

INDIANA GAMING COMMISSION
BUSINESS MEETING
MARCH 20, 2014

ORIGINAL

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CIRCLE CITY REPORTING
135 North Pennsylvania Street
Suite 1720
Indianapolis, Indiana 46204
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A P P E A R A N C E S

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COMMISSION MEMBERS PRESENT:

Matt Bell, Chairman

Christopher Johnston, Commissioner

Robert Morgan, Commissioner

Susan Williams, Commissioner

Marc Fine, Commissioner

Anita Sherman, Commissioner

Joseph Svetanoff, Commissioner

Ernest Yelton, Executive Director

Jennifer Reske, Deputy Director

Joby Jerrels, General Counsel

1 CHAIRMAN BELL: Good afternoon and
2 welcome to the March 20, 2014, meeting of the
3 Indiana Gaming Commission. My name is Matt
4 Bell, and it's my honor to serve as the chair of
5 the Indiana Gaming Commission. We will begin by
6 calling this meeting to order and begin with the
7 roll call of commissioners.

8 Commissioner Sherman.

9 COMMISSIONER SHERMAN: Here.

10 CHAIRMAN BELL: Commissioner Svetanoff.

11 COMMISSIONER SVETANOFF: Here.

12 CHAIRMAN BELL: Commissioner Williams.

13 COMMISSIONER WILLIAMS: Here.

14 CHAIRMAN BELL: Commissioner Morgan.

15 COMMISSIONER MORGAN: Present.

16 CHAIRMAN BELL: Commissioner Johnson.

17 COMMISSIONER JOHNSON: Here.

18 CHAIRMAN BELL: Commissioner Fine.

19 COMMISSIONER FINE. Here.

20 CHAIRMAN BELL: And the Chair is present
21 as well.

22 I'd like to take the opportunity to
23 welcome two new members to the Indiana Gaming
24 Commission. First I will introduce
25 Commissioner Anita Sherman. Anita Sherman is a

1 certified public accountant of Indianapolis and
2 is the managing partner of Greenwalt CPAs, an
3 accounting and consulting firm. She was the
4 chair of the Indiana CPA Society in 2007 and
5 2008, representing more than 7,000 CPAs in the
6 State of Indiana. She previously served on the
7 boards of the United Way of Central Indiana,
8 Westview Hospital and CICOA. She is a current
9 member of the board of directors of CPA
10 Associates International. Anita is a graduate
11 of Manchester University with a degree in
12 accounting. Commissioner Sherman, welcome.

13 I'd also like to welcome Joseph
14 Svetanoff. Joseph Svetanoff of Crown Point is
15 an associate attorney in the Harris Law Firm.
16 Mr. Svetanoff is a 1994 graduate of Butler
17 University with a B.S. in marketing and a 2002
18 graduate of Valparaiso University School of Law.
19 He currently serves as a criminal public
20 defender with Lake County Superior Court, County
21 Division, Room 1, and previously with the Town
22 of Merrillville Criminal Court.

23 Mr. Svetanoff was appointed to the
24 commission February of 2014. Welcome,
25 Commissioner Svetanoff.

1 COMMISSIONER SVETANOFF: Thank you, Mr.
2 Chairman.

3 CHAIRMAN BELL: At this point we will
4 move to an approval of the minutes of the
5 November 21, 2013, meeting of the Indiana Gaming
6 Commission.

7 Commissioners, you have had the
8 opportunity to review the minutes. Are there
9 any questions, additions or deletions to the
10 minutes? Hearing none, I would entertain a
11 motion in regard to the disposition of the
12 minutes of the November 21, 2013, meeting of the
13 Indiana Gaming Commission.

14 COMMISSIONER JOHNSTON: I move their
15 approval.

16 COMMISSIONER FINE: Second.

17 CHAIRMAN BELL: A motion has been made
18 and seconded. All those in favor of approving
19 the minutes of the November 21, 2013, Indiana
20 Gaming Commission please signify by saying aye.

21 (Aye)

22 CHAIRMAN BELL: All oppose same sign.
23 Thank you. The minutes are approved.

24 It's now my pleasure to turn over our
25 meeting to Executive Director Ernie Yelton who

1 I particularly want to thank today, marking the
2 second consecutive year that we have scheduled a
3 Gaming Commission spring meeting on the first
4 day of the NCAA tournament. Director Yelton.

5 EXECUTIVE DIRECTOR YELTON: However, since
6 IU is not playing, I really don't care. Thank
7 you, Mr. Chairman and members of the Commission.

8 We'll start with a staff update. Our
9 new administrative assistant is Darlene Hale.
10 Darlene, stand, please. Darlene is a third year
11 law student here in Indianapolis, and she and
12 her and family reside in Fishers, Indiana.

13 We also want to welcome Chris back.
14 Chris, please stand. Thank you. Chris grew up
15 in Knightstown, Indiana, where he became an avid
16 Colts and Pacers fan, although he didn't cheer
17 loud enough for the Pacers last night. He
18 graduated from Indiana University with a focus
19 in finance, and he's had three years of
20 experience in the finance field before joining
21 the Gaming Commission. Welcome, Chris.

22 Our Background and Financial
23 Investigation Division has conducted its
24 re-investigations of Caesar's, Paltronics, GTECH
25 and Digideal, and those reports, Members of the

1 Commission, have been submitted to you in your
2 materials. The division heads, Mr. Brown and
3 Ms. Leak, are here and present should you have
4 any questions about those reports. Are there
5 any?

6 CHAIRMAN BELL: No, sir.

7 EXECUTIVE DIRECTOR YELTON: For the
8 benefit of the newest members, that does not
9 require commission action unless you do have an
10 issue with it.

11 Since our November commission meeting,
12 the IGC staff has added five individuals to our
13 exclusion list which bars those patrons from
14 entering any casino in the State of Indiana and
15 also perhaps Ohio which we might find out pretty
16 soon from Caesar's. Of those five individuals,
17 three were placed on the exclusion list for
18 taking illegal possession of Tito casino chips
19 or U.S. currency in excess of approximately \$500
20 or making fraudulent casino withdrawals while at
21 an Indiana casino.

22 One individual, a former casino cashier,
23 was placed on the exclusion list for using
24 patron information to fraudulently withdraw
25 money from the individual accounts. The

1 remaining individual, also a former casino
2 surveillance employee, was placed on the
3 exclusion list for misusing a casino credit card
4 for personal benefit. Both of those
5 individuals have been terminated from their
6 positions at the casino. This brings the total
7 of individuals on the Indiana exclusion list to
8 385.

9 Chris Gray was busy this last quarter
10 with waiver requests. We'll start with the
11 Casino Association whose members were granted
12 relief from including certain information on the
13 quarterly submission to the Commission of the
14 cash winnings under the child support
15 intercepts. The reports will contain the date
16 on which the casino licensee withheld the cash
17 winnings, the amount of the cash withheld for
18 delinquent child support, the amount retained as
19 cash for the administrative fee and the last
20 name of the obligor.

