BEFORE THE MISSOURI GAMING COMMISSION

Meeting
December 5, 2018
10:00 a.m.
3417 Knipp Drive
Jefferson City, Missouri 65109

BEFORE: Brian Jamison, Chairman
         Thomas Neer, Commissioner
         Richard F. Lombardo, Commissioner
         Daniel P. Finney, III, Commissioner
         Brandon Boulware, Commissioner

Reported by:
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AGENDA

I. Call to Order 4:3

II. Consideration of Minutes
   A. October 31, 2018 8:10

III. Consideration of Licensure of Fantasy Sports Operators
   B. FantasyDraft, LLC
      * Presentation by Applicant 9:12
      * Investigative Summary 17:4
      * Staff Recommendation 18:17
      1. Resolution No. 18-060 18:23

IV. Consideration of Hearing Officer Recommendations
   C. Steven E. Hollins
      1. Resolution No. 18-057 19:20
   D. Spain Q. Mitchem
      1. Resolution No. 18-058 19:23
   E. Linda K. Boone
      1. Resolution No. 18-059 30:22

V. Consideration of Disciplinary Actions
   F. BMM North America, Inc.
      1. DC-18-105 33:20
   G. Ameristar Casino Kansas City, Inc.
      1. DC-18-106 35:23
   H. St. Louis Gaming Ventures, LLC
      1. DC-18-107 38:17

VI. Consideration of Placement on List of Excluded Persons
   I. Carla M. Rathmann
      1. Resolution No. 18-061 40:23
   J. Stacey C. Wilson
      1. Resolution No. 18-062 42:20
   K. Pamela Tabatt
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VII. Consideration of Relicensure of Certain Suppliers
   L. Gaming Laboratories International, LLC
      1. Resolution No. 18-064 48:5
   M. Lightning Slot Machines, LLC
      1. Resolution No. 18-065 48:5
   N. House Advantage, LLC
      1. Resolution No. 18-066 48:5

VIII. Consideration of Licensure of Level I/Key Applicants
   O. Resolution No. 18-067 51:17

IX. Consideration of Relicensure of Bingo Manufacturers and Suppliers
   P. Bingo Manufacturers
      1. Resolution No. 18-003-B 53:18
   Q. Bingo Suppliers
      1. Resolution No. 18-0004-B 53:18

X. Consideration of Waiver of Licensure for Institutional Investor
   R. FMR, LLC
      1. Resolution No. 18-068 56:25

XI. Consideration of Chairman Delegation Resolution
   S. Resolution No. 18-069 58:18

VIII. 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 60:17
(Start time: 10:00 a.m.)

PROCEDINGS

CHAIRMAN JAMISON: I'll call the December 5th meeting to order.

Angie, would you please call the roll.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Present.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Present.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Present.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Present.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Present.

I'd like to take a moment and welcome Brandon Boulware as our newest member of the Commission. He was appointed and replaced Herb Kohn. And at the same time I would just like to publicly extend our appreciation to Herb's leadership over the last several years, but know that Brandon will do a great job in serving on the Commission and glad to have you here.

COMMISSIONER BOULWARE: Thank you.

CHAIRMAN JAMISON: So, Director, do you have some presentations you want to do before we do the
consideration of minutes?

EXECUTIVE DIRECTOR SEIBERT: Yes, we do.

We have some recognitions, and Deputy
Director Tim McGrail will make those presentations.

DEPUTY DIRECTOR MCGRAIL: Chairman, good
morning. Good morning everyone.

CHAIRMAN/COMMISSIONERS: Good morning.

DEPUTY DIRECTOR MCGRAIL: If I could have
Annette Turner come forward, please.

Today we're recognizing Annette Turner, and
this is for years of service. She has 24 plus years
with the Missouri Gaming Commission. I won't say she's
the second oldest but she's the second longest tenure
with the Commission.

She has roughly about 32 years total with the
State. Prior to that I think she was with the
Department of Corrections, but she's been with us almost
since the inception of the Gaming Commission, and she's
planning on leaving us later on this year. So probably
in the next couple weeks I think we're going to end up
losing Annette.

But she began her career on August 1st of
1994. She's had several title changes. She started as
a Terminal Technician. Who knows what that is? No
cue. Then changed to a Clerk Typist, Senior Office
Support Assistant and then final as far as an administrative position, but she's been involved with the DAP program basically since she's been here at its inception. So I wouldn't say she's the mother of the DAP but she is the guardian of the DAPs. Since that time she's continuously worked to improve the program and has implemented many enhancements to ensure that the DAP program meets the needs of the clients, as well as the State of Missouri. As I said earlier, she's announced that she's retiring from State service. She's planning on moving closer to family I believe after this. So, please, if you all will, we want to recognize Annette, wish her the very best as she moves into the next phase of her life.

(Applause.)

MS. TURNER: Thank you. Thank you very much.
CHAIRMAN JAMISON: Annette, congratulations on your retirement from the Commission as well.
MS. TURNER: Thank you, sir.
DEPUTY DIRECTOR MCGRAIL: So the next one is -- it's been a quarter. So we're at that phase where we're recognizing the Missouri Gaming Commission as far as the employee of the quarter who exemplifies hard work and achievement. So we especially recognize those
employees that truly follow the core values of service, integrity and professionalism in their daily activities.

This quarter we are honoring Kelly Allen, EGD Coordinator from St. Louis.

She's too excited.

I can't go into big detail. I want to tell you what she's done, and some of them will -- they'll know exactly what it is.

So Kelly can always be counted on to be professional and apply the Missouri Gaming Commission's core values. As I said earlier, her integrity, job knowledge have earned her this honor for the dedication during a software kiosk installation at one of the casinos in March of this year.

Both the casino management and the supplier had admirable comments about her commitment to ensure the installation reached a successful conclusion.

The project was tougher than expected, and Kelly stuck with it, and her positive reinforcement to those involved earned her the respect of both the industry and the agents.

So let's congratulate again Kelly Allen for her continued hard work and dedication. And you get a free parking spot and you get lunch with the Executive Director, so don't forget that.
Just smile.

Congratulations.

