution No. 17-023.

VICE CHAIRMAN JAMISON: Are you back?

CHAIRMAN KOHN: I’m back.

VICE CHAIRMAN JAMISON: We have three more to do. Do you want to do those or do you want me to continue?

CHAIRMAN KOHN: Go ahead.

VICE CHAIRMAN JAMISON: I'd entertain a motion on Resolution 17-024, change of control.

COMMISSIONER HALE: Move for adoption of 17-024.

COMMISSIONER LOMBARDO: Second.

VICE CHAIRMAN JAMISON: It's been first and seconded.

Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approve.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Vice Chairman Jamison.

VICE CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 17-024.
VICE CHAIRMAN JAMISON: The Chair would entertain a motion on Resolution 17-025, key business entity licensure.

COMMISSIONER LOMBARDO: Motion to approve.

COMMISSIONER NEER: Second.

VICE CHAIRMAN JAMISON: First and seconded.

Angie, please call the roll.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Vice Chairman Jamison.

VICE CHAIRMAN JAMISON: Approve.

MS. FRANKS: By your vote you've adopted Resolution 17-025.

VICE CHAIRMAN JAMISON: Finally I will entertain a motion on the slate of individuals, Level I's and key person licensure, 17-026.

COMMISSIONER NEER: Motion to approve Resolution 17-026.

COMMISSIONER LOMBARDO: Second.

VICE CHAIRMAN JAMISON: First and seconded.

Angie, please.
MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Vice Chairman Jamison.

VICE CHAIRMAN JAMISON: Approve.

MS. FRANK: By your vote you've adopted Resolution No. 17-026.

VICE CHAIRMAN JAMISON: Okay.

CHAIRMAN KOHN: Thank you very much.

Mr. Seibert.

EXECUTIVE DIRECTOR SEIBERT: The next order of business is Consideration of Disciplinary Actions.

Mr. Ed Grewach will present.

MR. GREWACH: Thank you, Director Seibert, Mr. Chairman, Commissioners.

Under Tab E we have a Preliminary Order of Discipline directed to Lumiere Place Casino for three separate violations of our Rule 5.184.

The first violation is for failure to properly cancel cards before placing them for sale in the gift shop, the second is for failing to provide the required daily inspection of the cards in storage and
the third is the failure to perform the required
independent quarterly investigation of cards in storage.
The rule requires those two investigations.
The daily inspection is typically done by security
personnel inventory rather by security personnel. The
independent quarterly inventory is done by someone
either in compliance or accounting.
The cards, as a little background in
Missouri, are approved for play by color, and the
cards -- the cards that are taken out of use that are
going to be sold in a gift shop have to be canceled, and
according to the rule that cancellation has to take
place by either drilling a hole in the cards or cutting
the corners off of the cards.
And the reason for that rule is to prevent
someone from purchasing cards in a gift shop and
reintroducing them into play at a table game and
cheating by the use of those extra cards.
When we were reviewing the gift shop
inventory on October the 11th, 2016 we found three decks
of cards that were not properly canceled. There was one
yellow deck and two magenta decks that were being
offered for sale in their gift shop.
The Commission personnel then instructed the
casino to immediately take both the yellow and magenta
The casino contacted us and indicated that if they took those cards out of play, they would not have enough cards to use in their table games.

Now, five months prior to this incident they had an occasion where two cards were missing from gold decks when the table games were closed. In response to that issue five months ago the Commission instructed the casino to take those gold decks out of use for a time period of six months.

So the casino came to us and asked if they could go ahead and use those gold decks in spite of the fact only five and not the six months had expired. We agreed to that.

However, when we looked at the inventories we found that those decks had not been inventoried, either the daily inventory, nor the quarterly independent inventory for that five-month time period.

The recommended fine is $5,000.

CHAIRMAN KOHN: Any questions of Mr. Grewach?

COMMISSIONER HALE: No.

COMMISSIONER LOMBARDO: No.

COMMISSIONER NEER: No.

CHAIRMAN KOHN: Is there a motion with respect to DC-17-056?
COMMISSIONER JAMISON: So moved.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN KOHN: Discussion on the motion?

Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn.

CHAIRMAN KOHN: Approve.

MS. FRANKS: By your vote you've adopted DC-17-056.

CHAIRMAN KOHN: Mr. Grewach.

MR. GREWACH: Thank you.