21 They were also relieved of the
22 requirement the casino submit quarterly internal
23 audit reports to the Commission regarding their
24 observations and findings for the quarterly
25 procedures the internal auditors must observe or

1 examine. Instead of quarterly, the association
2 members will do these semi-annually.

3 Ameristar received a waiver from the
4 requirement that the computer system in the
5 commission surveillance room or commission
6 office must immediately notify enforcement
7 agents of the access to or egress from the
8 surveillance room, the soft count room, cages
9 and the vault. All these rooms are accessed by
10 either a proximity card or sensitive key, both
11 of which generate reports for tracking purposes.
12 Also, all of the rooms have surveillance
13 coverage and a log must be completed by all
14 those who enter.

15 Belterra was allowed to have non-gaming
16 employees on the casino floor to assist in
17 moving EGD machines and bases during a carpet
18 replacement project. They will also be allowed
19 to move other non-sensitive items. The
20 employees were only allowed to work on the
21 casino floor when they were scheduled to work.

22 The dealer in Blackjack at French Lick
23 will be allowed to insert the cutting card at a
24 distance of approximately one half of a deck
25 from the back of the stack, and in the game of

1 Pai Gow have the option to advise the player of
2 the house ways if they should foul their hand or
3 seek advice on how to set their hand and allow
4 the player to reset their hand to match the
5 house ways. This will not, of course,
6 guarantee a victory or winning hand for that
7 particular player. My one and only experience
8 with Pai Gow in Vegas, I think it's a wonderful
9 waiver because I could have never played without
10 the assistance of the dealer.

11 Hollywood's waiver request to offer
12 Blackjack game with the winning wager to be paid
13 out at odds of six to five with table limits of
14 \$5 minimum and up to \$25,000 maximum was granted
15 on a trial basis for six months. They'll also
16 be allowed to perform the physical inventories
17 of chips in reserve and secondary set of chips
18 at any time the seal of the lock compartments is
19 broken or when access to the chip inventory is
20 required.

21 The dealers at both Horseshoes in the
22 game of Pai Gow can assist a player in setting
23 their hand when asked by the player. Likewise,
24 the dealer will simply advise the players of the
25 house ways. They will also be allowed to issue

1 generic real rewards without completing the
2 daily reconciliation form which is used to track
3 coupons on by serial number. They will instead
4 issue generic reward coupons to the cage as
5 inventory and the coupons will be disbursed to
6 the individual cage cashiers via their cage
7 drawers. All inventory and redemption of the
8 coupons will be handled by the cage department.

9 They were also granted a waiver to allow
10 players to mark, alter, bend or deface cards in
11 the table games offering Baccarat variations.
12 The cards are not re-used and once they have
13 been in play one time, they're removed and
14 replaced with new decks.

15 Also, in the game of Pai Gow the dealer
16 will again be allowed to cut the cards in place
17 of the players when the automatic shuffler is
18 not being used and be able to pay winning hands
19 once they have been exposed.

20 Horseshoe Hammond will be allowed to use
21 Horseshoe Casino Hammond, Indiana commemorative
22 chips instead of Horseshoe Hammond LLC.

23 Finally, Majestic Star's request was
24 granted to consolidate their surveillance
25 monitor rooms for the two separate rooms to one

1 central monitoring room, given the close
2 proximity of the two vessels and that they share
3 the same pavilion and barge areas. One central
4 monitoring room will improve communication and
5 functionality.

6 Mr. Chair, that concludes the Executive
7 Director's report, unless there are any
8 questions from you or the commissioners.

9 CHAIRMAN BELL: Thank you, Director
10 Yelton. Questions from the commissioners on
11 the Executive Director's report? Hearing none,
12 we will proceed to old business. The Chair
13 would entertain any old business at this point.

14 Seeing as there's no old business to
15 bring before the Commission, the Chair would
16 like to begin the new business by recognizing
17 Tami Timberman-Wright to present Voluntary
18 Exclusion Orders 2014-01 through 2014-38.
19 Ms. Timberman-Wright.

20 MS. TIMBERMAN-WRIGHT: Good afternoon,
21 Commissioners and Executive Staff. You have
22 before you 38 orders regarding the Voluntarily
23 Exclusion Program. Pursuant to the rules of
24 the program, the identities of the Voluntary
25 Exclusion Program participants must remain

1 confidential. Pursuant to 68 IAC 6-3-2(g), a
2 participant in the program agrees that if he or
3 she violates the terms of the program and enters
4 a gaming area of a facility under the
5 jurisdiction of the Commission they will forfeit
6 any jackpot or thing of value won as a result of
7 a wager.

8 Under Orders 2014-1 through 2014-38 a
9 total sum of \$45,881.21 was forfeited by John
10 Does 1 through 38. These winnings were
11 collected at Ameristar, Belterra, Blue Chip,
12 French Lick, Hollywood, Hoosier Park, Horseshoe,
13 Horseshoe Southern Indiana, Indiana Grand and
14 Majestic Star. These winnings were withheld as
15 required by commission regulations.

16 Commission staff recommends that you
17 approve the remittance of these winnings for
18 John Does 1 through 38.

19 CHAIRMAN BELL: Thank you, Miss
20 Timberman-Wright. Questions from the
21 Commission? Hearing none, the Chair would
22 entertain a motion in regard to Orders 2014-01
23 through 2014-38.

24 COMMISSIONER MORGAN: Motion to approve.

25 COMMISSIONER FINE: Second.

1 CHAIRMAN BELL: There's a motion and a
2 second to approve Orders 2014-01 through
3 2014-38. All those in favor please signify by
4 saying aye.

5 (Aye)

6 CHAIRMAN BELL: All opposed same sign.
7 Thank you. The orders are approved. Thank you,
8 Miss Timberman-Wright.

9 The Chair recognizes Derek Young to
10 present Order 2014-39. Mr. Young.

11 MR. YOUNG: Thank you. Good afternoon.
12 You have before you now Order 2014-39 concerning
13 the renewal of supplier's licenses. Pursuant
14 to IC 4-33-7-8 and 68 IAC 2-2-8, a supplier's
15 license must be renewed annually with a \$7,500
16 renewal fee. Each of the following licensees
17 has requested renewal of their license and has
18 paid the appropriate renewal fees. The order
19 before you would approve the renewal of the
20 following supplier licensees: Bally Gaming,
21 Inc.; Data Financial, Inc.; DEQ Systems Corp.;
22 Digideal Corp.; International Game Technology;
23 Incredible Technologies, Inc.; Midwest Game
24 Supply Company; Patriot Gaming & Electronics;
25 Southwest Surveillance Systems; Technical

1 Security Integration, Inc.; TCS John Huxley
2 Europe LTD; WMS Gaming, Inc.; and Electroncek
3 d.d.

4 Please note in your materials that have
5 been prepared today Electrocek was referred to
6 as Interblock d.d. They are the same company.
7 We received notice a few weeks ago that
8 Electroncek planned to change their name to
9 Interblock d.d. and that that change would be
10 effective prior to today's meeting. Like I
11 said, they're the same company. There are no
12 changes other than the name change. We
13 received notification this morning that the name
14 change now won't be official until early April.
15 Because of that, the order prepared for today
16 does reflect Electroneck, but the order in your
17 materials still says Interblock. So I apologize
18 for any confusion on that.

