

OHIO CASINO CONTROL COMMISSION  
MEETING MINUTES  
10:00 A.M. – April 15, 2015  
RHODES TOWER, LOBBY HEARING ROOM  
30 W. BROAD STREET  
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission (OCCC) was called to order at 10:07 a.m. by Chair Jo Ann Davidson. Commissioners McKinley Brown, Will Lucas, Ranjan Manoranjan, and John Steinhauer were also in attendance. Commissioner Martin Hoke and June Taylor had excused absences. The minutes of the March 18, 2015 meeting were approved following a motion by Commissioner Lucas, seconded by Commissioner Steinhauer.

Executive Director Schuler's report was moved to the end of the agenda.

Anna Marin Russell, OCCC Financial and Tax Investigation Counsel, presented the next meeting agenda item, the consideration of a waiver request and related financial debt transaction proposal regarding the FF&E loan agreement for Rock Ohio Caesars LLC (ROC). Ms. Russell indicated that ROC, on behalf of its wholly owned subsidiaries, requested approval of a debt transaction to refinance the existing FF&E Loan Agreement, as amended (Agreement). ROC requested a waiver of the 30 day waiting period so that the proposal could be considered at the Commission's April 15, 2015 public meeting. A motion to approve the waiver was made by Commissioner Lucas. The motion was seconded by Commissioner Steinhauer and approved.

Thereafter, Messrs. Ryan Sullivan and Dan Reinhard, representing ROC, presented ROC's debt transaction approval request to refinance its existing Agreement, in order to address current capital structure. To accomplish this, ROC proposed a related-party transaction that would allow ROC to repay the existing FF& E Loan through a combination of a secured and unsecured loan that would reduce ROC's annual debt service and eliminate overly burdensome financial-maintenance covenants. OCCC approval was noted to be required before the debt transaction could be entered into. Ms. Russell reported that the Division of Licensing and Investigation had completed the required probity investigation of ROC's proposed debt transaction and recommended approval of the Commission's Resolution 2015-11. Commissioner Steinhauer had questions related to the debt transaction that, were confidential in nature.

Accordingly, Chair Davidson made a motion to go into executive session pursuant to R.C. 121.22(G)(5), stating the following: "The material terms of Rock Ohio Caesars LLC's proposed debt transaction contain matters required to be kept confidential by state statute. In particular, discussion of these terms requires consideration of financial and trade secret information that is deemed confidential under R.C. 3772.16(A)(9) and (12), respectively. Accordingly, I move to go into executive session pursuant to R.C. 121.22(G)(5)." The motion was seconded by Commissioner Brown and adopted by a roll call vote 5-0.

The Commission moved into Executive Session at 10:18 a.m.

The regular meeting of the Commission resumed at 11:04 a.m., and reverted back to the consideration of ROC's debt transaction approval request. Ms. Russell stated the Division of Licensing and Investigations had found ROC's proposal to be commercially reasonable and recommended approval of

the Commission's Resolution 2015-11 approving the debt transaction with conditions. A motion to approve the debt transaction was made by Commissioner Manoranjan. The motion was seconded by Commissioner Brown and approved.

Anthony Forchione, Director of Licensing and Investigations, then presented to the Commission for consideration, Rock Ohio Caesars Cleveland LLC's (ROC Cleveland) renewal application for licensure as a casino operator through the adoption of Commission Resolution 2015-06, and of Rock Gaming LLC's (Rock Gaming) application for licensure as a management-company through the adoption of Commission Resolution 2015-07. Matt Oyster, OCCC Deputy General Counsel, reviewed the OCCC Division of Licensing and Investigation's "Investigative Report on the Applications of ROC Cleveland Caesars Cleveland LLC for a Casino-Operator License & of Rock Gaming LLC for a Management-Company License" which concluded that ROC Cleveland and Rock Gaming are suitable for licensure as a casino operator and management-company, subject to numerous conditions. Commissioner Brown made a motion to adopt Commission Resolution 2015-06, granting renewal of a three-year Casino-Operator License to ROC Cleveland and three-year Key Employee Licenses to six related officers, directors, and employees listed in the Resolution. The motion was seconded by Commissioner Steinhauer and adopted by a roll call vote 5-0. Commissioner Manoranjan made a motion to adopt Commission Resolution 2015-07, granting renewal of a three-year Management-Company License to Rock Gaming and a three-year Key Employee License to Daniel Reinhard listed in the Resolution. The motion was seconded by Commissioner Lucas and adopted by a roll call vote 5-0.