MS. ALLEN: Thank you.

EXECUTIVE DIRECTOR SEIBERT: Kelly, I have to say, when I was over at the office Friday and you kept saying you were coming over here, I had to bite my tongue.

MS. ALLEN: I wasn't going to actually. Todd made a big deal.

CHAIRMAN JAMISON: I would appreciate a motion for consideration of the minutes of the October 31st meeting.

COMMISSIONER LOMBARDO: Motion to approve.

COMMISSIONER FINNEY: Second.

CHAIRMAN JAMISON: Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: I think I need to abstain from this one.

CHAIRMAN JAMISON: Okay.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.
MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted the minutes of the October 31st, 2018 meeting.

CHAIRMAN JAMISON: Now we're ready for the consideration of licensure.

EXECUTIVE DIRECTOR SEIBERT: Yes.

Mr. Chairman, the first item on the agenda is Consideration of Licensure of Fantasy Sports Operators, FantasyDraft. Mr. Steve Krombolz will present and make any presentations that are necessary.

MR. KROMBOLZ: Good morning.

You can hear me. Right?

CHAIRMAN JAMISON: No. We need for it to be turned on. I can hear you but we still need for it to be turned on.

MR. KROMBOLZ: There we go.

I'm Steve Krombolz, founder and CEO of FantasyDraft. We're a daily fantasy sports operator. We've been around since 2014, so we are one of the longer tenured companies in this space. There's been a lot that have come and gone in that time, so we're proud to say that we're still alive and kicking and moving forward.

So I appreciate you having me today. It's
been a long time coming. We've been working with your
staff to get this finalized, and there's been a lot of
patience on your end, so we appreciate that.

I put together a short deck, just a high-
level overview of who we are and what we do. So again,
it just touches on who we are.

We were launched in 2014. My partner and I
started this site. We're headquartered in Charlotte,
North Carolina. We operate in 40 states today,
including every state that has passed DFS specific laws,
minus Delaware. We skipped Delaware. So we're fully
licensed and regulated and in compliance with all of the
laws of various states.

We've got a 20-member team at the company, so
we're a little bit smaller than the large guys, a
100 percent private investment team. So we're privately
funded by a group of Wall Street private equity guys and
some local businessmen in Charlotte. We offer contests
across NFL, NBA, MLB, PGA and NHL and have been doing so
again for four years.

Again, I'm a founder and CEO, with my partner
Tim Weisbrod. We've got a long history of running and
building e-commerce sites, which is what we did in the
past and sort of what we're doing now, because for all
intents and purposes we are an e-commerce site.
Just to touch on our philosophy. We've always been a site that focuses on being player friendly, so we've launched with the concept of being the site puts players first. We don't have to go too deep into what that means, but it just means that we put the players above all else, so we try to make it a fair and fun environment for everybody that is playing on our site, including best in class customer service.

Again, we're fully compliant with all regulatory bodies, and we've invested a lot of time and money into our platform to make sure it's, No. 1, user friendly, offers a product that the customers like, and, No. 2, more importantly that it's compliant with regulations.

And we've done that from the start. So a lot of the stuff before it was put into law was sort of common-sense practices that we built in from the ground up, so we didn't have to go back up and loop around and do a lot of the development work when a lot of these laws came online.

Again, we operate in the same states as pretty much everybody else. There's a number of states that no one operates in for obvious reasons. The only other example -- the only outlier there is Delaware, which we chose not to enter.
And then this just touches on some of the --
you know, our marketing partners and the level of
respect that they have for us and the reputation we've
built in space.

So that's it at a high level. I don't know
if anybody has any questions. I'd be happy to answer
them.

CHAIRMAN JAMISON: Any questions from the
Commissioners?

COMMISSIONER LOMBARDO: Well, I have a
question but it may be better directed to the staff --
or to the general counsel, to Ed, and it's really just a
matter of going over something we've talked about
before.

You know, looking at the financials your
company has never made a profit, which is not that
unique in --

MR. KROMBOLZ: No, not at all.

COMMISSIONER LOMBARDO: -- terms of fantasy
business.

So, Ed, if you could maybe go over what kind
of safeguards there are for the citizens of Missouri in
terms of who actually engage in this in terms of their
money.

MR. GREWACH: Yes.
FantasyDraft has established pursuant to our requirements an escrow fund which contains an amount equal to the amount owed to Missouri players, and that fund is set up through a contract with the bank in which it's deposited, and it cannot be withdrawn without the express written consent of the Missouri Gaming Commission.

Once they're licensed, once a month they will send to us the total calculation and manner of calculation of the money owed to Missouri players and the documentation and the amount in their accounts so that we will know that in the event that something would happen to the company, we could then draw -- as a Commission could draw that money out of that account and make sure it gets distributed to the Missouri players.

COMMISSIONER LOMBARDO: And you're satisfied that FantasyDraft, LLC is fully compliant with the regulations that the Commission has set out?

MR. GREWACH: Yes, they are.

COMMISSIONER LOMBARDO: Okay.

CHAIRMAN JAMISON: Tom.

COMMISSIONER NEER: With your current business model, approximately how long do you anticipate it will be before the corporation as a whole shows a profit?
MR. KROMBOLZ: Well, the space is changing a lot, as I think everybody is very much aware, with the advent of sports betting, so there's a number of routes that the company could take.

We could go in the direction of FanDuel and DraftKings and obtain sports betting licenses in the jurisdictions where it's approved.

Operating solely as a fantasy -- as a daily fantasy sports provider, assuming that we stayed the course, we could achieve profitability in 12 to 18 months.

We've got an investment group that's fully committed to the business, and again, there's opportunities for us in other channels outside of DFS that could make a much larger business prospect down the road when you're looking at sort of the addressable market.

So we're always in discussions with a lot of interested parties in that regard. There's a lot of activity going on related to sports betting for obvious reasons.

But we've been very fortunate because we have a private group of investors who have invested in the business with the intent of it being much bigger, so we don't have to go out and raise capital. So if I need
funding for next year, I have this group in place that's
committed to fund it. I don't have to go on a road show
to a bunch of banks in terms of raising it.

