

INDIANA GAMING COMMISSION BUSINESS MEETING

November 13, 2008
Hyatt Regency, Indianapolis, Indiana

Call to Order and Roll Call:

Chairman William Barrett called the meeting to order at approximately 1:10 p.m. local time. A quorum was present.

Present:

Commission Members: William Barrett, Chairman, Tim Murphy, Tom Swihart, Secretary, Mary Shy, Marc Fine and Robert Morgan. Commission Staff: Ernest E. Yelton, Phil Sicuso, Jennifer Reske, Chris Gray, Adam Packer, Lea Ellingwood, Kesha Rich, Joe Hoage, Mark Reder, Diane Freeman, Drewella Anderson, Ellana Nelson, Andy Means, Tami Timberman-Wright, and members of the public.

Approval of the Minutes:

Upon motion by Tom Swihart, second by Tim Murphy, and the unanimous vote of those present, the Commissioners approved the proposed minutes of the August 28, 2008, business meeting.

Report of the Executive Director:

The Executive Director gave a staff update. Darlene Johnson is the new receptionist, replacing Marian Coffey who transferred to the Gaming Control Division. Drewella Anderson is our new accounts clerk. Also, Ellana Nelson is our newest field auditor.

The Gaming Control Division has seized 694 illegal gambling devices from 95 locations thus far during the calendar year 2008 and a total of 1193 devices since the division was formed. An additional 3209 illegal gambling devices have been reported as removed from Indiana by distributors to avoid seizure. One case of interest occurred in September when the Division, assisted by the Indiana State Police, served three search warrants at three locations simultaneously. Two bookmaking operations and one illegal poker establishment were closed down and a total of 15 people were charged with various criminal violations.

The seventh gaming enforcement officer academy graduated on October 29, with a class totaling 15 men and women. They have been dispersed throughout the state for duty. The casinos are now fully staffed and hopefully will not require another selection process for at least one year.

HEA 1835 required both Hoosier Park and Indiana Live to make a second license payment of \$100 million each before November 1, 2008. The money has been received, processed and deposited in Indiana's Property Tax Replacement Fund.

Waiver of Rules and Regulations:

Casino Association Members:

Granted waiver allowing Member Licensees the standing permission to destroy entry forms for marketing promotional events, both paper and electronically generated, of non-winning entries that are at least 90 days old.

Belterra and Grand Victoria:

Approved request to place dedicated coverage on progressive displays showing incrementation when the display reads a minimum of \$40,000. The accounting/income audit department will be responsible for daily verification of the incremented amounts.

Blue Chip:

Granted relief from having an employee from the accounting department as part of the soft count team.

French Lick:

Granted relief from the requirement to print the name of the Cage Cashier on a jackpot slip. The Cage Cashier will still sign and write their occupational license number on the slip.

Horseshoe:

Approved request to allow dealers to receive cash as tips only during tournament play.

Old Business:

There was no old business.

New Business:

Voluntary Exclusion Program:

**Orders Concerning
The Voluntary Exclusion Program
Order 2008-115
Order 2008-116
Order 2008-117
Order 2008-118
Order 2008-119**

Order 2008-120
Order 2008-121
Order 2008-122
Order 2008-123
Order 2008-124
Order 2008-125
Order 2008-126
Order 2008-127
Order 2008-128
Order 2008-129
Order 2008-130