19 Commission staff recommends that you
20 approve the renewal of the licenses of these
21 suppliers at this time.

22 CHAIRMAN BELL: Thank you, Mr. Young.
23 Questions from the Commission? Hearing none,
24 the Chair would entertain a motion in regard to
25 Order 2014-39.

1 COMMISSIONER JOHNSTON: So moved.

2 COMMISSIONER FINE: Second.

3 CHAIRMAN BELL: The order has been moved
4 and seconded. All those in favor of the
5 approval of Order 2014-39 please signify by
6 saying aye.

7 (Aye)

8 CHAIRMAN BELL: All opposed same sign.
9 Thank you. The order stands approved. Thank
10 you, Mr. Young.

11 The Chair recognizes Garth Brown to
12 present Order 2014-40. Mr. Brown.

13 MR. BROWN: Good afternoon, Commissioners
14 and Executive Staff. You have before you an
15 order granting a permanent license to supplier
16 Happ Controls, Inc. On or about July 17, 2013,
17 Happ Controls submitted a supplier's license
18 application. Happ is a provider of various
19 products in the amusement, gaming and vending
20 industries throughout the United States. This
21 includes their core gaming products of LCD
22 monitors, topper boxes, touch screens and bill
23 validators.

24 After review of the submitted
25 applications, commission staff issued a

1 temporary license to Happ on August 12, 2013.
2 The temporary license allowed Happ to go ahead
3 and begin conducting business in Indiana. The
4 commission staff conducted a background and
5 financial investigation on Happ Controls and its
6 key persons and substantial owners. The
7 commission staff could find no derogatory
8 information that would affect the applicant's
9 suitability. Staff final report has been made
10 available for your review. You will need to
11 grant or deny Happ's application for a permanent
12 supplier's license. Staff recommends that you
13 grant a license to the applicant. If you have
14 any questions, I'll be happy to answer.

15 CHAIRMAN BELL: Thank you, Mr. Brown.
16 Questions from the Commission? Hearing none,
17 the Chair would entertain a motion in regard to
18 Order 2014-40.

19 COMMISSIONER SHERMAN: So moved.

20 CHAIRMAN BELL: The order has been moved
21 for approval. Is there a second?

22 COMMISSIONER FINE: Second.

23 COMMISSIONER SVETANOFF: Second.

24 CHAIRMAN BELL: The order has been moved
25 and seconded. All those in favor of approving

1 Order 2014-40 please signify by saying aye.

2 (Aye)

3 CHAIRMAN BELL: All opposed same sign.

4 Thank you. The order is approved. Thank you,
5 Mr. Brown.

6 The Chair welcomes Derek Young back to
7 the podium to present Order 2014-41. Mr.
8 Young.

9 MR. YOUNG: Thank you. Order 2014-41
10 concerns a settlement agreement between
11 commission staff and Lee Ann Hinthorne, a Level
12 1 occupational licensee. Ms. Hinthorne received
13 a Level 1 temporary identification badge on
14 April 29, 2013. During the application and
15 background investigation process she failed to
16 provide certain accurate information to
17 commission investigators and failed to timely
18 respond to commission investigators' requests
19 for information pursuant to 68 IAC 2-3-5(b)(9)
20 and 68 IAC 2-3-4(b)(2).

21 In lieu of a disciplinary action being
22 filed, the commission staff offered Hinthorne a
23 settlement agreement which would have her agreed
24 to an unpaid voluntary relinquishment of her
25 occupational license for a period of three

1 regularly scheduled working days with no
2 vacation or other paid leave time to be used.
3 She has agreed to the terms of the settlement.

4 This order before you would approve the
5 settlement agreement entered into by the
6 parties, and commission staff recommends that
7 you approve the order.

8 CHAIRMAN BELL: Thank you, Mr. Young.
9 Questions from the Commission? Hearing none,
10 the Chair would entertain a motion in regard to
11 Order 2014-41.

12 COMMISSIONER FINE: Move for approval.

13 COMMISSIONER JOHNSTON: Second.

14 CHAIRMAN BELL: All those in favor of
15 approving order 2014-41 please signify by saying
16 aye.

17 (Aye)

18 CHAIRMAN BELLO: All opposed same sign.
19 Thank you, Mr. Young. The order is approved.

20 The Chair recognizes Jeff Neuenschwander
21 to present Order 2014-42. Welcome, Mr.
22 Neuenschwander.

23 MR. NEUENSCHWANDER: Good afternoon, Mr.
24 Chair, Members of the Commission.

25 Order 2014-42 concerns a felony waiver

1 application for Robert Miles. Indiana Code
2 4-33-8-3 provides that an individual who has
3 been convicted of a felony may not be granted an
4 occupational license. However, Indiana Code
5 4-33-8-11 and 68 IAC 2-4-2 allow an applicant
6 who has been convicted of a felony to request a
7 waiver if that applicant meets certain criteria.

8 The Commission may grant a felony waiver
9 allowing the applicant to obtain an occupational
10 license if the individual has demonstrated by
11 clear and convincing evidence the individual's
12 rehabilitation by several factors laid out in
13 the code.

14 Mr. Miles, the person who is requesting
15 the waiver today, applied for an occupational
16 license to work as a housekeeper at Hoosier Park
17 Casino. He was granted a temporary badge which
18 was then revoked by Executive Director Yelton
19 and his application for permanent license denied
20 after a felony was discovered during the
21 background check. He was convicted of driving
22 after forfeiture of license for life as a C
23 felony that was later reduced to driving after
24 being adjudged a habitual traffic violator,
25 which is a D felony, but that still barred him

1 from having a license without appealing for this
2 waiver.

3 Mr. Miles then submitted an application
4 for felony waiver, and I was appointed as review
5 officer for the request. After reviewing Mr.
6 Miles' file and conducting a hearing, I find
7 that he has demonstrated rehabilitation by clear
8 and convincing evidence in accordance with
9 4-33-8-11. The following factors are in
10 support of that finding: One, Mr. Miles
11 demonstrated honesty and acceptance for his
12 actions that led to his felony conviction.
13 When asked why he didn't fully disclose this on
14 his application, he indicated that he was rushed
15 and had confusion at orientation, and it was my
16 opinion after speaking with him that that was
17 indeed true that there was confusion when he
18 filled that out.