Under Tab F we have a Preliminary Order of Discipline directed to Isle of Capri Caruthersville for a violation of Minimum Internal Control Standard H3.05 which prohibits cashiers from sharing imprest bank and a violation of Minimum Internal Control Standard H2.03, which requires that an imprest bank be assigned to an individual cashier who is then responsible for all
On October 14, 2016 there was a $100 shortage in one of the cashier's imprest banks. As routinely is done and required in this situation, surveillance reviewed that day's transactions and surveillance noticed that both the lead cashier and a new cashier who was going through the training process being supervised by the lead cashier both conducted transactions out of that same imprest bank.

The situation appeared at that point in time that the new cashier was struggling and there was a backup of a line in front of that cashier and the lead cashier stepped in and conducted transactions. Now, that transaction, in fact, included the one transaction that caused the $100 variance.

As we investigated the violation, we found that this practice of the lead cashier sharing an imprest bank with a new cashier that they were supervising had been going on for a time period of approximately five years.

And sometimes -- the cashier that is assigned the imprest bank is required by the rules to sign in a sheet as the incoming cashier for that bank. Sometimes both the lead cashier and the new cashier would sign it. Sometimes only one of them would sign it. There was
also some inconsistencies on who they would report the shortage or variance to.

When the issue came to our attention on October 14th and again on -- and there were discussions on that date, and again on October 19th by Commission personnel with casino management addressing the problem, it then came to Commission personnel's attention that on October 31st, 2016 a review of surveillance showed that both the lead cashier and a new cashier that that lead cashier was supervising were both conducting transactions out of the same imprest bank.

And the recommended fine is $2,500.

CHAIRMAN KOHN: And I understand what you said about how it happened, but is this a matter of the lead cashier helping out the other -- the new cashier? Is that how they got -- how she or he got involved in the new cashier's imprest bank?

MR. GREWACH: That was certainly the case in the October 14th case, and the October 31st case, I wasn't clear from the report whether it was that situation or just two cashiers working out of the same imprest bank.

So that's all of the information I have.

COMMISSIONER LOMBardo: You're looking for somebody.
COMMISSIONER JAMISON: I mean, it does seem like there would be a difference between two cashiers operating out of one cash bank as opposed to a trainee and a trainer operating out of that same cash bank during a training period.

So do we have an allowance for that to occur during a training period or not?

MR. GREWACH: We do not. It would be our expectation to comply with the rules, that if there was a problem, a new cashier struggling or a backup, that it would be -- the rules would require then the lead cashier to go ahead and open a new imprest bank, the new drawer, and then divert the line over to that new drawer.

Then you'd have A cashier accountable for A drawer, you know, and it would keep that clear for accounting and responsibility for the variances.

CHAIRMAN KOHN: Wouldn't that result in the patron being made to wait or move to another line or being inconvenienced because we're training somebody?

MR. GREWACH: That -- that could. I think --

I don't really know the exact time but probably about five or six minutes it would take to set up -- open a new imprest bank process.

CHAIRMAN KOHN: I'm just not sure how else to
handle it without inconveniencing a lot of people for training. I mean, we're training our own people to do this.

MR. GREWACH: Our expectation, I guess, basically in response to that is that training should take place --

COMMISSIONER JAMISON: In a simulated situation --

MR. GREWACH: -- in a simulated situation.

COMMISSIONER JAMISON: -- as opposed to on-the-job training?

MR. GREWACH: Right.

So once you're licensed on the job, we should be past that point. We should be to the point where you're -- you know, through those simulating, through the training exercises, you're to the point where you can handle the -- but that's our expectation when we looked at that in response to that, to their reasoning for having this practice for that five-year time period.

COMMISSIONER LOMBARDO: How does this casino train their employees to do this function? Do they have a simulated process or is it on-the-job training, and what is the general standard in the industry in terms of how somebody gets trained to do this?

MR. GREWACH: Can I call on our Assistant
Deputy Director of Compliance, Cheryl Alonzo?

CHAIRMAN Kohn: She didn't shake you off.

MR. GREWACH: No.

COMMISSIONER LOMBARDO: You looked over there and somebody was there.

MS. ALONZO: Cheryl Alonzo, Missouri Gaming Commission.

I'm not familiar with that property's particular training procedures, but in their own internal controls it says that cashiers will not share impress banks.