COMMISSIONER NEER: So you haven't
established a particular target?

MR. KROMBOLZ: We don't have a specific
target, no, but we have a number of strategic directions
that could take the company in different, you know,
verticals than we're in now.

CHAIRMAN JAMISON: A followup to your comment
with a question.

And I don't want you -- if you're not
comfortable answering this, I understand that also, but
right now you haven't gone down that route of pursuing
sports betting in states that have allowed that yet, or
have you?

MR. KROMBOLZ: We have not. I've gone and
met with a number of the stakeholders. So, you know, it
has to go -- for instance, New Jersey, you have to get a
skin through a casino. I've met with a number of
casinos on approaching the topic of getting skins. We
haven't done it yet. We haven't obtained one. But
we're certainly in discussions. We're also in
discussions with a lot of the European companies that
are coming over.
So there's a whole lot -- that's why I say there is sort of a frenzied level of activity in the space as it pertains to how daily fantasy and sports betting sort of can work together.

CHAIRMAN JAMISON: Another question?

COMMISSIONER LOMBARDO: Yeah.

What's your current market share, if you know, with the fantasy sports segment?

MR. KROMBOLZ: I don't have the exact figure. When you look at daily fantasy, you have two monstrous companies, and then we're a third in the space, between us and Yahoo. But we probably have 3 percent market share compared to them. It just sort of correlates to the level of expenditure from the companies. If you spend hundreds of millions to acquire customers, you're going to be a lot bigger than someone who spends a few million. So probably give or take 3 percent.

CHAIRMAN JAMISON: Dan, any questions?

COMMISSIONER FINNEY: No. Thank you.

CHAIRMAN JAMISON: Well, we appreciate you being with us here today.

MR. KROMBOLZ: Thanks for having me.

CHAIRMAN JAMISON: Thanks very much.

MR. KROMBOLZ: All right.
EXECUTIVE DIRECTOR SEIBERT: Mr. Chairman,
next will be the investigative summary presented by
Lieutenant Ed Aylward.

LIEUTENANT AYLWARD: First off,
congratulations now Chairman Jamison.

CHAIRMAN JAMISON: Thank you.

LIEUTENANT AYLWARD: And welcome
Commissioner Boulware.

COMMISSIONER BOULWARE: Thank you.

LIEUTENANT AYLWARD: Mr. Chairman and
Commissioners, pursuant to the Revised Statutes of
Missouri, Chapter 313, Section 935, paragraph 4, quote,
any fantasy sports contest operator already operating in
the state prior to April 2016 may operate until they
have received or have been denied a license, end quote.

Those operators were required to submit an
application post-marked by October 1st, 2016. As a
result of this statutory requirement, six fantasy sports
operators submitted an application prior to the
October 1st, 2016 deadline and were grandfathered to
continue operating while awaiting licensure.

Of the original six companies one withdrew.
FantasyDraft, LLC is the final fantasy sports operator
who fell into the statutory grandfathered category to
come before the Commission for licensure.
Missouri Gaming Commission staff, financial investigators with the Missouri Gaming Commission and Missouri State Highway Patrol investigators completed application reviews and verification of statutory compliance for the final grandfathered fantasy sports operator who has applied for licensure with the State of Missouri, FantasyDraft, LLC.

The results of these reviews and statutory verification were provided to the MGC staff and you have all related summary reports before you.

Thank you.

CHAIRMAN JAMISON: Any questions?

COMMISSIONER NEER: No, sir.

COMMISSIONER FINNEY: Thank you, Lieutenant.

CHAIRMAN JAMISON: Thank you.

Staff recommendation.

EXECUTIVE DIRECTOR SEIBERT: The recommendation is for approval.

CHAIRMAN JAMISON: Okay. Does any Commissioner have a desire to go into a closed meeting to discuss any issues with this applicant? If so, I would ask them to make a motion as such.

Okay. I'd entertain a motion for Resolution 18-060.

COMMISSIONER NEER: Motion to approve.
COMMISSIONER FINNEY: Second.

CHAIRMAN JAMISON: Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-060.

CHAIRMAN JAMISON: Now we're ready for consideration of hearing officer recommendations.

EXECUTIVE DIRECTOR SEIBERT: The next order of business is Consideration of Hearing Officer Recommendations. Mr. Charles Steib will present.

CHAIRMAN JAMISON: And just a note on the agenda, Item C, Resolution 18-057, has been put off for a 30-day period until the next meeting.

MR. STEIB: Good morning. May it please the Commission.

The first item on our agenda -- actually the
second item on your agenda now is that of Spain Q.

Mitchem, DC-18-041.

The primary issue in this case is the writing of a check for which there were insufficient funds in that account. The licensee holds a Level II license as a security officer.

On June 14th of 2017 he wrote a check for $3,782.02 to the Department of Revenue, which was for the sales tax on a vehicle that his and his fiancee were purchasing. At that time there were insufficient funds in the account. Mr. Mitchem did that on the affirmation from his fiancee that she had the funds and would place the funds in the account on the next day. That, in fact, never happened.

On January 18th, 2018, therefore, Mr. Mitchem was charged in the Cole County Circuit Court of issuing a bad check. He then pled guilty to that charge. He received a suspended imposition of sentence, was ordered to pay restitution, which he has done, and to pay all costs, which he has done, and was placed on two years on supervised probation. He has successfully completed -- or undergoing that probation at this time.

Based on the undisputed facts in this matter, Mr. Mitchem did not bear the burden of showing that he should not be disciplined and that, therefore, he should
be disciplined.

The issue then becomes in this situation what is the appropriate discipline. In these situations --
the art in these situations is balancing the interest of the people of the state of Missouri and the interest of the Gaming Commission, along with the attendant statutes and regulations, and the interest of the licensee, whose livelihood may very well depend on what is done with that disciplinary measure.

In this situation Mr. Mitchem is an employee who has had a 16-year career in the gaming industry. He self-reported this issue when he came back to work. He pled guilty to the circuit court and successfully paid back the restitution.

