

OHIO CASINO CONTROL COMMISSION  
MEETING MINUTES  
10:00 A.M. – September 20, 2017  
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 10:02 a.m. by Chair Taylor. Commissioners McKinley Brown, Ranjan Manoranjan, Lynn Slaby, and John Steinhauer were also in attendance. Commissioners Jo Ann Davidson and Will Lucas had excused absences. The minutes of the August 16, 2017 meeting were approved following a motion by Commissioner Brown, seconded by Commissioner Slaby.

Executive Director Schuler began his report announcing that Tony Forchione, former Director of Licensing and Investigations, had returned to assist during the licensing renewal period. Next, he provided a budget update, noting that key and vendor revenue was already above estimates, despite not having finished the quarter. Casino gaming employee (CGE) fee revenue is expected to exceed estimates for the quarter. The Commission is on track to end the quarter below estimated expenditures.

Mr. Schuler then provided a legislative update regarding House Bill 132, which would require operators of Daily Fantasy Sports (DFS) contests to be licensed in Ohio and would give the Commission regulatory oversight. The bill also contains a number of consumer protections. The bill was referred to the Senate Finance Committee, and has received sponsor and proponent testimony.

Mr. Schuler ended his report on the status of an illegal casino case where agents served warrants in June 2017, on three businesses called the “Do Drop Inn,” in Sandusky, Tiffin, and Willard. After an investigation, it was determined these businesses were operating slot machines that paid out cash prizes in violation of Ohio law. Warrants were also served at the residences of Corida Moore (Moore) and Marilyn Patterson (Patterson), where agents seized and disabled more than 100 illegal slot machines, along with cash, documents, and firearms. Under a plea agreement, Moore pled guilty to one count of attempted operation of an illegal gaming operation, a first-degree misdemeanor, and Patterson pled guilty to one count of disorderly conduct, a minor misdemeanor. Both were ordered to pay a fine, and will forfeit cash, the illegal slot machines, and other items.

Matthew Oyster, Director of Licensing and Investigations, presented to the Commission for consideration Key Employee Licenses for 10 individuals. The OCCC Division of Licensing and Investigations completed background investigations of the applicants and recommended approval of Commission Resolution 2017-15, granting three-year key employee licenses to Richard Bell, Aristocrat Leisure Limited, Guido Corbetta, De Agostini S.p.A., Trevor Croker, Aristocrat Leisure Limited, James Cunningham, III, Newell Brands, Inc., Dean Ehrlich, Everi Holdings, Inc., Heather McGregor, International Game Technology PLC, Ralph Nicoletti, Newell Brands, Inc., James Perry, Gaming and Leisure Properties, Inc., Earl Shanks, Gaming and Leisure Properties, Inc., and Matthew Wilson, Aristocrat Technologies, Inc. A motion to approve the Resolution was made by Commissioner Manoranjan. The motion was seconded by Commissioner Slaby and approved.

Patrick Martin, 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 Casino (JCI), and JACK Cleveland Casino (JCL). All of the proposed changes had been reviewed and recommended by the OCCC staff.

- HCO sought to amend its General Plan's organizational charge, and to make changes to its Player Services, Marketing, Responsible Gaming, and Table Games plans. The most notable changes were the additional of poker registration controls to its Player Services plan. Those changes are necessary to move the cashiering transactions out of a poker podium and into the cage. Commissioner Steinhauer made a motion to approve the proposed changes. The motion was seconded by Commissioner Brown and approved.
- HCT sought to amend its Cage, Marketing, and Table Games plans. HCT also received an immediate internal controls changes related to its slot drop schedule. This change was approved by the Executive Director. Additionally, HCT is clarifying transactional details in its Cage and Table Games plans. Lastly, HCT made staffing changes in its Marketing plan, adding a reference to staffs' limits of authority to issue promotional credits. Commissioner Slaby made a motion to approve the proposed changes. The motion was seconded by Commissioner Manoranjan and approved.
- JCI sought to amend its Anti-Money Laundering (AML), Cage, Security, and Surveillance plans. JCI also sought to change several table game rules. Notably, JCI's AML changes mirror those requested in Cleveland, as of that property's IRS audit. The bulk of JCI's changes are due to both properties' table game review on take-and-pay procedures. JCI's approach is to settle all wagers at the end of the game. Accordingly, JCI has clarified any game rules where that process was silent or conflicting. Lastly, JCI clarified when it uses a locked cart to transfer cash because it had conflicting provisions on transportation of funds in three different plans. Commissioner Steinhauer made a motion to approve the proposed changes. The motion was seconded by Commissioner Slaby and approved.
- JCL sought to amend its AML, Slots, and Table Games plans. Two changes are important. First, JCL's changes to its AML plan come from a routine IRS audit. Second, the changes to twelve table games' take-and-pay procedures result from an audit finding that the casino's dealing practices did not match the procedures in the table games controls for some games. JCL reviewed its game play rules to ensure the procedures aligned. JCL found three games where the procedures did not match and another nine that were missing relevant details. Commissioner Steinhauer made a motion to approve the proposed changes. The motion was seconded by Commissioner Slaby and approved.

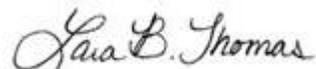
John Barron, Deputy Executive Director and General Counsel, presented to the Commission a Settlement Agreement between HCO. The agreement would settle a case that arose regarding HCO's use of slot machines with unapproved software and use of unverified and unsealed slot machines. The settlement agreement includes admissions, conditions, remedial measures, and a \$10,000 fine. Commissioner Steinhauer made a motion to accept the agreement on behalf of the Commission and authorizing Chair Taylor to sign the agreement. The motion was seconded by Commissioner Slaby and approved.

Mr. Barron then presented one final order to the Commission for consideration:

In re: Bradley Gruber (case #2017-LIC-047). Chair Taylor made a motion to deny the CGE License Application for Bradley Gruber. The motion was seconded by Commissioner Slaby 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: October 18, 2017