If they felt that they needed for training purposes to do that, they should have requested that -- put that in their IC's that they were going to do this and then we would have questioned them and said, hey, that's a violation of the MICS. You need to ask for a variance to that rule.

But according to their internal controls they do not share impress banks, and the other properties -- this is not a common finding that you see other places.

You can have multiple windows open at one time to manage lines, but that accountability, especially in this case, the variance, when one person counted at the window that variance is theirs, and if the variance occurred, it's going to be due to their mistake. And in this case that
variance was written up against the cashier who didn't make the error. So that's the reason for the accountability in the cage.

MR. GREWACH: I might also point out --

CHAIRMAN KOHN: Any other questions of Ed that he can throw off to somebody else?

COMMISSIONER LOMBARDO: Can I ask Cheryl a question?

CHAIRMAN KOHN: Sure.

COMMISSIONER JAMISON: We're just going to bypass Ed.

MS. ALONZO: There is also a CSR that says licensees shall have working knowledge of all of the areas of the rules that affect their job position before conducting -- or before acting in that position.

So you would expect a cashier to know that the internal controls say they're not supposed to share an impress bank. You'd certainly expect the lead cashier, the cage manager, to all know that the rules says you can't share these impress banks.

COMMISSIONER LOMBARDO: I hope I'm not venturing into stupid question territory, but you say internal control. This is an internal control that is adopted by this particular casino operator as their own internal control?
MS. ALONZO: We set the minimum internal control which says you can't share impress banks and then they submit to us their own internals, and they mirrored that statement exactly. There was no additional language in there except during training, because then we would have questioned that when we reviewed those internal controls.

COMMISSIONER LOMBARDO: So this is going to be uniform at least in terms of the minimum standard for internal control --

MS. ALONZO: For all casinos.

COMMISSIONER LOMBARDO: Okay. Thank you.

COMMISSIONER JAMISON: And is it -- I think it's my understanding from the report is it's not like we had one situation where things got harried and the lead cashier jumped in and took over for sake of time but this has occurred as a common practice or an ongoing event that occurred as opposed to just all of a sudden the lead cashier saw a long line, jumped in, took control of it to alleviate that problem and it was a one off. It's more of a pattern of doing this.

MS. ALONZO: It's standard practice. All of the statements from the employees indicated that they all thought that's the way, you know, it could be done, that's all how they were trained to do it, and clearly
the rule doesn't allow it.

COMMISSIONER JAMISON: Okay.

MR. GREWACH: I might also share somewhat in
response to the Chairman's question that internally when
we looked at the e-mails, there was an e-mail from the
general manager who was relatively new to the property
addressing this question, and he says are we violating
anything by allowing two people to work out of the same
bank? This is a very uncommon practice.

So industrywide I think it's fairly well
understood that this is not something that's permitted,
not only in Missouri but just as an accountability
issue.

CHAIRMAN KOHN: So the only way to cure the
immediate problem that these two people were dealing
with is for a new bank to be opened up and the customer
or patron either be sent to another line or cut in front
of somebody?

Should we be thinking about amending our
rules so that a trainer can help out a trainee in a
situation like this?

MR. GREWACH: Well, certainly if that's the
Commission direction. I think we always prefer to have
a situation when a Level II licensee and a CSR that
Cheryl Alonzo mentioned, when a Level II licensee hits
the floor on their first day at work, we really expect
them to be able to do their job as of that day, and any
preparation having taken place in training prior to that
point in time.

COMMISSIONER JAMISON: I guess my thoughts on
that would be is if you had a trainee there, it would be
the casino's responsibility to have additional cashier
people available, so maybe you have overstaffed the
cashier location for that rush, and then if that
situation arises, you have an extra cashier available.
If it doesn't arise, you've just overstaffed for a day
or two until training was over. So I would like that as
opposed to allowing a change to the rules.

CHAIRMAN Kohn: Any other questions?
COMMISSIONER LOMBARDO: No.
COMMISSIONER HALE: No.
CHAIRMAN Kohn: Is there a motion with
respect to DC-17-057?

COMMISSIONER JAMISON: Move for approval.
COMMISSIONER LOMBARDO: Second.
CHAIRMAN Kohn: Discussion on the motion?

Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

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

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Chairman Kohn.

CHAIRMAN KOHN: Approve.

MS. FRANKS: By your vote you've adopted DC-17-057.