And, in fact, having considered all of the evidence, including the testimony under oath by Mr. Mitchem, his demeanor, his credibility, the remorse with which he demonstrated in his testimony, it is my recommendation that Mr. Mitchem be disciplined and the appropriate discipline in this situation is that his license be suspended for a period of 30 calendar days.

CHAIRMAN JAMISON: Thank you.

Any questions from the commissioners of Mr. Steib?

COMMISSIONER NEER: No, sir.
COMMISSIONER FINNEY: The only -- I don't know if this is a question. It's just a comment. So he pled guilty.

Do you know if there is an element to that misdemeanor of intent that needs to be shown; in other words, that he intended to pass a bad check?

I mean, I wouldn't expect that you would. I haven't seen that particular charge. I don't know what the State had to show.

MR. STEIB: Well, he clearly intended to write a bad check and he clearly did not know at the time that there were funds to cover that check. He did, however, rely on the word of his fiancee, which I'm sure the judge in that particular case lent some weight to that.

The fact is Mr. Mitchem has been an employee for 16 years, has never had any other problems and has been forthright in admitting that he did something wrong.

As I say, the issue here is what's the proper balance in the interests involved, and given this employee, it is my opinion that the appropriate discipline is that he be disciplined for -- his license be suspended for 30 days.

COMMISSIONER FINNEY: So as a practical
matter for this, if you know the answer, then what does that mean? You say a 30-day suspension of his license. Obviously he can't work for those 30 days, but then when would he be able to get back to work?

MR. STEIB: Well, I would defer to the staff on that issue.

MS. KERR: At the end of 30 days he's eligible to work. When he takes that 30 days, it's up to the casino to determine what those 30 days are.

CHAIRMAN JAMISON: It isn't necessarily that we're suspending him for 30 days from -- like from January 1st to January 31st. We're not saying that. We're saying he's suspended for 30 days and can't work as a licensee for 30 days. The suspension doesn't set a timeframe that those 30 days are suspended.

MS. KERR: Correct.

CHAIRMAN JAMISON: So it could be worked off in multiple time periods, if that makes sense to you.

COMMISSIONER FINNEY: So in other words he could do five days here or five days there, that type of thing? Is my understanding correct?

MS. KERR: I think that's what happens.

There is nothing that says they can't do it that way.

COMMISSIONER FINNEY: I guess my concern is the guy is -- I understand he committed a crime, passing
a bad check, but I don't know how this discipline really helps anything, if you know my point. Anyway, that's just my thoughts on it.

COMMISSIONER NEER: Are they allowed to use leave days as a day of suspension?

MS. KERR: I'll let Ed Grewach address that.

MR. GREWACH: The process is that we receive affirmation from his employer that he served the 30-day suspension. We don't dictate necessarily, as the Chairman pointed out, specific dates or whether or not he was scheduled to work on those specific dates.

So once the suspension is imposed, then the next step would be getting that confirmation from his employer that he has served that time.

CHAIRMAN JAMISON: So it would be up to the employer, I mean, if they wanted to read our suspension as it's a 30-day consecutive suspension. They can do that if that's how they chose to do it.

MR. GREWACH: Right.

CHAIRMAN JAMISON: Is that accurate?

MR. GREWACH: That is correct.

CHAIRMAN JAMISON: Did you have any other question, Tom?

COMMISSIONER NEER: No.

In theory it could be two days a month that
could be dragged out for 15 months?

MS. KERR: Right.

COMMISSIONER NEER: But it's still 30 days without pay?

MS. KERR: Correct.

CHAIRMAN JAMISON: Dan, were you --

COMMISSIONER FINNEY: I don't have any questions right now.

Is Mr. Mitchem here today?

MR. MITCHEM: I'm here.

CHAIRMAN JAMISON: Would you like to address the Commission?

MR. MITCHEM: Sure.

CHAIRMAN JAMISON: If you'd just step up to that microphone there and state your name for the record for us, please.

MR. MITCHEM: This one right here?

CHAIRMAN JAMISON: Yes.

MR. MITCHEM: Can you hear me?

My name is Spain Q. Mitchem. I'm a security guard at the Isle of Capri Casino. I'd just like to thank the Commission for taking into consideration of the charge that was against me.

I've been working my job for 17 years. So I know that situation with a bad check, I thought that was
going to get rectified and it didn't. So as soon as I
found about it, I immediately paid it off within a month
to take care of any financial regards to the situation.

So that's all I got to say, but I thank you
all for taking the time.

COMMISSIONER FINNEY: Mr. Mitchem, I have one
question.

Do you have any other crimes in your record?

Have you pled guilty to anything else?

MR. MITCHEM: No. I don't have tickets.

This is my first time going to court ever since I was
maybe 19 or so.

COMMISSIONER FINNEY: Thank you.

CHAIRMAN JAMISON: Any other questions?

Going back to Dan's question a little bit.

The issue that kind of comes up with this is
that this event -- or this offense would make him
ineligible to hold a license or to apply for a license,
and so that's where the discipline question comes in is
the fact that it is a disqualifying event as a licensee.

Is that correct?

MS. KERR: Right.

Regulation 11 CSR 45-4.260, Section 4, states
that the Commission can refuse an occupational license
or it can discipline an existing licensee if they pled
guilty to this type of crime.

COMMISSIONER FINNEY: As a practical matter this would mean that he would not receive 30 days worth of pay. Is that correct?

MS. KERR: That's my understanding.

COMMISSIONER FINNEY: Okay.

COMMISSIONER LOMBARDO: Carolyn, is there some differentiation between a felony and a misdemeanor in terms of what somebody's eligibility is to hold a license or work in a casino?

MS. KERR: Yes. A felony they're ineligible period to hold a license, and a misdemeanor it's -- they can be.

COMMISSIONER LOMBARDO: It's at the discretion of the hearing officer and ultimately the Commission?

MS. KERR: Yes.

COMMISSIONER LOMBARDO: Okay.

CHAIRMAN JAMISON: Thank you, Mr. Mitchem.

MR. MITCHEM: Thank you.

CHAIRMAN JAMISON: Is Mr. Mitchem's employer here or would anyone from his employment like to make a statement?

If you'd do the same for me, please. State your name, please.
MR. DAVIS: Thank you, Commissioners. Good morning.