19 The felony conviction that he had was in
20 2004, and he has not been arrested since then.
21 He stated in the hearing he feels he has turned
22 his life around. As you've seen in your
23 materials, he has a record before then, not just
24 this arrest, but others, and he hasn't had any
25 since 2004.

1 The offense is a personal conduct felony.
2 Most of his criminal history stems from driving
3 without a valid driver's license, and he has now
4 obtained a valid driver's license. He's shown
5 evidence of community involvement that you've
6 seen in your materials. Hoosier Park has
7 submitted a letter in support of his felony
8 waiver application. He provided sufficient
9 written and oral testimony about his
10 rehabilitation, and Mr. Miles' position at
11 Hoosier Park is as a housekeeper and so he won't
12 be involved in gaming or possession of chips or
13 currency. Further information is found in your
14 confidential commission materials.

15 So please note my recommendation is only
16 to approve a waiver for a Level 2 license which
17 would allow him to perform the housekeeping job
18 that he is currently offered. If you adopt the
19 recommendation that is granted a felony waiver
20 but only for a Level 3 license, if then he comes
21 back and wants to have a Level 2 license to do
22 something involving gaming, then he would have
23 to apply for a new waiver and you would have to
24 consider it at that time.

25 So I recommend you adopt my findings and

1 facts of recommendation and grant Mr. Miles a
2 felony waiver for a Level 3 license. Are there
3 any questions?

4 CHAIRMAN BELL: Thank you, Mr.
5 Neuenschwander. Questions from the Commission?

6 COMMISSIONER MORGAN: This would only
7 apply to his Level 3 and if he ever were to
8 pursue a Level 2 he would have to come back to
9 the Commission?

10 MR. NEUENSCHWANDER: That's correct,
11 Commissioner Morgan. That's the way the order
12 is worded. If he ever wanted to be a dealer or
13 security or something that required -- or a
14 cashier, he would have to fill out a whole
15 felony waiver and go through the process, and
16 then you'd be required to approve that.

17 MR. YELTON: Mr. Morgan, our policy is if
18 you have a Level 3 and you're promoted to a
19 Level 2, you're entitled to fulfill that
20 position for up to 90 days, at which time you
21 have to have a new 2 filed with us. In this
22 particular case, should this individual be
23 promoted up to a Level 2, he would not be able
24 to automatically assume those responsibilities
25 until we had another look at it and probably

1 brought it back to you.

2 COMMISSIONER MORGAN: Thanks for
3 clarifying.

4 CHAIRMAN BELL: Thank you, Commissioner
5 Morgan. Additional questions from the
6 Commission? Hearing none, the Chair would
7 entertain a motion in regard to Order 2014-42.

8 COMMISSIONER MORGAN: Motion to approve.

9 COMMISSIONER JOHNSTON: Second.

10 CHAIRMAN BELL: There's a motion and
11 second to approve Order 2014-42. All those in
12 favor, please signify by saying aye.

13 (Aye)

14 CHAIRMAN BELL: All opposed same sign.
15 Thank you, Mr. Neuenschwander. Order 2014-42 is
16 approved.

17 MR. NEUENSCHWANDER: Thank you, Mr.
18 Chair.

19 CHAIRMAN BELL: The Chair would welcome
20 Erica Sullivan to present Orders 2014-43 and
21 2014-44. Welcome, Miss Sullivan.

22 MS. SULLIVAN: Good afternoon. Order
23 2014-43 concerns an application for Level 2
24 permanent occupational license for Aman Martin.
25 Commission staff has provided a copy of the

1 application and background investigation
2 documents in your confidential materials. On
3 or about November 15, 2013, Mr. Martin submitted
4 his application to work as a dealer on Majestic
5 Star. However, the Commission declined to
6 issue a temporary badge at that time due to
7 unresolved issues from prior applications.

8 Commission investigators subsequently
9 performed a background check and determined that
10 Mr. Martin failed to disclose several arrests or
11 charges on his application. The commission
12 investigation also showed that applicant failed
13 to disclose employment at an Illinois casino and
14 has a history of policy violations resulting in
15 termination from employment at Indiana casinos.

16 Because the applicant failed to include
17 significant portions of his criminal history in
18 his application as required by 68 IAC 2-3-5(c)
19 (14), has made material misrepresentations and
20 omissions in his application violation of 68 IAC
21 2-3-4(b) (2) and otherwise has failed to comply
22 with the requirements of Title 68 of the Indiana
23 Administrative Code, staff recommends that Mr.
24 Aman Martin's application for Level 2 permanent
25 occupational licensure be denied. Are there

1 any questions?

2 CHAIRMAN BELL: Thank you, Miss Sullivan.
3 Questions from the Commission?

4 COMMISSIONER FINE: Has he been notified
5 to seek an opportunity? What's the protocol?

6 MS. SULLIVAN: Should you choose to
7 approve or deny, he will get notice of the order
8 that the Commission decides today. If it is
9 denied, then he will have the ability, upon
10 timely and proper application, to take his case
11 to an administrative law judge, at which point
12 there will be a full review hearing, and that
13 would then be subject to review by the
14 Commission again.

15 COMMISSIONER FINE: Does he have some
16 idea as to what's about to occur?

17 MS. SULLIVAN: I have spoken with him
18 once or twice, and he has asked about his
19 application, but I do not know if he knows about
20 the consideration today.

21 CHAIRMAN BELL: Thank you, Commissioner
22 Fine. Additional questions from the
23 Commission? Hearing none, the Chair would
24 entertain an order in regard to Order 2014-43.

25 COMMISSIONER FINE: Move for approval.

1 CHAIRMAN BELL: The order has been moved
2 for approval. Is there a second?

3 COMMISSIONER MORGAN: I second the
4 motion.

5 CHAIRMAN BELL: The order has been moved
6 for approval and seconded. All those in favor
7 of approving Order 2014-54 please signify by
8 saying Aye.

9 (Aye)

10 CHAIRMAN BELL: All opposed same sign.
11 Thank you, Miss Sullivan. I believe, if I'm
12 not mistaken, this is the first time you've
13 presented to the Commission.

14 MS. SULLIVAN: Yes, it is.

15 CHAIRMAN BELL: Well, thank you. You did
16 a great job. We appreciate your work.

17 The Chair would welcome Derek Young.

18 MR. YOUNG: Thank you. Order 2014-44
19 concerns Miguel Saenz's application for a
20 permanent occupational license. On October 16,
21 2013, Mr. Saenz applied for a Level 3
22 occupational license from the Commission and
23 received a temporary identification badge around
24 the same date. During the routine background
25 investigation, Commission investigators

1 discovered that Mr. Saenz had failed to disclose
2 portions of his criminal history on his
3 application, including multiple past arrests
4 and/or charges, as required by 68 IAC
5 2-3-4(f)(10). Additionally, 68 IAC 2-3-4(b)(2)
6 states that any misrepresentation or omission
7 made with respect to an application may be
8 grounds for denial of the application.

