

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. - January 18, 2012
RIFFE CENTER, 77 SOUTH HIGH STREET
31ST FLOOR, SOUTH B AND C
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission was called to order at 10:20 A.M. by Chair Jo Ann Davidson. Commissioners McKinley Brown, Martin Hoke, Ranjan Manoranjan, Peter Silverman, John Steinhauer, and June Taylor were also in attendance. The minutes of the January 4, 2012 meeting were approved following a motion by Commissioner Steinhauer, seconded by Commissioner Brown.

An update on the Cleveland Horseshoe Casino was provided by Marcus Glover, general manager. Mr. Glover introduced Brad Hirsch, Assistant General Manager, and Mike Forster, Director of Slot Performance. An additional hiring event is scheduled for February and a total hiring estimate of just under 1,600 for the completed facility, was reported.

Executive Director Matt Schuler emphasized the host of activities that need to happen before a casino opening and the careful collaboration that is needed to complete each step. Those activities include: certification of independent testing labs, slot machine deliveries, internal control standards for each casino, slot machine and slot machine software installation; ongoing training, additional on-site testing, and controlled openings. For each stage, an agreed-upon timeline is needed and meetings with regard to these timelines are ongoing.

Patrick Martin, OCCC Staff, reviewed the status of the Certification of Testing Labs. To date, three testing labs have made submissions and the OCCC Staff is recommending approval of Gaming Laboratories International, (GLI) as an independent testing laboratory. Games submitted to GLI will be tested to Ohio's standards. Casinos will be able to choose from any certified testing lab, with test results sent directly to the OCCC. Chair Davidson asked that authority to certify the other two testing laboratory license applicants be delegated to her, so that certifications do not have to wait until the next Commission meeting. A Resolution delegating this authority was to be prepared for Commission action later in this meeting. At the request of Commissioner Silverman, a presentation by a testing lab will be scheduled.

An update on the filing status of the directors of Fortress Investment Group was presented by John Oberle. Mr. Oberle argued that changes in Fortress' organizational structure will result in Fortress Investment Group no longer meeting the definition of a holding company under the Ohio statute. Under his suggestion, the inside directors of Fortress will make complete filings and will be deemed to be discretionary filers by the Commission. Outside directors will no longer be required to file. Mr. Oberle will provide a letter to the Commission stating that the irrevocable trust created as a part of the re-organization is binding, and any change in that trust will give OCCC the authority to reconsider the licensing status. Executive Director Schuler clarified that the OCCC has 10 business days to respond to a change in an operator's license and re-open a review process. Mr. Oberle said that the new structure removes Nomura Holdings from the required filers, and he also requested that Daniel Mudd be removed from the Fortress filing list due to his leave of absence as Fortress CEO. The Chair asked staff to prepare a draft Resolution that would reflect this new proxy arrangement, modify the "Exhibit A" list of required filers for Penn, and maintain all of the inside directors as filers until further information is received. The

request to remove Daniel Mudd from the list of filers was denied. After a break, a draft Resolution 2012-2 was read to the Commission. A motion was made by Commissioner Silverman to adopt the Resolution after a clerical amendment was made. Commissioner Brown seconded the motion and the Resolution was adopted. Final copies of the Resolution will be transmitted to the Commissioners.

A Resolution regarding certification of independent testing labs was presented, as had been discussed earlier in the meeting. Commission Resolution 2012-3 would delegate to Chair Davidson, upon recommendation of OCCC Staff, the authority to certify BMM North America and Eclipse Compliance Testing as independent testing laboratories. Commissioner Hoke made a motion to adopt the Resolution, which was seconded by Commissioner Taylor and adopted by the Commission.

Commission Resolution 2012-4, granting certification as an independent testing lab to GLI, was put before the Commission. Upon a motion by Commission Steinhauer and seconded by Commissioner Hoke, the Resolution was amended to make the certification be for a period of three years. A motion to approve the Resolution as amended was offered by Commissioner Steinhauer, seconded by Commissioner Hoke and approved.

The scope of licensing for vendors was reviewed by Chris Storcella, OCCC Staff. Currently only four vendors have a complete application submitted. Operators and vendors have been in communication and additional vendor information continues to be received.

Administrative Rules ready for initial filing were outlined by OCCC Staff. Approval is needed by the Commission so that the Rules can begin the adoption procedure. In a review of Table Games rules, 3772-11:01-43, the following changes were recommended to be included with any changes made during the rule review process: In Rule 3772-11:08(B), the sentence granting authority to a casino operator to make a determination of disruptive behavior as it relates to card counting, will be set aside until more information is received. Rule 3772-11:09, 'Publication of rules and payoff schedules', will be modified to require posting of the rules and schedules. Rule 3772-11:14(E) and (F) will be changed to allow casinos with the same owner in Ohio to accept chips from each other. In Rule 3772-11:20(A)(8), the accuracy tolerance specification will be verified before filing. With these amendments to the proposed rules, a motion was made by Commissioner Hoke for approval, seconded by Commissioner Taylor and approved by the Commission. Rule 3772-10:25, 'Unclaimed winnings' was approved on a motion by Commissioner Brown, seconded by Commissioner Manoranjan. Rules 3772-13:01-03, 'Advertising', were approved on a motion by Commissioner Hoke, seconded by Commissioner Manoranjan.

Chair Davidson opened a public comment period. Mr. Carl Cardi outlined his pending court challenge to the Ohio Board of Building Standards regarding electrical wiring. The Chair asked OCCC staff to review Mr. Cardi's material and advise the Commission.

There being no further business before the Commission, the meeting was adjourned at 2:30 P.M.