Order 2008-115 approved the remittance of winnings by VEP participant John Doe #49 in the amount of \$1,440 as a fine. Ameristar withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-116 approved the remittance of winnings by VEP participant John Doe #50 in the amount of \$15.92 as a fine. Argosy withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-117 approved the remittance of winnings by VEP participant John Doe #51 in the amount of \$45 as a fine. Argosy withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-118 approved the remittance of winnings by VEP participant John Doe #52 in the amount of \$25.30 as a fine. Argosy withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-119 approved the remittance of winnings by VEP participant John Doe #53 in the amount of \$457.20 as a fine. Argosy withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-120 approved the remittance of winnings by VEP participant John Doe #54 in the amount of \$1,542 as a fine. Blue Chip withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-121 approved the remittance of winnings by VEP participant John Doe #55 in the amount of \$100 as a fine. Grand Victoria withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-122 approved the remittance of winnings by VEP participant John Doe #56 in the amount of \$10.62 as a fine. Hoosier Park withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-123 approved the remittance of winnings by VEP participant John Doe #57 in the amount of \$4,040 as a fine. Hoosier Park withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-124 approved the remittance of winnings by VEP participant John Doe #58 in the amount of \$155 as a fine. Horseshoe Casino Hotel Southern Indiana withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-125 approved the remittance of winnings by VEP participant John Doe #59 in the amount of \$476 as a fine. Horseshoe Casino Hotel Southern Indiana withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-126 approved the remittance of winnings by VEP participant John Doe #60 in the amount of \$4,000 as a fine. Horseshoe Casino Hotel Southern Indiana withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-127 approved the remittance of winnings by VEP participant John Doe #61 in the amount of \$1,200 as a fine. Horseshoe Casino withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-128 approved the remittance of winnings by VEP participant John Doe #62 in the amount of \$77.45 as a fine. Indiana Live withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-129 approved the remittance of winnings by VEP participant John Doe #63 in the amount of \$3,017 as a fine. Indiana Live withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Order 2008-130 approved the remittance of winnings by VEP participant John Doe #64 in the amount of \$7,388.45 as a fine. Majestic Star withheld the winnings as required by Commission regulations and will remit the fine on behalf of the patron.

Action: Upon Motion by Tom Swihart, second by Tim Murphy, and unanimous vote of those present, the Commission approved Orders 2008-115, 16, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, and 130 as recommended by Commission staff.

Order 2008-131

An Order regarding the Appeal of Voluntary Exclusion Remittance of John Doe #32 (VEP-08-32). John Doe #32 appealed his application for the VEP and on October 22, 2008, a hearing was held and the Administrative Law Judge concluded that John Doe #32 was a member of the VEP on May 19, the date of the seizure of his/her jackpot. The ALJ recommended the Commission deny John Doe #32's appeal.

Action: Upon Motion by Tim Murphy, second by Tom Swihart, and unanimous vote of those present, the Commission approves Order 2008-131, which denies John Doe #32's appeal, as recommended by Commission staff.

Exclusion List:

Order 2008-133

An Order regarding the Petition for Exclusion Removal of Mark T. Killerman. On May 6, 2005, Mark Killerman was excluded from riverboat gambling facilities in Indiana, through action of the Indiana Gaming Commission. He petitioned for removal from this exclusion list on July 14, 2008. At a hearing on August 20, 2008, at review officer heard evidence and recommended that Mr. Killerman not be removed from the exclusion list.

Action: Upon Motion by Mary Shy, second by Tom Swihart, and unanimous vote of those present, the Commission approves Order 2008-133, which denies Mr. Killerman's Petition, as recommended by Commission staff.

Occupational License Matters:

Order 2008-134

An Order Approving the Settlement Agreement of Mark Korc. Mr. Korc was involved in an incident where he delivered chips of the wrong denomination to a table to fix a previous fill slip error. Mr. Kroc and Commission staff agreed on a settlement wherein he would have his occupational license suspended for one day and not work during the time his license was suspended.

Action: Upon Motion by Tim Murphy, second by Tom Swihart, and unanimous vote of those present, the Commission approved Order 2008-134.

Order 2008-135

An Order Approving the Settlement Agreement of Sherita M. Peterson. Ms. Peterson was involved in an incident where she delivered chips of the wrong denomination to a table to fix a previous fill slip error. Ms. Peterson and Commission staff agreed on a settlement wherein she would have her occupational license suspended for one day and not work during the time her license was suspended.

Action: Upon Motion by Tim Murphy, second by Tom Swihart, and unanimous vote of those present, the Commission approved Order 2008-135.

Supplier License Matters

Order 2008-136

An Order of the Indiana Gaming Commission Concerning the renewal of Supplier's Licenses. This is an Order renewing the supplier licenses of Western Money Systems, Global Surveillance Associates, Aristocrat Technologies, Inc., and Paltronics, Inc.