9 The Executive Director revoked Mr.
10 Saenz's temporary identification badge on
11 January 27, 2014, pursuant to 68 IAC
12 2-3-5(b)(8)(a) and (b). According to 68 IAC
13 2-3-5(b)(8)(c), if an applicant's temporary
14 identification badge is revoked, the applicant
15 shall not be permitted to work for any riverboat
16 gambling operation at duties that are to be
17 performed on a riverboat, and the application
18 shall be forwarded to the Commission for action
19 unless the applicant withdraws the application
20 before commission action. In this case Mr.
21 Saenz did not withdraw his application.

22 The order before you would approve or
23 deny Mr. Saenz's application for permanent
24 occupational license, and staff recommends that
25 you deny his application at this time.

1 CHAIRMAN BELL: Thank you, Mr. Young.
2 Questions from the Commission? Hearing none, is
3 there a motion for disposition of Order 2014-44?

4 COMMISSIONER FINE: Move for approval.

5 COMMISSIONER SVETANOFF: Second.

6 CHAIRMAN BELL: All those in favor of
7 approving Order 2014-44 please signify by saying
8 aye.

9 (Aye)

10 CHAIRMAN BELL: All opposed same sign.

11 Thank you. The order is passed.

12 Mr. Young, if you would continue, please.

13 MR. YOUNG: Before you now is Order
14 2014-45 which concerns the ratification of
15 action taken by the Executive Director under
16 Resolution 2012-151. During a routine check in
17 January, commission staff determined that a
18 permanent Level 2 licensee had pled guilty to a
19 felony, thus creating a legal impediment to
20 licensure. On January 23, 2014, Executive
21 Director Yelton determined that it was in the
22 best interest of public trust and integrity to
23 suspend that licensee's license. Executive
24 Director Yelton issued Order 2014-HP-03
25 suspending the occupational license of the Level

1 2 licensee pursuant to Indiana Code 4-21.5-4, 68
2 IAC 13-1-22, and Resolution 2012-151.

3 The suspension remained in effect until
4 February 14, 2014, when the Commission received
5 notification that the felony conviction was
6 reduced to a misdemeanor, thus removing the
7 suitability impediment. Order 2014-HP-03 then
8 reinstated the Level 2 licensee's occupational
9 license.

10 Resolution 2012-151 requires that any
11 action taken under that resolution be reported
12 to the Commission at the next quarterly business
13 meeting for ratification or other action.

14 Commission staff recommends that you
15 ratify Order 2014-HP-03 at this time.

16 CHAIRMAN BELL: Thank you, Mr. Young.
17 Questions from the Commission? Hearing none,
18 the Chair would entertain a motion in regard to
19 the disposition of Order 2014-45.

20 COMMISSIONER FINE: Move for approval.

21 COMMISSIONER SVETANOFF: Second.

22 CHAIRMAN BELL: The order has been moved
23 for approval and seconded. All those in favor
24 of the approval of Order 2014-45 please signify
25 by saying aye.

1 (Aye)

2 CHAIRMAN BELL: All those opposed same
3 sign. Thank you. The order is passed. Thank
4 you, Mr. Young.

5 The Chair welcomes Jeff Neuenschwander
6 back to present Order 2014-46. Mr.
7 Neuenschwander.

8 MR. NEUENSCHWANDER: Thank you, Mr.
9 Chair. Order 2014-46 concerns a financing
10 request by Boyd. On February 7, 2014, Boyd
11 Gaming Corporation through counsel requested
12 permission to act on proposed financing issues.
13 In accordance with the procedures identified in
14 Resolution 2008-74, Commission Chair Matt Bell
15 and Executive Director Yelton considered Boyd's
16 request and consulted with commission financial
17 analyst Stephanie Barry. Then Director Yelton
18 issued interim approval level on March 7, 2014.
19 Resolution 2008-74 requires that this interim
20 approval be reported to you for consideration
21 and final ratification or other direction from
22 the Commission.

23 Commission staff recommends that you
24 ratify Executive Director Yelton's interim
25 approval level.

1 CHAIRMAN BELL: Thank you, Jeff.

2 Questions from the Commission? Hearing none,
3 the Chair would entertain a motion in regard to
4 Order 2014-46.

5 COMMISSIONER MORGAN: Motion to approve.

6 COMMISSIONER FINE: Second.

7 CHAIRMAN BELL: The order has been moved
8 for approval and seconded. All those in favor
9 of the approval of Order 2014-46 please signify
10 by saying aye.

11 (Aye)

12 CHAIRMAN BELL: All opposed same sign.
13 Thank you. The order is approved. Thank you,
14 Mr. Neuenschwander.

15 MR. NEUENSCHWANDER: Thank you, Mr.
16 Chair.

17 CHAIRMAN BELL: The Chair welcomes Chris
18 Gray to present Order 2014-47 through Order
19 2014-51. Welcome, Miss Gray. Thank you for
20 being here.

21 MS. GRAY: Thank you. Good afternoon,
22 Commissioners and Executive Staff. You have
23 before you six settlement agreements concerning
24 disciplinary action. The first settlement is
25 with Ameristar, Order 2014-47, and includes

1 three counts.

2 In the first count an underage person was
3 allowed on the casino floor. Count Two
4 violated the rules regarding progressive
5 jackpots and the coverage of the progressive
6 incrementation. In count three the rules
7 regarding sensitive keys and the collection of
8 the identification badge of a terminated
9 employee were violated.

10 Ameristar has agreed to a monetary
11 settlement of \$10,500 in lieu of disciplinary
12 action. Are there any questions?

13 CHAIRMAN BELL: No, ma'am.

14 MS. GRAY: Order 2014-48 is a settlement
15 agreement with Blue Chip and includes two
16 counts. In count one the casino allowed an
17 underage person on the casino floor. In count
18 two Blue Chip failed to follow their internal
19 controls regarding the issuance of a temporary
20 badge.

21 Blue Chip has agreed to a monetary
22 settlement of \$3,500 in lieu of disciplinary
23 action. Are there any questions?

24 CHAIRMAN BELL: No, ma'am.

25 MS. GRAY: Order 2014-49 is a settlement

1 agreement with French Lick wherein the casino
2 allowed an underage person to enter the casino.
3 French Lick has agreed to a monetary settlement
4 of \$1,500 in lieu of disciplinary action. Are
5 there any questions?

6 CHAIRMAN BELL: No, ma'am.

7 MS. GRAY: The fourth order 2014-50 is a
8 settlement agreement with Horseshoe Hammond
9 wherein the casino allowed an underage person
10 onto the casino floor on three separate
11 occasions.

12 Horseshoe Hammond has agreed to a
13 monetary settlement of \$24,000 and the
14 submission of a corrective action plan in lieu
15 of disciplinary action. Are there any
16 questions?