MR. GREWACH: Thank you.

CHAIRMAN KOHN: Mr. Seibert.

EXECUTIVE DIRECTOR SEIBERT: The next order of business is Consideration of Renewal of Supplier's License. Sergeant Gary Davidson will present.

CHAIRMAN KOHN: Good morning, Sergeant.

SERGEANT DAVIDSON: Chairman, Commissioners.

Missouri State Highway Patrol investigators conducted the relicensing investigation of five supplier companies currently licensed in the state of 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 a comprehensive summary
report before you of each of these which outline the
investigative summary and findings for each company.
The following supplier companies are being
presented for your consideration: Aristocrat
Technologies, Incorporated; Landry Holdings, LLC doing
business as Casino Tech; NRT Technology Corp;
Interblock D.D. Corporation; Interblock USA L.C.

CHAIRMAN KOHN: Okay. Our order is a little
bit different than that but we'll take them up one at a
time.

Are there any questions of Sergeant Davidson
on -- I'll ask on each one -- on Landry?

COMMISSIONER JAMISON: No, sir.

CHAIRMAN KOHN: Aristocrat?

COMMISSIONER JAMISON: No, sir.

CHAIRMAN KOHN: NRT?

COMMISSIONER JAMISON: No.

CHAIRMAN KOHN: Interblock and Interblock?

Interblock USA and Interblock D.D, any questions on any
of those?

COMMISSIONER JAMISON: No, sir.

COMMISSIONER NEER: No.

COMMISSIONER LOMBARDO: No.
CHAIRMAN KOHN: We'll take them up -- we have to take these one at a time, don't we?

Is there a motion with respect to Resolution No. 17-027?

COMMISSIONER HALE: Move approval of Resolution 17-027.

CHAIRMAN KOHN: That's Landry.

COMMISSIONER JAMISON: Second.

CHAIRMAN KOHN: Discussion on the motion?

Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approve.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Chairman Kohn.

CHAIRMAN KOHN: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 17-027.

CHAIRMAN KOHN: Okay. 17-028 is Aristocrat.

Is there a motion to approve that resolution?

COMMISSIONER JAMISON: So moved.
COMMISSIONER NEER: Second.
CHAIRMAN KOHN: Discussion on the motion?
Angie.
MS. FRANKS: Commissioner Lombardo.
COMMISSIONER LOMBARDO: Approved.
MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approve.
MS. FRANKS: Commissioner Hale.
COMMISSIONER HALE: Approve.
MS. FRANKS: Commissioner Jamison.
COMMISSIONER JAMISON: Approve.
MS. FRANKS: Chairman Kohn.
CHAIRMAN KOHN: Approve.
MS. FRANKS: By your vote you've adopted Resolution No. 17-028.
CHAIRMAN KOHN: Okay. 17-029 is NRT Technology. Is there a motion to approve?
COMMISSIONER HALE: So moved.
COMMISSIONER LOMBARDO: Second.
CHAIRMAN KOHN: Discussion?
Angie.
MS. FRANKS: Commissioner Lombardo.
COMMISSIONER LOMBARDO: Approved.
MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approved.
MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Chairman Kohn.

CHAIRMAN KOHN: Approve.

MS. FRANKS: By your vote you've adopted

Resolution 17-029.

CHAIRMAN KOHN: 17-030 is Interblock USA. Is there a motion to approve?

COMMISSIONER NEER: Motion to approve.

COMMISSIONER JAMISON: Second.

CHAIRMAN KOHN: Discussion?

Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Chairman Kohn.

CHAIRMAN KOHN: Approve.

MS. FRANKS: By your vote you've adopted
Resolution No. 17-030.

CHAIRMAN KOHN: And the last one is Interblock D.D., Resolution No. 17-031. Is there a motion to approve?

COMMISSIONER LOMBARDO: Motion to approve.

COMMISSIONER HALE: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

MS. FRANKS: Commissioner Jamison.

COMMISSIONER JAMISON: Approve.

MS. FRANKS: Chairman Kohn.

CHAIRMAN KOHN: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 17-031.

CHAIRMAN KOHN: Mr. Seibert.

EXECUTIVE DIRECTOR SEIBERT: The next order of business is Consideration of Bingo Settlement.

Mr. Ed Grewach will present.

