

OHIO CASINO CONTROL COMMISSION  
MEETING MINUTES  
10:00 A.M. – October 16, 2013  
RHODES TOWER, LOBBY HEARING ROOM  
30 W. BROAD STREET  
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission was called to order at 10:10 a.m. by Chair Jo Ann Davidson. Commissioners McKinley Brown, Will Lucas, Ranjan Manoranjan, John Steinhauer, and June Taylor were also in attendance. Commissioner Martin Hoke had an excused absence. The minutes of the September 18, 2013 meeting were approved following a motion by Commissioner Taylor, seconded by Commissioner Lucas.

Executive Director Schuler began his report to the Commission with a follow-up to last month's Commission approval of Penn Gaming's proposed debt transaction. Penn has now secured all of the necessary approvals to separate into two publicly traded companies.

Executive Director Schuler continued his report to the Commission deferring to Rick Anthony, Director of Operations, and Noah Browning, Fiscal Officer, for a report on Commission revenue and expenditures. Revenues are slightly above estimates because of the unplanned Penn reorganization and the merger of two vendors, all of which resulted in additional licensing fees. Mr. Anthony told the Commission to expect one operator license renewal and the accompanying fee revenue each year starting in 2015. Noah Browning explained that expenditures for the first quarter of FY 2014 are slightly over estimates because of the transitioning of BCI agents and subsequent hiring of Casino Control agents as their replacements. Mr. Anthony also introduced a new member of the OCCC staff, Carrie Kirby, receptionist in the OCCC main Columbus office.

Executive Director Schuler continued his report referencing licensing statistics and Voluntary Exemption Program statistics that had been distributed to Commission members and noting that a successful ethics training presented by the Ohio Ethics Commission had been held in Toledo on October 4. He also told the Commission that OCCC staff will be closely monitoring Senate Bill 141 which proposes changes in the Ohio Casino Control Law regarding certain criminal financial activities.

Karen Huey, OCCC Director of Enforcement, made a brief presentation to the Commission regarding a roulette scam that had been uncovered at the Ohio casinos. The scam involved an organized group of individuals and was detected in each of the casinos soon after their opening. Discovery of the scam has resulted in numerous arrests and indictments. Chair Davidson asked whether these individuals would be placed on Ohio's Involuntary Exclusion List, effectively banning them from entering any of Ohio's casinos. John Barron, Deputy Executive Director and

General Counsel, responded stating this is the type of individual to which the statute authorizing involuntary exclusion speaks, and OCCC staff may have a recommendation for consideration by the Commission at a subsequent meeting. Mr. Barron clarified that the statute does not require a conviction for the exclusion to be applied and reminded the Commission that the process for placing an individual on the Involuntary Exclusion list involves notification and the opportunity for the individual to request a hearing before an independent hearing examiner. A recommendation by the hearing examiner and the OCCC staff is then put before the Commission for a final decision.

Tony Forchione, OCCC Director of Licensing and Investigation, presented to the Commission for consideration, the gaming related vendor license application of WMS Gaming, Inc. WMS Gaming was granted an initial license on April 18, 2012 and WMS Industries was found suitable as a holding company of WMS Gaming at that time. Scientific Games Corporation (SGC) and WMS Industries have entered into an agreement under which SGC will acquire WMS Industries. The change in ownership requires the issuance of a new gaming related vendor license for WMS Gaming and a suitability finding for SGC as the new holding company of WMS Industries. OCCC's Division of Licensing and Investigation conducted probity background investigations of WMS Gaming, WMS Industries, SGC and SGC related parent entities, SGMS Acquisition Corporation and MacAndrews and Forbes Holdings, Inc.

Based on the background reports, OCCC recommended that the Commission adopt Resolution 2013-25 to grant a new Gaming Related Vendor License to WMS Gaming, Inc., find SGC and related parent entities suitable as holding companies of WMS and SGC, and grant Key Employee Licenses to fourteen directors, officers and employees of these entities. In addition, Resolution 2013-25 would grant a Provisional Key Employee License to William Huntley of Scientific Games Corporation. Mr. Huntley was recently appointed to his position at Scientific Games and a license investigation is underway.

Commissioner Brown made a motion to approve Commission Resolution 2013-25, granting a three-year Gaming-Related Vendor license to WMS Gaming, three-year Key Employee Licenses to fourteen key employees listed in the Resolution, and a Provisional Key Employee License to William Huntley. The motion was seconded by Commissioner Steinhauer and approved. The Resolution was adopted.

Mr. Forchione then presented for consideration by the Commission, applications from four individuals for Key Employee licenses. OCCC Division of Licensing and Investigation had reviewed the applications and recommended their approval. Commissioner Manoranjan made a motion to approve Resolution 2013-26, granting three-year Key Employee Licenses to Ronald Congemi, Global Cash Access Holdings, Inc.; Colin Henson, Ainsworth Game Technology Ltd.; David MacIntosh, Ainsworth Game Technology Ltd.; and Robert Myhre, Global Cash Access, Inc. The motion was seconded by Commissioner Lucas and approved. The Resolution was adopted.

Patrick Martin, Director of Regulatory Compliance, presented amendments to internal control plans being requested by all four casinos. All of the proposals had been reviewed by OCCC staff and were recommended for adoption.

- Hollywood Columbus Casino requested changes to its Accounting, Player Services, Information Technology, Key Control Marketing, Security, Surveillance, and Table Games Operations plans. Commissioner Lucas made a motion to approve the changes. The motion was seconded by Commission Manoranjan and approved.
- Hollywood Toledo Casino requested changes to redemption kiosk language in its Player Services plan. Commissioner Taylor made a motion to approve the change. The motion was seconded by Commission Brown and approved.
- Horseshoe Cincinnati Casino requested a waiver to its existing rule requiring only casino-employed security for outdoor events. Commissioner Brown made a motion to approve the waiver. The motion was seconded by Commission Taylor and approved.
- Horseshoe Cincinnati Casino also requested changes to its Security, Cage and Table Games plans. Commissioner Steinhauer made a motion to approve the requested changes. The motion was seconded by Commissioner Brown and approved.
- Horseshoe Cleveland Casino requested changes to its Cage, Promotions, and Table Games plans. Commissioner Lucas made a motion to approve the changes. The motion was seconded by Commissioner Manoranjan and approved.

John Barron, OCCC Deputy Executive Director and General Counsel, reviewed final orders presented to the Commission for consideration.

In re: Jennifer Pelly, (Case # 2013-034). Ms. Pelly requested a hearing and the Hearing Examiner recommended revoking the Casino Gaming Employee License. Chair Davidson made a motion to approve and adopt the Report and Recommendation without modification for Jennifer Pelly. The motion was seconded by Commissioner Manoranjan and approved.

In re: James Boyle, (Case #2013-058). Chair Davidson made a motion to revoke the Casino Gaming Employee License for James Boyle. The motion was seconded by Commissioner Taylor and approved.

In re: Michael Russell, (Case # 2013- 051). Mr. Russell did not request a hearing. Chair Davidson made a motion to revoke the Casino Gaming Employee License for Michael Russell. The motion was seconded by Commissioner Taylor and approved.

During the Public Comment portion of the agenda, Mr. Dan Harkenrider appeared before the Commission. Mr. Harkenrider of Cleveland, a professional poker player and poker radio show host, was representing poker players and encouraging the Commission to support additional poker tournaments at the Ohio casinos.

There being no further business before the Commission, the meeting was adjourned at 11:35 a.m.

Signed,

Katherine L. Kelly

Commission Clerk

Approved November 20, 2013