17 CHAIRMAN BELL: Questions?

18 MR. YELTON: Might add the plan has been
19 received, approved and reviewed.

20 MS. GRAY: Yes, it has.

21 CHAIRMAN BELL: Thank you, Director
22 Yelton. Please continue, ma'am.

23 MS. GRAY: Order 2014-51 is a settlement
24 agreement with Horseshoe Southern Indiana
25 wherein the casino allowed an underage person

1 access to the casino floor. Horseshoe Southern
2 Indiana has agreed to a monetary settlement of
3 \$1,500 in lieu of disciplinary action. Are
4 there any questions?

5 CHAIRMAN BELL: No, ma'am. Please
6 continue.

7 MS. GRAY: The final order 2014-52 is a
8 settlement agreement with Indiana Grand wherein
9 the casino failed to file RG-1s timely. Indiana
10 Grand has agreed to a monetary settlement of
11 \$5,000 in lieu of disciplinary action. Are
12 there any questions?

13 CHAIRMAN BELL: No, ma'am.

14 MS. GRAY: The commission staff
15 recommends that you approve Orders 2014-47
16 through 2014-52, each of which approves one of
17 the settlement agreements that we have just
18 discussed.

19 CHAIRMAN BELL: Thank you, Miss Gray.
20 Any questions from the Commission? Hearing
21 none, the Chair would entertain a motion in
22 regards to Orders 2014-47 through 2014-52.

23 COMMISSIONER FINE: Move for approval.

24 COMMISSIONER JOHNSTON: Second.

25 CHAIRMAN BELL: The orders have been

1 moved for approval and seconded. All those in
2 favor of approving Orders 2014-47 through
3 2014-52 please signify by saying aye.

4 (Aye)

5 CHAIRMAN BELL: All those opposed same
6 sign. Thank you, Miss Gray. The orders are
7 approved.

8 MS. GRAY: Thank you.

9 CHAIRMAN BELL: The Chair welcomes Erica
10 Sullivan back to the podium to present Orders
11 2014-53 to 2014-55.

12 MS. SULLIVAN: You have before you three
13 orders concerning casino owner renewal license.
14 Order 2014-53 concerns the renewal of Hollywood
15 Casino's owner's license. On November 14,
16 2013, Hollywood requested renewal and submitted
17 payment of its annual renewal fee and requested
18 that Mr. Larry Kinser continue to serve as
19 Hollywood's power of attorney. On December 9,
20 2013, pursuant to a delegation of authority
21 granted by the Commission in resolution 2003-13,
22 the Executive Director extended Hollywood's
23 license through a date when the Commission could
24 consider Hollywood's request.

25 Hollywood has substantially complied with

1 the directives of Indiana Code 4-33 and Title 68
2 of the Indiana Administrative Code and has paid
3 its annual renewal fee. Therefore, staff
4 recommends that the Commission grant Hollywood's
5 request for renewal of its casino owner's
6 license and allow Larry Kinser to continue to
7 serve as Hollywood's trustee.

8 CHAIRMAN BELL: Thank you, Miss Sullivan.
9 Questions from the Commission? If not, the
10 Chair would entertain a motion in regard to the
11 disposition of Order 2014-52.

12 COMMISSIONER MORGAN: Motion to approve.

13 COMMISSIONER JOHNSTON: Second.

14 CHAIRMAN BELL: Excuse me. 2014-53.
15 All those in favor of the approval of Order
16 2014-53 please signify by saying aye.

17 (Aye)

18 CHAIRMAN BELL: All opposed same sign.
19 Thank you. The order is approved.

20 Miss Sullivan, if you would continue.

21 MS. SULLIVAN: Order 2014-54 concerns the
22 prospective renewal of Hoosier Park's gambling
23 game license from March 31, 2014, through March
24 30, 2015.

25 Hoosier Park requested renewal and

1 submitted payment of its annual renewal fee on
2 February 18, 2014, and requested that Mr. John
3 Gambs continue as its trustee.

4 Hoosier Park has substantially complied
5 with the directives of Indiana Code 4-33 and
6 Title 68 of the Indiana Administrative Code and
7 has paid its annual renewal fee. Therefore,
8 staff recommends that the Commission grant
9 Hollywood's request for renewal of its casino
10 owner's license and allow Mr. Gambs to continue
11 to serve as Hoosier Park's trustee. Any
12 questions?

13 CHAIRMAN BELL: Thank you, Miss Sullivan.
14 Questions from the Commission? Hearing none, is
15 there a motion with regard to the disposition of
16 Order 2014-54?

17 COMMISSIONER JOHNSTON: Move approval.

18 COMMISSIONER SVETANOFF: Second.

19 CHAIRMAN BELL: The order has been moved
20 and seconded for approval. All those in favor
21 of approving Order 2014-54 please signify by
22 saying aye.

23 (Aye)

24 CHAIRMAN BELL: All opposed same sign.
25 Thank you. The order is approved.

1 Miss Sullivan, if you would.

2 MS. SULLIVAN: Order 2014-55 concerns the
3 prospective renewal of Indiana Grand's gambling
4 game license from March 31, 2014, through March
5 30, 2515.

6 Indiana Grand requested renewal and
7 submitted payment of its annual renewal on
8 February 24, 2014, and requested that Mr.
9 Dingman of Trinity Hill Group continue as its
10 trustee.

11 Indiana Grand has substantially complied
12 with the directives of Indiana Code 4-33 and
13 Title 68 of the Indiana Administrative Code and
14 has paid its annual renewal fee. Staff
15 recommends that the Commission grant Indiana
16 Grand's request for renewal of its casino
17 owner's license and allow Mr. Dingman of Trinity
18 Hill Group to continue to serve as Indiana
19 Grand's trustee.

20 CHAIRMAN BELL: Thank you. Any questions
21 from the Commission? Hearing none, the Chair
22 would entertain a motion in regard to the
23 disposition of Order 2014-55.

24 COMMISSIONER MORGAN: Motion to approve.

25 COMMISSIONER SVETANOFF: Second.

1 CHAIRMAN BELL: The order has been moved
2 for approval and seconded. All those in favor
3 of approving Order 2014-55 please signify by
4 saying aye.

5 (Aye)

6 CHAIRMAN BELL: All opposed same sign.
7 Thank you, Miss Sullivan. The orders are
8 approved.

9 MS. SULLIVAN: Thank you.

10 CHAIRMAN BELL: The Chair recognizes Jeff
11 Neuenschwander to present Resolution 2014-56.
12 Mr. Neuenschwander.

13 MR. NEUENSCHWANDER: Thank you, Mr.
14 Chair. Resolution 2014-56 was slightly
15 modified in the approval process that the
16 Commission often uses to approve casino
17 financing requests.

18 68 IAC 5-3 requires the casinos receive
19 approval from the Commission for almost all debt
20 financing activities, and you're probably used
21 to hearing us present those by now.