MR. GREWACH: Thank you.
Under Tab L we have a resolution to approve the settlement of a disciplinary action against the bingo licensee, the American Legion Brown Twitty Post No. 595. The post holds a bingo license for its facility in New Madrid, Missouri.

On November the 17th, 2016 we received an anonymous complaint reporting to us that they were conducting illegal poker games at this location.

A Commission agent investigated and went to the facility on December the 9th, 2016 and found that report and complaint were, in fact, true.

The investigation disclosed that they were holding poker games every Saturday for the last five to seven years, that they had two tables on location, each with ten seats. They had chips.

The games as he learned as he investigated, it typically had a $30 buy-in and an aggregate pot of approximately 4 to $500.

The person at the -- persons at the game with the most chips at the end won prizes. 10 percent of the pot went to the post and typically the first through four top chip holders split the rest of the money between them.

The investigation indicated that the post commander was involved in the conduct of these poker
games and that the bingo chairperson knew about the
conduct of the games.

Both the post commander and, of course, the
bingo chairperson were on the approved worker list for
the bingo location.

That activity does constitute illegal
gambling under 572.020; therefore, it violates our
Rule 30.270 and subjects the bingo licensee to
discipline.

On January the 26th, 2017 we sent a letter to
the post indicating our intent to pursue a disciplinary
action, told them we were going to pursue a $3,000 fine,
asked for a two-day suspension for -- or two occasion
suspension of their bingo license and that the post
commander be barred from any further involvement in the
play of bingo.

After negotiation with the post attorney --

CHAIRMAN KOHN: I'm sorry. Say that last
sentence again about the commander.

MR. GREWACH: That he be barred from any
further participation in the bingo operation.

Following negotiation with the post attorney
the staff reached a settlement, again subject to the
Commission's approval, of a fine of $1,500, for a
suspension for two bingo occasions and that the post
commander no longer be involved in bingo operations and,
in fact, that he step down as post commander.

CHAIRMAN KOHN: Questions of Ed?
COMMISSIONER HALE: No, sir.
COMMISSIONER JAMISON: No, sir.
COMMISSIONER LOMBARDO: No.
CHAIRMAN KOHN: Is there a motion with
respect to Resolution 17-001-B?
COMMISSIONER LOMBARDO: Motion to approve.
COMMISSIONER JAMISON: Second.
CHAIRMAN KOHN: Discussion on the motion?
Angie.
MS. FRANKS: Commissioner Lombardo.
COMMISSIONER LOMBARDO: Approve.
MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approve.
MS. FRANKS: Commissioner Hale.
COMMISSIONER HALE: Approve.
MS. FRANKS: Commissioner Jamison.
COMMISSIONER JAMISON: Approve.
MS. FRANKS: Chairman Kohn.
CHAIRMAN KOHN: Approve.
MS. FRANKS: By your vote you've adopted
Resolution No. 17-001-B.
MR. GREWACH: Thank you.
CHAIRMAN KOHN: Mr. Seibert, anything else?

EXECUTIVE DIRECTOR SEIBERT: That concludes our business.

CHAIRMAN KOHN: Okay. That concludes our business for the open session. Do we have a motion, Mr. Vice Chairman, to go into closed session?

COMMISSIONER JAMISON: I do.

I move for a closed meeting under Sections 313.847 and 313.945, Revised Missouri Statutes, investigatory, proprietary and application records, and 610.021, Subparagraph 1, Revised Missouri Statutes, legal actions, Subparagraph 3 and Subparagraph 13, personnel, and Subparagraph 14, records protected from disclosure by law.

CHAIRMAN KOHN: Is there a second to the motion?

COMMISSIONER HALE: Second.

CHAIRMAN KOHN: Angie.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approve.

MS. FRANKS: Commissioner Hale.

COMMISSIONER HALE: Approve.

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

MS. FRANKS: Chairman Kohn.

CHAIRMAN KOHN: Approve.

So we will now go into closed session and we will re-open the open session after we adjourn the closed session.

Thank you all for being here. We are adjourned.

(Meeting concluded at 11:08 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 taken in the foregoing transcript was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this transcript was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

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Patricia A. Stewart

CCR 401
The Missouri Gaming Commission (the “Commission”) went back into open session at approximately 11:50 a.m. on April 26, 2017, at the Missouri Gaming Commission’s Jefferson City office.

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

The meeting ended at 11:51 a.m.