Troy Davis, Security Manager at Isle of Capri Casino in Kansas City.

I've been a licensed holder with the Gaming Commission for 25 years, and I've been 22 years at the Isle of Capri. Spain has worked for me in my department for seven -- I've worked with him for seven years, but I've been at the property the whole time with him.

I can tell you that he is absolutely an exemplary employee. My staff and myself, if we could replicate him, we wouldn't have jobs. I've never had an issue, never had a customer complaint. We were completely shocked that anything like this had happened.

He is absolutely -- you always have team members that are everything but. It's like, uhh, everything but. This guy is -- Mr. Mitchem, there is no but about him. He is absolutely reliable. He is absolutely the type of person that the State of Missouri, the citizens of Missouri and the Gaming Commission want holding a Missouri Gaming Commission license and working at one of our casinos.

He is excellent, and definitely appreciate the consideration of the Commission in keeping this man employed with the Gaming Commission at a casino in
CHAIRMAN JAMISON: Any questions?

Thank you.

MR. DAVIS: Thank you.

CHAIRMAN JAMISON: Any other discussion or questions?

COMMISSIONER NEER: No.

CHAIRMAN JAMISON: The Chair would entertain a motion on Resolution 18-058 either in its present form or in an amended form or whatever a commissioner would entertain.

COMMISSIONER NEER: Motion to approve.

CHAIRMAN JAMISON: Well, without a second, is there a motion for an amendment or is there --

COMMISSIONER LOMBARDO: I would move for an amendment.

CHAIRMAN JAMISON: Okay.

COMMISSIONER LOMBARDO: I would move that we amend the discipline to 14 days.

CHAIRMAN JAMISON: Okay.

COMMISSIONER BOULWARE: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Any discussion?

COMMISSIONER FINNEY: The only comment, I do
not think disciplining Mr. Mitchem in this case by
denying him the opportunity to work, given the lack of
any other crimes on his record, given the comments by
his employer, so I don't anticipate approving any
discipline like that.

CHAIRMAN JAMISON: Okay. Any discussion?

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: No.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Am I approving 14 days?

CHAIRMAN JAMISON: Yes.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted
Resolution No. 18-058 as amended to a 14-day suspension.

MR. STEIB: The next item on the agenda is
that of Linda Boone, DC-18-063.

Ms. Boone was an applicant for a license, and
on February 7th, 2018 completed an occupational license
application on which she failed to disclose that she had pled guilty to a felony arrest of receiving stolen property in 1992 in Jackson County and also found guilty and convicted of possession of a controlled substance in Jackson County in 2001.

Ms. Boone was advised of the place and time for a hearing. At the time of the hearing counsel for the Commission established the record, introduced several exhibits. Ms. Boone, although notified of the time and place and although called three times, failed to appear.

Based on that Ms. Boone did not bear the burden of showing that she should not be disciplined and, therefore, should be disciplined, and hence it is the recommendation and my recommendation that Ms. Boone be denied an application with the Commission.

CHAIRMAN JAMISON: Okay.
And I'm going --
MR. STEIB: Excuse me. Denied a license with the Commission.
CHAIRMAN JAMISON: Right.
And I'm assuming since she didn't show up at the hearing, probably not here today, but I am going to ask if Ms. Boone is here at the hearing -- or at the meeting.
Seeing no response, the Chair would entertain a motion on Resolution 18-059.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN JAMISON: It's first and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-059.

CHAIRMAN JAMISON: Thank you.

MR. STEIB: Thank you.

CHAIRMAN JAMISON: Before we go to the consideration of disciplinary actions, I just wanted to take an opportunity to recognize the Director of the Department of Public Safety, Sandy Karsten, who is with us today. We're glad to have the support of DPS. We're
a DPS agency, and while we work a little differently
than some of her agencies, we're glad to be part of DPS,
and give you an opportunity to make a statement if you'd
like.

MS. KARSTEN: Thank you, Mr. Chairman.

Again, I am Sandy Karsten, Director of the
Department of Public Safety. I do want to say thank you
for your service on this Commission and welcome and
congratulations to Commissioner Boulware on your
appointment.

We are in a unique situation; however, we
stand ready as the Department of Public Safety to assist
the Executive Director, as well as the Gaming
Commission, in any way that you need.

So I'm happy to be here and thank you for the
opportunity to speak.

CHAIRMAN JAMISON: Thank you. Thanks for
being here.

Ed, you're up now.

MR. GREWACH: Yes.

Thank you, Mr. Chairman, Commissioners,
Mr. Seibert.

Under Tab F we have a Preliminary Order of
Discipline directed to BMM North America, Incorporated.

BMM is an independent testing laboratory that
tests supplier's electronic gaming devices for compliance with all applicable rules and statutes.

For both of our ITLs, Independent Testing Laboratories, we perform audits every two years for their compliance with the rules that apply to them.

This Preliminary Order of Discipline is for two findings that were found in the 2016 audit. They were also identified in a 2018 audit.

The first of those two was a violation of 4.230(4)(I)2., which requires BMM to have data redundancy that permits the complete and prompt recovery of all information and documents and which utilizes environmental controls such as fire and waterproofing.

In 2016 the finding involved a safe whose door was not secured and a sprinkler system that created a risk of water damage to documents and storage media.

In the 2018 audit they had made some improvements in their data retention and redundancy protection process but still not completely implemented those.

The second finding was a violation of 4.230(4)(V), which requires each test script used to have the unique version number. Again that was a finding in both the 2016 and 2018 audit.

They have subsequently corrected both of
those issues, and the recommended fine is $2,500.

CHAIRMAN JAMISON: Any questions from any commissioner?

I'd entertain a motion for DC-18-105.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted DC-18-105.

CHAIRMAN JAMISON: Ed.

MR. GREWACH: Under Tab G we have a Preliminary Order of Discipline directed to Ameristar Casino-Kansas City for a violation of Minimum Internal
Control Standards Chapter I, 2.03, which provides that once
records are placed in a locked accounting box they shall
not be accessible to any person other than authorized
and designated accounting employees.