22 Resolution 2008-74 is the resolution
23 under which the Commission currently approves
24 the majority of those requests. Resolution
25 2008-74 allows the Executive Director, upon

1 receiving approval from the commission chair and
2 consulting with the Commission's financial
3 consultant, to issue an interim approval and
4 waiver of 68 IAC 5-3 for those financing
5 activities. That approval then must be
6 presented at the next commission business
7 meeting, which is what you heard me do a few
8 minutes ago with Boyd, for your ratification or
9 other action. That interim approval allows
10 casinos to close on debt financing activities
11 without going through the full procedure
12 outlined in 68 IAC 5-3 in which that reg
13 actually requires casinos to make a presentation
14 at one meeting and then have it voted on at the
15 next. That doesn't always meet time
16 requirements with today's markets.

17 So the resolution currently before you
18 would still allow for interim approvals;
19 however, instead of only requiring an approval
20 from the Executive Director and the Commission
21 chair, the new resolution would require approval
22 from the Executive Director, the Commission
23 chair and a member of the Commission who is a
24 CPA. If, for some reason, a decision was
25 needed before all three of those persons were

1 available to make a decision, an interim
2 approval could still be issued with any two of
3 the three eligible persons upon agreement from
4 those two people. The approval would still have
5 to come to you at the Commission for
6 ratification or other action, just it has been
7 for the last several years under 2008-74.

8 This resolution before you today would
9 supercede all previous -- 2008-74 and all
10 previous resolutions on this topic. Commission
11 staff recommends that you adopt this resolution.

12 CHAIRMAN BELL: Thank you, Mr.
13 Neuenschwander. Questions from the Commission?
14 Hearing none, is there a motion in regard to
15 Resolution 2014-56?

16 COMMISSIONER FINE: Move for approval.

17 COMMISSIONER JOHNSTON: Second.

18 CHAIRMAN BELL: The resolution has been
19 moved for approval and seconded. All those in
20 favor of the approval of Resolution 2014-56
21 please signify by saying aye.

22 (Aye)

23 CHAIRMAN BELL: All opposed same sign.
24 Thank you, Mr. Neuenschwander. The resolution
25 is approved.

1 MR. NEUENSCHWANDER: Thank you, Mr.
2 Chair.

3 CHAIRMAN BELL: The Chair would recognize
4 General Counsel Joby Jerrells to present
5 Resolution 2014-57, a final rule concerning
6 promotional events.

7 MR. JERRELLS: Thank you, Mr. Chair and
8 Commissioners. Before you is Resolution 2014-57
9 concerning a final rule. This rule briefly is
10 one that codifies our previous policies and
11 procedures regarding approval and review of
12 promotional events. The rule-making process
13 was started in December 2012. This occurred
14 before the rule-making moratorium that's
15 currently in effect. The Commission received
16 approval to proceed with that rule and the
17 promulgation process.

18 On August 7th the Commission published
19 the proposed rule. On August 8, 2013, we
20 submitted a notice to the Administrative Rules
21 Oversight Committee indicating that the process
22 would not be completed within the one-year time
23 frame. After public notice of the hearing on
24 August 11th we received comments from the Casino
25 Association of Indiana on September 11th and

1 conducted a public hearing on September 26th and
2 October 17th. The association attended that
3 hearing. There were no other attendees and no
4 further comments other than the written ones
5 which the Commission received.

6 In the period after October 17th
7 commission staff reviewed the public comments,
8 considered the alternative system that was
9 proposed, as well as the comments by the
10 association. Also, in your materials,
11 Commissioners, is a change list that includes
12 changes from the original proposed rule.
13 Commission staff considered lessening the time
14 frame before which the casino licensees have to
15 submit promotional events from 30 days to 15
16 days to allow casinos more flexibility in
17 responding to market conditions. The
18 Commission also reduced the number of days in
19 which notice was required to make changes from
20 10 days to 2 days. The Commission further
21 allowed less than 2 days if central office staff
22 were unavailable, licensees can speak to the
23 gaming agent assigned to the property also to
24 obtain an approval, if necessary.

25 Lastly, the Commission did specifically

1 clarify the rule so that licensees can cancel an
2 event any time prior to the start of the event.
3 In addition to the rule changes, staff has
4 worked diligently to encourage all licensees to
5 submit blanket promotions in advance so that if
6 there's an ongoing regular promotion, those can
7 be approved and reviewed well ahead of time, and
8 that has met with good response.

9 Staff would respectfully request that the
10 Commission approve the rule at this time.

11 Thank you.

12 CHAIRMAN BELL: Questions from the
13 Commission? Hearing none, the Chair would seek
14 a motion in regard to the disposition of
15 Resolution 2014-57.

16 COMMISSIONER MORGAN: Move for approval.

17 COMMISSIONER SVETANOFF: Second.

18 CHAIRMAN BELL: The resolution has been
19 moved for approval and seconded. All those in
20 favor of the approval of Resolution 2014-57
21 please signify by saying aye.

22 (Aye)

23 CHAIRMAN BELL: All opposed same sign.
24 Thank you. The resolution is approved.

25 MR. JERRELS: Thank you, Mr. Chair.

1 CHAIRMAN BELL: The Commission is very
2 pleased now to welcome to make a presentation
3 about Rising Star Andrew Hilliou and Steve
4 Jimenez. Mr. Hilliou is the CEO of Full House
5 Resorts. We welcome you and we look forward to
6 learning more about the property.

7 MR. HILLIOU: Thank you for inviting us
8 today. Mr. Chairman, Members of the
9 Commission, Executive Director Yelton, Deputy
10 Director Reske and General Counsel Jerrels,
11 thank you for having us today. Sorry that the
12 screen is behind you. That's why we have
13 provided you with some brochures.

14 With me is Steve Jimenez. Steve has been
15 with the company for about 15 years, the last
16 six as the general manager. We also have
17 Elaine Guidroz. Elaine was formerly the
18 in-house counsel and now the corporate counsel
19 of Full House Resorts. So we found quality in
20 Indiana and we promoted that quality. We also
21 have Claire with us, and Claire is now our new
22 in-house counsel and director of compliance.
23 So those two ladies, two attorneys came down
24 with me to make sure to behavior. So thank
25 you.

1 MR. YELTON: Elaine may want to speak
2 with Ms. Tate before she leaves because Elaine
3 just became a mother of twins.

4 MR. HILLIOU: I have to admire Elaine.
5 While being the mother of twins, a newly mother
6 of twins and work. So, Elaine, thank you very
7 much. There's got to be something special in
8 the water of Indiana. So thank you.

9 Full House Resort is a publicly held
10 company. We are a casino gaming company started
11 in the management business and now 95 percent of
12 our revenue comes from casino-owned properties.
13 Lee Iacocca was one of the founders of our
14 company and served on the board of directors
15 until last year when for reasons of health Lee
16 had to retire. I spoke to Lee on a regular
17 basis, and, you know, he hangs around. He's 86
18 going on 87 and still worried about the future
19 of Chrysler Corporation no longer, but Ford
20 Motor Company.