Mr. Forchione then presented to the Commission for consideration, Horseshoe Key Employee Licenses for seven individuals. The OCCC Division of Licensing and Investigations had completed background investigations of the applicants and recommended approval. Mr. Forchione recommended approval of Commission Resolution 2015-08, granting renewal of three-year key employee licenses to Michael Barbato, Director of Surveillance, Horseshoe Cincinnati; William Brinkman, Vice President-Finance, Rock Ohio Caesars; Marcus Glover, Senior VP/General Manager, Horseshoe Cleveland; John Howard, Vice President-Finance, Horseshoe Cincinnati; Karen Kaminski, Vice President-Human Resources, Horseshoe Cleveland; Christy Rodriguez, Vice President-Internal Audit, Caesars Entertainment Corp.; and Tosha Tousant, Director-Table Games, Horseshoe Cleveland. A motion to approve the Resolution was made by Commissioner Lucas. The motion was seconded by Commissioner Manoranjan and approved.

Mr. Forchione then presented to the Commission for consideration, Gaming-Related Vendor Key Employees for twelve individuals. The OCCC Division of Licensing and Investigations had completed background investigations of the applicants and recommended approval. Mr. Forchione recommended approval of Commission Resolution 2015-09, granting renewal of three-year key employee licenses to Paget Alves, Independent Director, International Game Technology; John Connelly, Chief Executive Officer, Interblock USA; Richard Haddrill, Executive Vice Chairman, Scientific Games Corporation; Deron Hunsberger, Senior Vice President-Sales, WMS Gaming, Inc.; Gavin Isaacs, President/Chief Executive Officer, Scientific Games Corporation; Robert Parente, Senior Vice President, Bally Gaming, Inc.; Richard Riehm, Vice President-Eastern Sales, WMS Gaming, Inc.; Thomas Reilly, Vice President of System Sales, Bally Gaming, Inc.; Vincent Sadusky, Independent Director, International Game Technology; Phillip Satre, Chairman of the Board, International Game Technology; Scott Schweinfurth, Executive Vice President/CFO, Scientific Games Corporation; and Eric Tom, Executive Vice President-Global Sales, IGT. A motion to approve the Resolution was made by Commissioner Brown. The motion was seconded by Commissioner Manoranjan and approved.

The renewal application of Konami Gaming, Inc. (Konami), as a Gaming-Related Vendor, was then reviewed for the Commission by Mr. Forchione. Konami was granted an initial Gaming-Related Vendor License by the Commission on May 2, 2012, at which time related officers and directors of the company were licensed as Key Employees. Konami is a wholly-owned subsidiary of Konami Corporation (KC), a manufacturer of electronic gaming equipment based in Japan. KC also filed an application as the holding company of Konami. The OCCC Division of Licensing and Investigations have conducted probity background investigations of both Konami and KC and recommended approval. Mr. Forchione recommended approval of Commission Resolution 2015-10, granting renewal of a three-year Gaming-Related Vendor License to Konami and three-year Key Employee Licenses to seven key employees listed in the Resolution. Commissioner Steinhauer made a motion to adopt Commission Resolution 2015-10, approving the licenses. The motion was seconded by Commissioner Brown and approved.