We were notified on June 11th, 2018 by
surveillance that a slot specialist had removed a
document out of the locked accounting box using a ruler.

The process in this particular document, for
example, if an electronic gaming device has a taxable
jackpot, it locks up and requires a hand pay to be done.
Then the slot specialist here would fill out a jackpot
slip and would call over a verifier, who would count the
funds to verify they were the correct amount. Then both
the verifier and the slot specialist would sign that
document and the original would be placed in the locked
accounting box.

What our investigation found is that there
was a ruler with double-sided tape next to the box, and
it was a common use by employees to take documents out
of the box. As in this particular case, the slot
specialist forgot to sign. The verifier signed but she
did not sign the document.

And the motivation for the employees doing
this was that they were written up by accounting for any
failure such as this to sign the accounting slip. So
they were doing it for the purpose that if they forgot
to fill it out correctly or forgot to sign it, that they
could take it out, in this case sign it and then place
it back into the box.

Our investigation further, when we
interviewed the lead casino supervisor and other
employees, they were aware that this was a common
practice for some time. They also indicated they were
not aware that it was a violation of the applicable
rule. The recommended fine is $2,500.

CHAIRMAN JAMISON: It seems like it would be
a defeat of a locked box.

COMMISSIONER LOMBARDO: Ed, do you have the
ruler with double-sided tape to enter into evidence?

MR. GREWACH: We actually did take it as a
potential exhibit if there is a hearing. Yes, we have
that.

COMMISSIONER LOMBARDO: Okay.

COMMISSIONER NEER: Ingenious to say the
least.

CHAIRMAN JAMISON: Any other questions?

MR. GREWACH: Very high tech.

CHAIRMAN JAMISON: The Chair would entertain
a motion on DC-18-106.

COMMISSIONER LOMBARDO: Motion to approve.
COMMISSIONER FINNEY: Second.

CHAIRMAN JAMISON: First and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted

DC-18-106.

CHAIRMAN JAMISON: Ed.

MR. GREWACH: Tab H we have a Preliminary
Order of Discipline directed to the Hollywood Casino for
a violation of Rule 5.181 relating to a three-time comp
promotion for the month of June 2018.

The rule requires the casino to establish
dated and written rules for each promotion and to award
points or prizes according to those rules.

We were notified on June 28, 2018 by the
casino that a patron had complained of not receiving the
proper amount of multiplied comp points for the month of June.

The investigation revealed that approximately 11,000 patrons did not receive the three-time multiplier for their comp points in the month of June. That was subsequently added to each player's account by the casino once it was brought to our attention.

And the recommendation initially by staff was a $2,500 fine. In response to that recommendation the casino did not contest either the violation, nor the amount of the fine.

They wanted to point out that the problem originated with the casino software vendor. They wanted to point out that they added points to the patrons' account and from their investigation indicated that no patron was shorted in terms of receiving any complimentary items or promotional drawings during this time period where the adjustment was made.

They also pointed out that they've taken remedial measures to do spot-checks of points to catch in the future if the software the vendor provided is not working properly.

In light of that the staff's position was to continue with the recommendation of the $2,500 fine.

CHAIRMAN JAMISON: Any questions?
The Chair would entertain a motion on DC-18-107.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER NEER: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you’ve adopted DC-18-107.

CHAIRMAN JAMISON: Are you still up, Ed?

MR. GREWACH: I'm still up.

CHAIRMAN JAMISON: There you go.

MR. GREWACH: Tab I is a resolution to place Carla Rathmann on the involuntary list.

Once placed on the involuntary exclusion
list, that person is not allowed indefinitely --
prohibited indefinitely from entering onto any of our
casino floors.

The rule itself sets forth the standards that
would qualify someone to be placed on a list, primarily
a conviction of a felony or a violation of our own
section, Chapter 313.

Ms. Rathmann worked for the research center
that was operated by the University of Missouri College
of Agriculture. She embezzled an amount in excess of
$750,000 by making personal purchases on the University
credit card and by setting up three shell companies and
creating and paying fake invoices from those companies
from the University account.

Her statements to the authorities when
questioned about this was that the money was used in
part for gambling purposes.

Ms. Rathmann pled guilty on June 6, 2016 to
one count of mail fraud, one count to access device
fraud, and she was sentenced to four years in prison,
followed by a two-year term of supervised probation and
to make restitution in the amount of approximately
$780,000.

CHAIRMAN JAMISON: Any questions?
I'd entertain a motion for Resolution
No. 18-061.

COMMISSIONER LOMBARDO: Motion to approve.

COMMISSIONER FINNEY: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-061.

CHAIRMAN JAMISON: Ed.

MR. GREWACH: Under Tab J we have a resolution to place Stacey Wilson on the involuntary exclusion list.

From 2013 through 2015 Mr. Wilson conducted an elaborate check-kiting scheme, and in the process of doing so fraudulently obtained in excess of $79,000. He
used that money for gambling. He pled guilty on March 16th, 2016 to one count of wire fraud, one count of use of unauthorized access devices and two counts of aggravated identity theft, all felonies. He was then sentenced to 81 months in prison, followed by a three year term of probation, and the probation had a specific condition that he participate in a gambling addiction treatment program and that he was prohibited from engaging in any form of gambling.

In a separate State case he also pled guilty to the Class B misdemeanor of presenting a false identification to gain entry into a gambling boat. The background of this was that he had to have been banned from and evicted from Lumiere Place Casino and to use the fake ID to gain entry and to gamble at that location. On his plea of guilty to that charge he was sentenced to six months in jail, to run concurrent with the Federal sentences.

CHAIRMAN JAMISON: Any questions? I'd entertain a motion for Resolution No. 18-062.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER NEER: Second.

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

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you’ve adopted Resolution No. 18-062.

MR. GREWACH: Under Tab K we have a resolution to place Pamela Tabatt on the involuntary exclusion list.

Only March the 15th, 2016 Ms. Tabatt pled guilty in Federal Court to one count of conspiracy to distribute controlled substances, four counts of money laundering.