Action: Upon Motion by Tom Swihart, second by Tim Murphy, and unanimous vote of those present, the Commission granted the renewal of the supplier's licenses of Western Money Systems, Global Surveillance Associates, Aristocrat Technologies, Inc., and Paltronics, Inc.

Order 2008-137

An Order of the Indiana Gaming Commission Concerning the Renewal of Chipco International's Supplier's License.

Action: Upon Motion by Tom Swihart, second by Tim Murphy, and unanimous vote of those present, the Commission granted the renewal of the supplier's license of Chipco International.

Order 2008-138

An Order of the Indiana Gaming Commission Granting a Permanent Supplier's License to Gomes & Cordish Management, LLC.

Action: Upon Motion by _____, second by _____, and unanimous vote of those present, the Commission granted Gomes & Cordish Management, LLC a Permanent Supplier's License.

Riverboat Owner's License Matters

Order 2008-139

An Order Granting Leave to Fortress Investment Group LLC and Centerbridge Partners, L.P. to Withdraw Their Application for Transfer of Ownership Interest in the Riverboat Owner's License Currently Held by Penn national Gaming, Inc.

Action: Upon Motion by Tom Swihart, second by Mary Shy, and unanimous vote of those present, the Commission approved Order 2008-139.

Financial Matters

Order 2008-140

An Order Ratifying the Previously Awarded Interim Waiver and Approval of Penn National Gaming, Inc.'s Issuance of Mandatorily Redeemable Preferred Stock Valued at \$1.25 Billion.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission approved Order 2008-140.

Riverboat License Renewals

Order 2008-141

An Order of the Indiana Gaming Commission renewing the Riverboat Owner's License of Indiana Gaming Company, L.P.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission granted the Renewal of the Riverboat Owner's License of Indiana Gaming Company, L.P.

Order 2008-142

An Order of the Indiana Gaming Commission renewing the Riverboat Owner's License of Belterra Resort Indiana LLC.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission granted the Renewal of the Riverboat Owner's License of Belterra Resort Indiana, LLC.

Order 2008-143

An Order of the Indiana Gaming Commission renewing the Riverboat Owner's License of Grand Victoria Casino and Resort, L.P.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission granted the Renewal of the Riverboat Owner's License of Grand Victoria Casino and Resort, L.P.

Order 2008-145

An Order of the Indiana Gaming Commission renewing the Riverboat Owner's License of Caesars Riverboat Casino, LLC.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission granted the Renewal of the Riverboat Owner's License of Caesars Riverboat Casino, LLC.

Disciplinary Actions:

**Settlement Agreement of
Ameristar Casino East Chicago, LLC
08-AS-02**

Order 2008-146

A settlement agreement was reached regarding Ct. 1: Violation of rule requiring log books inside each machine with the progressive controller to be filled out by individual gaming entry into the controller, and Ct. 2: The casino did not timely notify the gaming agents regarding the termination of an employee. Commission staff recommended and Ameristar Casino East Chicago, LLC agreed to pay a total fine in the amount of \$3,500.

Action: Upon Motion by _____, second by _____ and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
Indiana Gaming Company, L.P.
08-AR-04
Order 2008-147**

A settlement agreement was reached regarding Ct. 1: The casino violated the rule requiring an occupational license to be renewed annually, Ct. 2: The casino violated the rule requiring timely notification on the termination of an employee, Ct. 3: Violation of rules requiring the dealer announce “no more bets” while the ball is still rotating around the wheel, Ct 4: Violation of internal control requiring security personal to keep a designated drop area clear of patrons, Ct 5: The casino did not notify surveillance a live table game fill was being processed, and Ct. 6: An underage person was allowed to enter the casino. Commission staff recommended and Indiana Gaming Company, L.P. agreed to pay a total fine in the amount of \$33,500.

Action: Upon Motion by Tom Swihart, second by Mary Shy, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
Casino Aztar
08-AZ-02
Order 2008-148**

A settlement agreement was reached regarding Ct. 1: An underage person being allowed to enter the casino, and Ct. 2; Violation of rule requiring the casino to submit promotional programs to the Commission 20 days before the initiation of the program. Commission staff recommended and Casino Aztar agreed to pay a total fine in the amount of \$12,500.