Michelle Siba, OCCC Assistant General Counsel, reviewed for the Commission proposed amendments to existing rules, for initial approval. A motion to move to adopt the initial rules and amendments was made by Commissioner Brown. The motion was seconded by Commissioner Lucas and adopted.

Patrick Martin, Director of Regulatory Compliance, presented to the Commission for their consideration Internal Controls being requested by all four of the casinos. All the proposed changes had been reviewed and recommended by the OCCC staff.

- Hollywood Casino Columbus (HWC) sought to rearrange its executive hierarchy to remove the dedicated director of table games, placing those and other compatible job functions into the Director of Casino Operations. This change resulted in adjusting other positions' duties, and therefore required amendments to its General, Player Services, Slots, and Table Games plans. Other minor changes were also sought, including changes to drop zones, and opting to use dice in the casino's recently approved Sic Bo game. Commissioner Manoranjan made a motion to approve the proposed changes. The motion was seconded by Commissioner Lucas and approved.
- Hollywood Casino Toledo (HWT) sought to use its current Safety Specialist as a Shift Supervisor as needed and, to allow slot supervisors "or above" to provide secondary signatures to voided forms. These changes were discussed with the Enforcement Division to ensure overall safety was not lost. Chair Davidson made a motion to approve the proposed changes. The motion was seconded by Commissioner Brown and approved.
- Horseshoe Casino Cincinnati (UCI) requested changes to its Count times, Slot Plan, and to add the "Commission free" Baccarat game that other casinos offer. Commissioner Steinhauer made a motion to approve the proposed changes. The motion was seconded by Commissioner Brown and approved.
- Horseshoe Casino Cleveland (UCL) sought to loosen its controls on cage access for its locksmith and to allow its Compliance department to grant some access into the cage upon notice and with a security escort. UCL's previous access controls were much higher than other casinos. Commissioner Manoranjan made a motion to approve the proposed changes. The motion was seconded by Commissioner Lucas and approved.

Reverting to the previous agenda, Chair Davidson recognized Executive Director Schuler for his report. Mr. Schuler acknowledged new additions to the Commission's Compliance, Enforcement, and Licensing

divisions. Mr. Schuler then deferred to Noah Browning, OCCC Fiscal Officer and Acting Director of Operations, to present the quarterly review of agency revenues and expenditures. Mr. Browning reported that the Commission was ahead of cash flow despite the postponement of gaming employee fees, and remained on strong financial footing.

Mr. Schuler recapped Tech-Art's request to waive their Gaming-Related Vendor renewal fees, presented during the March 18, 2015 Commission meeting. Mr. Schuler recommended the Commission deny Tech-Art's request for a waiver of renewal fees. Upon consideration of the request, including all supporting documentation submitted, a motion to deny the waiver was made by Commissioner Brown. The motion was seconded by Commissioner Lucas and approved.

Mr. Schuler reminded the Commissioners that for the month of May, two meetings would be held. Mike Masterson, OCCC Director of Enforcement, then presented the quarterly review of crime statistics for all four casinos.

Mr. Masterson explained that the statistics show criminal activity across numerous categories with the highest concentration in the areas of criminal trespass, cheating, and disorderly conduct. Mr. Masterson also reported that earlier in the month Commission Gaming Agents assisted the Pickaway County Sheriff's Office and BCI in serving search warrants at locations associated with suspected illegal casino operation. The warrants resulted in the seizing of cash, documents, and a total of 143 gaming machines from a Circleville-area business and residence. Mr. Masterson indicated an outreach to other agencies is underway, to explain the Commission's statutes and how the OCCC Enforcement Division can be utilized to help shut-down illegal casino establishments. Mr. Masterson stated that an increase in agencies utilizing these statutes has resulted from outreach efforts.

There being no further business before the Commission, the meeting was adjourned.

Signed,

A handwritten signature in cursive script that reads "Lara B. Thomas".

Lara B. Thomas  
Commission Secretary

Approved: May 6, 2015