The case arises out of her sale of synthetic cannabinoids, a synthetic drug, which replicates the high that people get from marijuana, sold these from two retail storefronts that she had. The investigation involved 15 State and Federal agencies. Her business
was believed to be the largest synthetic drug operation
in the state of Missouri.

She also had a very extensive gambling
history during the time that this activity was
occurring.

She received a sentence of twelve years and
six months in prison, followed by three years of
supervised probation. As part of that probation she was
ordered to participate in a gambling addiction treatment
program and was prohibited from engaging in any form of
gambling.

CHAIRMAN JAMISON: Any questions?

COMMISSIONER NEER: Yeah, I have one
question, Ed.

In the description on this case it indicates
how much Pamela -- Ms. Tabatt -- I'm very familiar with
this case. I don't know what she did with the rest of
the 6 million she netted from the sale of these drugs.

However, how do they determine at the casinos how much
the individual is betting? I know how you get the
results for the winnings, but how is it determined how
much the individual bets?

MR. GREWACH: If the individual is using a
player club card, then they can run the player tracking
system.
And most patrons use that because by using your card then you earn points toward complimentaries, drawings, other player rewards. So if you use your player reward card and insert it into the machine or present it to the table where you're playing, then the casino then keeps track of those amounts.

And in answer to your other question about the money, there was a forfeiture of several million dollars worth of both cash and probably seven or eight parcels of real estate that the Federal government also did in conjunction with this criminal case.

COMMISSIONER NEER: But they didn't get her bait and tackle shop in St. Charles.

MR. GREWACH: No. I think the money laundering was because she sold a lot of worms for that $6 million.

COMMISSIONER NEER: And minnows.

CHAIRMAN JAMISON: Any other questions?

COMMISSIONER BOULWARE: I have one question for you.

CHAIRMAN JAMISON: Sure.

COMMISSIONER BOULWARE: The draft resolution of term total coin in, and I understand that to mean how much is bet at this particular casino during that period?
MR. GREWACH: That's correct, yes.

CHAIRMAN JAMISON: Any other questions?

COMMISSIONER BOULWARE: No.

CHAIRMAN JAMISON: The Chair would entertain a motion on Resolution 18-063.

COMMISSIONER NEER: Motion to approve.

COMMISSIONER BOULWARE: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-063.

MR. GREWACH: Thank you.

CHAIRMAN JAMISON: Thank you, Ed.

Bill.
EXECUTIVE DIRECTOR SEIBERT: The next order of business, Mr. Chairman, is Consideration of Relicensure of Certain Suppliers. Corporal John Masters will present.

CORPORAL MASTERS: Good morning, Chairman, Commissioners.

CHAIRMAN/COMMISSIONERS: Good morning.

CORPORAL MASTERS: Missouri State Highway Patrol investigators, along with MGC financial investigators, conducted the relicensing investigation of three supplier companies currently licensed in Missouri.

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

The results of these investigations were provided to the MGC staff for their review and you have the comprehensive summary reports before you.

The following supplier companies are being presented for your consideration: Gaming Laboratory International, LLC, Lightning Slot Machines, LLC and House Advantage, LLC.

Thank you.
CHAIRMAN JAMISON: Any questions on any of these three companies?

COMMISSIONER NEER: No, sir.

CHAIRMAN JAMISON: Recommendations?

EXECUTIVE DIRECTOR SEIBERT: Approval.

CHAIRMAN JAMISON: Okay. We'll do these one at a time.

I'd entertain a motion on Resolution 18-064.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER BOULWARE: Second.

CHAIRMAN JAMISON: First and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-064.

CHAIRMAN JAMISON: I'd entertain a motion on
Resolution 18-065.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER NEER: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-065.

CHAIRMAN JAMISON: And entertain a motion on Resolution 18-066.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN JAMISON: First and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.
COMMISSIONER BOULWARE: Approved.
MS. FRANKS: Commissioner Finney.
COMMISSIONER FINNEY: Approved.
MS. FRANKS: Commissioner Lombardo.
COMMISSIONER LOMBARDO: Approved.
MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approved.
MS. FRANKS: Chairman Jamison.
CHAIRMAN JAMISON: Approved.
MS. FRANKS: By your vote you've adopted Resolution No. 18-066.
CHAIRMAN JAMISON: The next item.
EXECUTIVE DIRECTOR SEIBERT: The next order of business is Consideration of Licensure for Level I and Key Applicants. Sergeant Jason McTheeney will present.
SERGEANT MCTHEENEG: Good morning.
CHAIRMAN/COMMISSIONERS: Good morning.
SERGEANT MCTHEENEG: Mr. Chairman and Commissioners, the Missouri State Highway Patrol investigators, along with the Missouri Gaming Commission financial investigators, conducted comprehensive background investigations on multiple key 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 applicants are being presented
for your consideration: Matthew James Ferko, Caesars
Entertainment Corporation, as a Director; Richard Paul
Schifter, Caesars Entertainment Corporation, Independent
Director; Kimito Kubo, Konami Holdings Corporation,
Outside Director; and Joshirhiro Matsuura, Konami
Holdings Corporation, Director.

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

Thank you.

CHAIRMAN JAMISON: Thank you.
Recommendation.

EXECUTIVE DIRECTOR SEIBERT: Approval.

CHAIRMAN JAMISON: Are there any questions on
any of the individuals or would there be a motion to
approve Resolution 18-067 as an entire slate?

COMMISSIONER LOMBARDO: Motion to approve.

COMMISSIONER FINNEY: Second.

CHAIRMAN JAMISON: It's been first and
seconded.

Angie.
MS. FRANKS: Commissioner Boulware.
COMMISSIONER BOULWARE: Approved.
MS. FRANKS: Commissioner Finney.
COMMISSIONER FINNEY: Approved.
MS. FRANKS: Commissioner Lombardo.
COMMISSIONER LOMBARDO: Approved.
MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approved.
MS. FRANKS: Chairman Jamison.
CHAIRMAN JAMISON: Approved.
MS. FRANKS: By your vote you've adopted
Resolution No. 18-067.
CHAIRMAN JAMISON: Bill.
EXECUTIVE DIRECTOR SEIBERT: The next order
of business is Consideration of Relicensure of Bingo
Manufacturers and Suppliers.
Corporal Keith Howery will present.
CORPORAL HOWERY: Good morning.
CHAIRMAN/COMMISSIONERS: Good morning.
CORPORAL HOWERY: Mr. Chairman and
Commissioners, today I'm presenting several companies
for relicensure as a supplier or manufacturer 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 includes, but is not limited to, a review of Federal and State tax checks, customer and product lists, corporate organization, gaming license checks, as well as various criminal checks on each company's key persons.