Action: Upon Motion by Tim Murphy, second by Tom Swihart, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
Belterra Casino and Resort
08-BT-04
Order 2008-149**

A settlement agreement was reached regarding Ct. 1: The casino did not provide an evicted person with an eviction form, and; Ct. 2: a roulette wheel was not properly secured. Commission staff recommended and Belterra Casino and Resort agreed to pay a total fine in the amount of \$6,500.

Action: Upon Motion by Tom Swihart, second by Tim Murphy, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
French Lick Resort•Casino
08-FL-03
Order 2008-150**

A settlement agreement was reached with French Lick Resort•Casino regarding their violation of their internal control requiring the collection team to wait until the drop zone is secure. Commission staff recommended and Caesars agreed to pay a total fine in the amount of \$5,000.

Action: Upon Motion by Marc Fine, second by Tim Murphy, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
Grand Victoria Casino and Resort LP
08-GV-04
Order 2008-151**

A settlement agreement was reached with Grand Victoria Casino and Resort regarding Ct. 1: violation of several surveillance rules, Ct. 2: violation of their internal control requiring security personnel to prevent patrons and non-drop employees from entering the drop area while the bill validator drop boxes are being collected, Ct. 3: violation of playing card rules, Ct. 4: fill bank drawer was found unsecured, and; Ct. 5: an underage person was allowed to enter the casino. Commission staff recommended and Grand Victoria Casino and Resort agreed to pay a total fine in the amount of \$49,000.

Action: Upon Motion by Tom Swihart, second by Marc Fine, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
Hoosier Park L.P.: Centaur, Inc.
08-HP-01
Order 2008-152**

A settlement agreement was reached with Hoosier Park LP regarding Ct. 1: violation of the VEP rules, Ct. 2: underage person allowed to enter the casino, Ct. 3: soft count door was left unsecured with currency inside the room, Ct. 4: violation of the rule to collect the validator

boxes, and Ct. 5: a bill validator box with money and tickets inside was left on the casino floor and the security report written regarding this violation was destroyed. Commission staff recommended and Hoosier Park LP; Centaur, Inc. agrees to pay a total fine in the amount of \$50,708

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission approved the proposed terms of the agreement

**Settlement Agreement of
Horseshoe Hammond, LLC
08-HH-04
Order 2008-153**

A settlement agreement was reached with Horseshoe Hammond, LLC regarding Ct. 1: underage patron allowed in the casino, and; Ct. 2: violation of rule requiring an occupational license to be renewed annually. Commission staff recommended and Horseshoe Hammond, LLC agreed to pay a total fine in the amount of \$2,500.

Action: Upon Motion by Mary Shy, second by Marc Fine, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
Caesars Riverboat Casino, LLC
d/b/a Horseshoe Casino Hotel Southern Indiana
08-CS-03
Order 2008-154**

A settlement agreement was reached with Caesars Riverboat Casino, LLC, d/b/a Horseshoe Casino Hotel Southern Indiana, regarding Ct. 1: violation of rules requiring playing cards not being utilized at a gaming table to be kept in a locked compartment, and inventory of all cards to be maintained, Ct. 2: violation of rule requiring the roulette wheel to be covered and locked when the roulette table is not open for gaming, Ct. 3: A table game did not have a drop box attached to it, Ct. 4: The casino did not have proper surveillance coverage of a pit area, and Ct. 5: Violation of the rule requiring an occupational license to be renewed annually. Commission staff recommended and Caesars Riverboat Casino, LLC, d/b/a Horseshoe Casino Hotel Southern Indiana agreed to pay a total fine in the amount of \$36,000.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
Indianapolis Downs, LLC
08-IL-02
Order 2008-155**

A settlement agreement was reached with Indianapolis Downs regarding Ct. 1, the casino failed to follow the VEP rules, and Ct. 2: an underage patron was allowed in the casino. Commission staff recommended and Indianapolis Downs, LLC agreed to pay a total fine in the amount of \$30,800.

