

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES

10:00 A.M. – August 21, 2019

JO ANN DAVIDSON HEARING ROOM

100 E. BROAD STREET, 20TH FLOOR

COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission (Commission) was called to order at 10:03 a.m., by Executive Director Matthew Schuler, the Commission's statutorily designated secretary pursuant to R.C. 3772.06(B)(1). After calling the meeting to order, Mr. Schuler explained that due to Chair Taylor's and Vice-Chair Davidson's excused absences, the Commission was without a statutorily designated presiding officer. Mr. Schuler pronounced that the meeting could move forward with the election of a Chair Pro Tem. Commissioners McKinley Brown, Will Lucas, Ranjan Manoranjan, Lynn Slaby, and John Steinhauer were present. A motion to elect Commissioner John Steinhauer as the agency's Chairman Pro Tem for the purpose of conducting the August 21, 2019 meeting was made by Commissioner Lucas. Commissioner Steinhauer recused himself from discussing, voting on, or otherwise participating in the matter. The motion was seconded by Commissioner Slaby and adopted by a roll call vote of 4-0. Commissioner Steinhauer thereafter presided over the meeting as the duly elected Chair Pro Tem.

Next, the minutes of the July 17, 2019 meeting were approved following a motion by Commissioner Brown and seconded by Commissioner Lucas.

Mr. Schuler began his report with Rick Anthony, Deputy Executive Director and Director of Operations, providing a budget update. Mr. Anthony reported that the Commission was on track for the first quarter of the new fiscal year. Tax revenue for the first quarter was 2.7% above estimates. This is the third consecutive quarter the tax revenue has been above estimate. Some adjustments were made to the quarterly estimates for salaries and fringe benefits based on the number of pay periods per quarter. However, the overall yearly salary and benefits estimate would remain the same. The enforcement fund was noted to have small expenditures for supplies and maintenance, and a confidential-fund transfer that was slightly over estimates.

Mr. Schuler ended his report by addressing a recent illegal casino raid that took place at the Lucky Jackpot located in Lorain County, in which the Commission assisted local law enforcement. Mr. Schuler reported 47 gaming machines and approximately \$20,000 in cash were confiscated during the search of the facility. Mr. Schuler noted that just a year ago, the Commission had been a part of a larger endeavor in Lorain County in which 19 warrants were issued on illegal casinos in the area. Mr. Schuler indicated that to date, the Commission has executed search warrants on 90 locations, seized or disabled over 3,000 gaming machines, and currently has nearly 100 open investigations regarding illegal casinos. Mr. Schuler indicated that the Commission remains vigilant on incoming tips concerning illegal casinos that continue to proliferate throughout the state.

Monica Wilcoxon, Investigator Supervisor, presented to the Commission for consideration the gaming-related vendor license application for Cincinnati Propco LLC (Cincinnati Propco), a newly created subsidiary of VICI Properties, Inc. (VICI), which would serve as the primary landlord associated with the Cincinnati casino facility, as well as nine associated key-employee license applications. John Payne, President and Chief Operating Officer, and Samantha Gallagher, Executive Vice-President, General Counsel, and Secretary of VICI, provided a presentation of VICI's management team and its role in the Cincinnati casino property acquisition. The Division of Licensing & Investigations completed suitability investigations of these applicants, which did not uncover any material derogatory information, and recommended approval of Resolution 2019-26, granting them three-year licenses. A motion to approve the Resolution was made by Commissioner Slaby. The motion was seconded by Commissioner Manoranjan and approved.

Then, Ms. Wilcoxon presented to the Commission for consideration, seven key-employee license applications. The Licensing & Investigations Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of Resolution 2019-27, granting three-year initial key-employee licenses to Jon Lucas and Jeffrey Michie of HR Cincinnati, LLC, and renewing three-year key-employee licenses for: Joseph Marshall, Gaming and Leisure Properties, Inc.; Francisco Moreno Sanchez, Gaming Partners International USA, Inc.; Ronald Naples, Penn National Gaming, Inc.; Eric Poulton, TCS John Huxley America, Inc. and TCS John Huxley Europe Limited; and Evan Urdang, Gaming and Leisure Properties, Inc. A motion to approve the Resolution was made by Commissioner Slaby. The motion was seconded by Commissioner Brown and approved.

Andromeda Morrison, Director of Skill Games, presented to the Commission for consideration of 65 skill-based amusement machine-related license applications. The Skill Games Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2019-28, granting three-year skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Brown. The motion was seconded by Commissioner Slaby and approved.

Next, William Cox, Assistant General Counsel, presented to the Commission 19 new fantasy contest rules for final filing. Mr. Cox explained that the rules were spawned as a result of HB 132 of the 132nd General Assembly, which expanded the Commission's jurisdiction to include fantasy contests and the authority to write rules and regulate those contests. Mr. Cox explained that the Commission initially approved the proposed rules to Ohio Adm.Code 3772-74-01, 3772-74-02, 3772-74-03, 3772-74-04, 3772-74-05, 3772-74-06, 3772-74-07, 3772-74-08, 3772-74-09, 3772-74-10, 3772-74-10.1, 3772-74-11, 3772-74-12, 3772-74-13, 3772-74-14, 3772-74-15, 3772-74-16, 3772-74-17, and 3772-74-18 at the March 20, 2019 public meeting. After receiving initial approval of the new rules, Commission staff filed them along with a Business Impact Analysis with the Common Sense Initiative Office (CSIO). The CSIO reviewed and subsequently authorized the Commission to proceed with filing the rules with the Joint Committee on

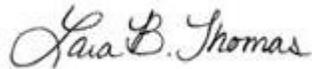
Agency Rule Review. Commissioner Slaby made a motion to adopt Resolution 2019-29, approving the final filing of the new rules to Ohio Adm.Code 3772-74-01 through -18. The motion was seconded by Commissioner Manoranjan and approved.

Following the approval of the fantasy contest rules, Aleah Page, Manager of Licensing, Casino Gaming and Fantasy Contests, presented to the Commission the Fantasy Contest Operator and Management Company License Application. Ms. Page explained that although the fantasy contest application is less intrusive, it is similar in format to other applications that the Commission utilizes. Ms. Page stated the fantasy contest application would gather all relevant information required the laws governing fantasy contests. The Commission would begin accepting fantasy contest applications on September 3rd, once the fantasy contest administrative rules become effective. Ms. Page stated further that no decision would be made on an application until the applicant's required internal procedures are submitted. Commissioner Slaby made a motion to approve the Fantasy Contest Operator and Management Company License Application. The motion was seconded by Commissioner Lucas and approved.

Lastly, Mr. Schuler welcomed Mr. Jeffrey Michie to the Commission, announcing that Mr. Michie had been selected as the acting General Manager of the Cincinnati casino facility upon completion of the Cincinnati casino acquisition. Mr. Michie indicated that he would be in charge of the transition as the property moves to the Hard Rock brand.

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: September 18, 2019