The following company has applied for relicensure of their supplier's license: All American Bingo, Incorporated.

The following four companies have applied for relicensure of their manufacturer's license: Arrow International, Incorporated, Furtunet, Incorporated, Pollard Games, Incorporated, doing business as American Games and VKGS, LLC.

Thank you.

CHAIRMAN JAMISON: Any questions from the commissioners?

I'd entertain a motion on Resolution No. 18-003-B.

COMMISSIONER BOULWARE: Move to approve.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie.
MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-003-B.

CHAIRMAN JAMISON: And we have the suppliers. We didn't do those, did we?

MS. FRANKS: He did them.

CHAIRMAN JAMISON: He mentioned those four also, the suppliers also?

Okay. I'd entertain a motion on Resolution 18-004-B.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER BOULWARE: Second.

CHAIRMAN JAMISON: First and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.
MS. FRANKS: Commissioner Finney.
COMMISSIONER FINNEY: Approved.
MS. FRANKS: Commissioner Lombardo.
COMMISSIONER LOMBARDO: Approved.
MS. FRANKS: Commissioner Neer.
COMMISSIONER NEER: Approved.
MS. FRANKS: Chairman Jamison.
CHAIRMAN JAMISON: Approved.
MS. FRANKS: By your vote you've adopted Resolution No. 18-004-B.
CHAIRMAN JAMISON: Ed, I know this isn't on the agenda, but isn't there a change to the bingo regulations effective tomorrow?
MR. GREWACH: I believe that's the effective date.
And what it did was the original provision of the Constitution required a member of a fraternal or charitable organization to be a member for two years before they could work in a bingo. This cuts that time period down to six months.
CHAIRMAN JAMISON: Okay. Director.
EXECUTIVE DIRECTOR SEIBERT: The next order of business is Consideration of Waiver of Licensure for Institutional Investor. Ms. Maggie White will present.
MS. WHITE: Good morning, Mr. Chairman,
CHAIRMAN/COMMISSIONERS: Good morning.

MS. WHITE: Behind Tab R is a resolution regarding waiver of licensure for an institutional investor holding and/or requesting to hold publicly traded interest of up to 20 percent in multiple gaming licensees.

This investor has submitted a request for a waiver to hold interest in multiple Missouri licensees in compliance with 11 CSR 45-4. The submitted waiver request certifies the holdings are for institutional investment purposes only, with no intent to be involved in the management or operation of the licensees.

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. 18-068 is for FMR, LLC.

CHAIRMAN JAMISON: Okay. Any questions? If not, I would entertain a motion on Resolution 18-068.

Thank you, Maggie.

COMMISSIONER FINNEY: Move to approve.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN JAMISON: It's been first and
seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-068.

EXECUTIVE DIRECTOR SEIBERT: The next order of business is Consideration of Chairman Delegation Resolution. Mr. Ed Grewach will present.

MR. GREWACH: Thank you.

Our Rule 1.0204 allows the commissioners to delegate to the Chairman the authority to extend any license that is set to expire for up to 60 days.

This is useful because events occur sometimes because of the meeting schedule or because some step that needs to be yet completed in an investigation won't occur before the expiration of the license.
If the Chairman does exercise this power, then that decision has to be ratified at the next regular meeting by the full Commission. The rule specifically requires that the delegation expire in 12 months, so, therefore, every year in December we present this resolution to authorize the Chairman to have that power to extend an expiring license.

CHAIRMAN JAMISON: Any questions, discussion? If not, I would entertain a motion on Resolution 18-069.

COMMISSIONER LOMBARDO: Motion to approve.

COMMISSIONER NEER: Second.

CHAIRMAN JAMISON: It's been first and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.
CHAIRMAN JAMISON: Approved.

MS. FRANKS: By your vote you've adopted Resolution No. 18-069.

CHAIRMAN JAMISON: And that brings us to the end of our agenda for our open meeting. The Chair would entertain a motion for a closed meeting.

I would give it to anybody who wants to do it, but I'm looking Dan's way. Dan doesn't have to do it. Somebody needs to do it.

COMMISSIONER LOMBARDO: I thought you had it tattooed on your arm.

CHAIRMAN JAMISON: Well, I do but it's covered up right now.

COMMISSIONER NEER: Just to expedite matters I'll take it today.

CHAIRMAN JAMISON: Okay.

COMMISSIONER NEER: Motion for a closed meeting under Sections 313.847 and 313.945, Revised Statutes of Missouri, investigatory, proprietary and application records, and 610.021, Subsection 1, RSMo, legal actions, Subsection 3 and Subsection 13, personnel, and Subsection 14, records protected from disclosure by law.

CHAIRMAN JAMISON: Is there a second?

COMMISSIONER FINNEY: Second.
CHAIRMAN JAMISON: First and seconded.

Angie.

MS. FRANKS: Commissioner Boulware.

COMMISSIONER BOULWARE: Approved.

MS. FRANKS: Commissioner Finney.

COMMISSIONER FINNEY: Approved.

MS. FRANKS: Commissioner Lombardo.

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer.

COMMISSIONER NEER: Approved.

MS. FRANKS: Chairman Jamison.

CHAIRMAN JAMISON: Approved.

We will go into closed session. At the end of closed session we will come back into open session and then close the meeting at that time.

Thank you very much.

WHEREIN, the meeting concluded at 11:09 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.

____________________________________
Patricia A. Stewart
CCR 401
The Missouri Gaming Commission (the “Commission”) went into open session at approximately 11:15 a.m. on December 5, 2018, at the Jefferson City office of the Missouri Gaming Commission.

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

The meeting ended at 1:09 p.m.