

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. – January 18, 2017
JERRY SUE THORNTON CENTER, FORD ROOM
2500 E. 22nd St.
CLEVELAND, OHIO 44115

The regular meeting of the Ohio Casino Control Commission (OCCC) was called to order at 10:00 a.m. by Chair Davidson. Commissioners Martin Hoke, Will Lucas, Ranjan Manoranjan, John Steinhauer, and June Taylor were also in attendance. Commissioner Brown had an excused absence. The minutes of the December 21, 2016 meeting were approved following a motion by Chair Davidson, seconded by Commissioner Taylor.

Executive Director Schuler opened his report with a presentation by Mark Tricano, Senior Vice President of Operations for Northeast Ohio for JACK Entertainment LLC, and General Manager of JACK Cleveland Casino, regarding an update of JACK Entertainment (JACK). Mr. Tricano presented the global vision of JACK including the transition of the Cleveland property, and its future goals. New restaurants and updating the appearance of the casino were planned for the Cleveland property.

Next, Rick Anthony, Senior Operations Manager, presented the status of the budget for the first two quarters of the fiscal year. Mr. Anthony reported revenues continue to be above expenses. Tax estimates were noted to be on point, and vendor and key employee fees were above estimates. The Commission will continue to monitor expenses closely moving forward.

Anna Marin Russell, Manager of Investigations, presented for consideration a debt transaction proposal for Penn National Gaming, Inc. (Penn). Ms. Russell indicated that Penn, on behalf of its wholly owned subsidiaries, requested approval to refinance its entire capital structure. The Division of Licensing and Investigations conducted a due diligence and financial probity review and recommended conditional approval of Commission Resolution 2017-02. One condition of the approval requires Penn to close all transactions related to the proposal without any material changes to the terms or documentation that has been provided, as determined by the Commission, no later than February 15, 2017. A motion to approve Resolution 2017-02 was made by Commissioner Steinhauer. The motion was seconded by Commissioner Taylor and approved.

Matt Oyster, Director of Licensing and Investigations, presented to the Commission for consideration a Gaming-Related Vendor license application for Interblock USA L.C. (Interblock USA) and Interblock Luxury Gaming Products, d.d. (Interblock d.d.), and related holding companies, as well as initial Key Employee applications for three related individuals. The Division of Licensing and Investigations completed suitability background investigations of both Interblock USA and Interblock d.d., and its holding company, as well as its three Key Employees, and recommended approval. Mr. Oyster recommended approval of Commission Resolution 2017-01, granting a three-year Gaming-Related Vendor license to Interblock and three-year Key Employee licenses to Joze Pečečnik, Rok Uhan, and Tomaz Zvipelj. A motion to approve the Resolution was made by Commissioner Taylor. The motion was seconded by Commissioner Lucas and approved.

Will Cox, Assistant General Counsel, presented to the Commission for consideration rule amendments for final filing. Mr. Cox explained that the Commission initially approved the new rule and amendments to Ohio Admin

Code: 3772-21-01, 3772-21-03, 3772-21-09, and 3772-22-01 at the August 17, 2016 public meeting. After receiving initial approval of the new rule and amendments, Commission staff filed them and a Business Impact Analysis with the Common Sense Initiative Office (CSIO). The CSIO was noted to have reviewed and subsequently authorized the Commission to proceed with filing the new rule and amendments with the Joint Committee on Agency Rule Review (JCARR). Commissioner Manoranjan made a motion to adopt Commission Resolution 2017-03, approving final filing of the new rule and amendments. The motion was seconded by Commissioner Steinhauer and approved.

Next, Mr. Cox explained that the Commission also initially approved administrative rules to the Ohio Admin. Code which had no changes: 3772-12-05; 3772-21-04; 3772-21-05; 3772-21-06; 3772-21-07; 3772-21-08; 3772-21-10; 3772-21-11; 3772-23-03; 3772-23-04; and 3772-23-05 at the August 17, 2016 public meeting. After receiving initial approval of the administrative rules, Commission staff filed them and a Business Impact Analysis with the CSIO. The CSIO was noted to have reviewed and subsequently authorized the Commission to proceed with filing the administrative rules with JCARR. Commissioner Taylor made a motion to adopt Commission Resolution 2017-04, approving final filing of the no-change administrative rules. The motion was seconded by Commissioner Lucas and approved.

Andromeda Morrison, Director of Skill Games, presented to the Commission one new rule for consideration of initial filing, 3772-50-28 Sanctions. Ms. Morrison explained this rule had previously been considered by the Commission and approved, however, after going through the initial CSIO and JCARR process technical changes were needed. This rule was changed and has been resubmitted to the Commission for approval. A motion to initially approve the amendment was made by Commissioner Steinhauer. The motion was seconded by Commissioner Hoke and approved.

Patrick Martin, OCCC Director of Regulatory Compliance, presented to the Commission for their consideration, amendments to Internal Controls being requested by Hollywood Casino Columbus (HCO), Hollywood Casino Toledo (HCT), JACK Cincinnati (JCI), and JACK Cleveland (JCL). All of the proposed changes had been reviewed and recommended by the OCCC staff.

- HCO sought to amend its Marketing and Table Games plans. The Marketing plan included title changes and the Table Games plan included audit response changes regarding variance procedures and hand clearing. Commissioner Taylor made a motion to approve the proposed changes. The motion was seconded by Commissioner Lucas and approved.
- HCT sought changes to its Player Services and Table Games plans. The casino is updating its credit card and cage transactional controls for personal checks, wire transfers, and credit card advances. In the Tables Games plan, the casino is adding a \$2 chip for use in the poker room. HCO's poker room is not interested in using that chip, so this is just an HCT change. Commissioner Lucas made a motion to approve the proposed changes. The motion was seconded by Commissioner Taylor and approved.
- JCI sought changes to three of its plans, including Responsible Gaming (RG), Poker, and Surveillance. The RG plan received an annual review and the casino updated some treatment providers' contact information. The amendments in the Poker and Surveillance plans are in response to audit findings. Small changes were also made to its Roulette, Big Six, and multi-link progressive rules.

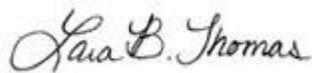
- JCL sought changes to eleven plans or game rules, mainly due to the casino reorganizing its Vice President of Operations and Regional Director of Slot Operations. The casino is completing changes needed to remove its satellite poker bank, which was a tool cart used for housing money and chips. This was the last cart used in the state. Its removal was required by an OAC provision that was effective October 1, 2016, and was mostly unnecessary because of the poker cage in the JCL's poker room. Commissioner Lucas made a motion to approve the proposed changes. The motion was seconded by Commissioner Taylor and approved.

John Barron, Deputy Executive Director and General Counsel, then presented one final order to the Commission for consideration:

In re: Melissa Moody (case #2016-LIC-018). Chair Davidson made a motion to deny the CGE License Application for Melissa Moody. The motion was seconded by Commissioner Taylor and approved.

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: February 15, 2017