Action: Upon Motion by Tom Swihart, second by Mary Shy, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

**Settlement Agreement of
Majestic Star Casino, LLC
08-MS-04
Order 2008-156**

A settlement agreement was reached with Majestic Star Casino LLC regarding Ct. 1: a table game that did not have a drop box attached to it, Ct. 2: a violation of the rule requiring the submission of a report for an expenditure made in the previous calendar year regarding MBE/WBE, and; Ct. 3: the casino failed to have adequate security on each casino floor. Majestic Star Casino agreed to a total fine of \$28,000 and Commission staff recommended the approval of this settlement.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission approved the proposed terms of the agreement.

Slot Machine issues:

Resolution 2008-157

A Resolution Adopting LSA Document #08-298 as a Final Rule.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission adopted Resolution 2008-157.

**Exclusion List, Disciplinary
Procedure, Progressive Jackpots and
Audit Procedures**

Resolution 2008-158

A Resolution Adopting LSA Document #08-430 as a Final Rule.

Action: Upon Motion by Mary Shy, second by Robert Morgan, and unanimous vote of those present, the Commission adopted Resolution 2008-158.

Re-adoption of Rules

Resolution 2008-159

A Resolution Adopting LSA Document #08-730 as a Final Rule.

Action: Upon Motion by Marc Fine, second by Robert Morgan, and unanimous vote of those present, the Commission adopted Resolution 2008-159.

Charity Gaming

Resolution 2008-160

A Resolution Adopting an Emergency Rule Regarding the Conduct of Charity Gaming Under IC 4-32.2 .

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission adopted Resolution 2008-160.

Junket Operations

Resolution 2008-161

A Resolution Adopting a Rule Regarding Junket Operations.

Action: Upon Motion by Tom Swihart, second by Robert Morgan, and unanimous vote of those present, the Commission approved Resolution 2008-161.

Resolution 2008-162

A Resolution Assigning to the Executive Director the Authority to Issue Junketeer and Junket Operator Certificates of Registration.

Action: Upon Motion by Mary Shy, second by Robert Morgan, and unanimous vote of those present, the Commission approved Resolution 2008-162.

Aztar, Indiana

Order 2008-163

An Order Concerning the Application of Resorts Indiana, LLC, a Wholly owned Subsidiary of Eldorado Resorts, LLC, to Acquire Aztar Indiana Gaming Company, LLC.

Action: Upon Motion by Mary Shy, second by Marc Fine, and unanimous vote of those present, the Commission approved Resolution 2008-163.

Next Meeting:

The next business meeting of the Commission will be mid March, 2009, at a yet to be determined location.

Adjournment:

The meeting was adjourned at approximately 2:10 p.m.

Minutes:

Robin Helton, Circle City Reporting, 130 North Pennsylvania, Suite 2050, Indianapolis, Indiana 46204, transcribed the business meeting. The transcript is a complete record of the meeting. Anyone wishing to see the transcript may review it at the Commission Office at 101 West Washington Street, East Tower, Suite 1600, Indianapolis, Indiana.

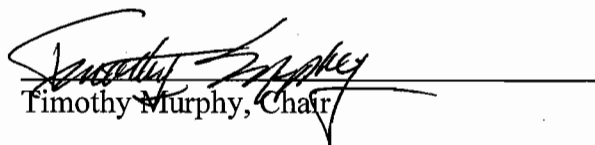
These minutes were prepared by Tami Timberman-Wright, Administrative Assistant for the Indiana Gaming Commission. This transcript may also be viewed online at www.in.gov/gaming.

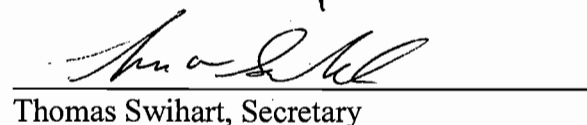
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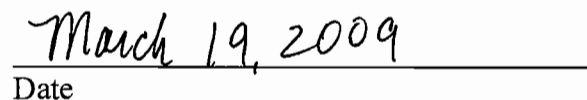


Tami Timberman-Wright

THE INDIANA GAMING COMMISSION:


Timothy Murphy, Chair


Thomas Swihart, Secretary


Date