21 We trade on the NASDAQ under the symbol
22 FLL, and again, we successfully own and manage
23 casinos and hotel properties in Indiana, Nevada,
24 Mississippi and New Mexico. The company
25 profile, we have a good track record of

1 successfully owning and managing gaming
2 companies. The principle of the company, we
3 joined the company in 2004 at the request of Lee
4 Iacocca when the company was not doing too well,
5 and I think we've done okay ever since. Most
6 of us who join in 2004 have been working
7 together for over 20 or 25 years.

8 You have on page four there our mission
9 statement, and we really, really believe that a
10 mission statement drives who we are and what we
11 do. We look at creating long-term value for
12 our shareholders, customers, employees and the
13 host communities. If we really don't do that,
14 if we are not aligned, it will not work. As
15 simple as that.

16 As a hotel we put together with Rising
17 Sun is a prime example. You get together with
18 the host community and the host community works
19 for your success. We really have core values
20 and operating philosophy. We are committed to
21 make every decision in the best interest of our
22 customers, shareholders and employees in mind.
23 And we really truly do mean that. If we leave
24 any of those shareholders behind, eventually we
25 will pay for that further down the road.

1 Anybody who has been in business know if the
2 ownership and the employees and the communities
3 are not well aligned, it will not work period.

4 I think we have integrity. Being in
5 gaming, we have to have integrity, but I think
6 not being in gaming we would have the same
7 integrity. We have excellence. I think we
8 have dedicated to excellence. At the end of
9 the day, we are in the entertainment business.
10 So if we do not provide what the customer
11 request, we will not stay in business and we
12 will not grow.

13 On page 5 you have the properties that we
14 do own and manage, the Stockman casino, the
15 Grand Lodge, the Silver Slipper, of course the
16 Rising Star, and Buffalo Thunder in New Mexico.

17 The Grand Lodge Casino that we acquire in
18 2011 is located in Lake Tahoe. It's got 260
19 slots, 24 table games, 4 poker table and sports
20 book. We manage the casino. We do not manage
21 the resort, which is a Hyatt-owned resort, but
22 it is located in the beautiful Reno Valley. If
23 any of you want to go see it, it is just
24 gorgeous, especially in winter. Though I must
25 say this winter we had no snow, but we surely

1 had enough in the great state of Indiana. Next
2 year hopefully you get the sunshine and we get
3 the snow there. You can see a picture of the
4 resort there on page 6. It's just gorgeous.
5 I think it is the only resort with a beach on
6 Lake Tahoe.

7 Stockman Casino on page 7 is located 45
8 minutes out of Reno, Nevada. It's in the small
9 town of Fallon, and that's a home of the largest
10 training naval base in the U.S. Why the Navy
11 is training over the mountains of Nevada, I have
12 no idea, but it's also the home of the top gun
13 school. So we get some interesting customers
14 there, I can assure you. That's a property
15 that we own. It's a very small property, but
16 it does well.

17 On page 8 you have Buffalo Thunder Casino
18 in New Mexico. We have a management contract
19 that will end in 2014. It's a very nice
20 property, 1,200 slots, 18 table games and poker,
21 6 restaurants and 395 Hilton rooms and a golf
22 course. Located in beautiful Santa Fe, New
23 Mexico, 25 miles outside Santa Fe. A pleasure
24 to go there.

25 Silver Slipper Casino that we acquired in

1 October 2012, it's really based in Hancock,
2 Mississippi, 25 or 30 miles outside New Orleans.
3 A very interesting place, especially during
4 Mardi Gras a couple weeks ago. We have 37,000
5 square feet of gaming space, 965 slot machines,
6 26 games. Actually we have no poker tables.
7 We just got out of the poker business so I'm
8 sorry about that. The casino feature fine
9 dining. In that part of the world fine dining
10 is very, very important. It's the only buffet
11 in the world where we have rabbits and frog
12 legs, and the customers look for it and we don't
13 have it. We are now looking actually at
14 building a 140-room hotel planned to open at the
15 end of 2014 or the first quarter of 2015. As we
16 will discuss later on, casinos are going more as
17 a destination resort by the sole gaming
18 properties. As we all know, gaming casinos are
19 expanding left and right so we really have to
20 remain competitive. So you will see there on
21 page 9 a rendering of the hotel that we are
22 currently building.

23 Now we get to the purpose of the meeting
24 today, the Rising Star Casino Hotel Resort in
25 Rising Sun, Indiana. The Rising Star Casino

1 Resort is located in the historic city of Rising
2 Sun on the banks of the Ohio River. If you
3 haven't gone to Rising Sun, it is just a lovely
4 city. It is just gorgeous. You can take a
5 walk on a Sunday afternoon. I think Director
6 Yelton took that walk one day when we arrived,
7 and it's just gorgeous. I would urge all you
8 to go to Rising Sun, Indiana. It opened in
9 1966 [sic] as the Grand Victoria. We acquired
10 it in 2011. It's got 40,000 square feet of
11 gaming floors, 1,200 slot machines, 33 tables,
12 294 hotel rooms and suites. We have an indoor
13 pool, sauna, jacuzzi and exercise room, a 12,000
14 square foot theater and meeting space. I think
15 Kevin Costner is going to be one of our
16 entertainers in late April. We have a 18-hole
17 Scottish links type golf course. I do not play
18 golf, but I understand that it is very, very
19 popular with our customers. We have fine food
20 and beverage outlet and 2,100 space surface
21 parking and complimentary valet service. Of
22 course, we have a strong management team in
23 place. Those folks have been there forever.
24 They love the city of Rising Sun. We couldn't
25 get Steve out of Rising Sun.

1 On page 12 you will see the hotel that we
2 just opened in November. It opened November 15,
3 2013. It's got 81 deluxe rooms and 23 suites.
4 It is located in close proximity to the property
5 casino, restaurants, indoor pools and, of
6 course, a golf course. We now have 294 rooms,
7 deluxe rooms and suites, and we provide, of
8 course, overnight stay for our customers, gaming
9 and otherwise, and we are becoming really a
10 multi-faceted destination resort.

11 The expansion, though, was really made
12 possible by collaboration between Full House
13 Resorts, Rising Sun Ohio County First, the
14 Rising Sun Regional Foundation and the city of
15 Rising Sun. We have a long-term lease with the
16 city of Rising Sun and the foundation where we
17 are reimbursing all of the cost and managing the
18 property, and in ten years from now we will own
19 the property for the symbolic dollar. We
20 really have a good relationship with the
21 foundation and the city, and I think that's how
22 in the future we're going to survive. I don't
23 think gaming resorts can survive just on gaming
24 nowadays.

25 If you go to page 13, you will see just a

1 regular room. They're very bright. They're
2 very airy. Nowadays it is recommended -- our
3 customers are very demanding so we are competing
4 not only with other properties in Cincinnati,
5 other properties in Ohio, but we are competing
6 with other resorts in Kentucky and West
7 Virginia, anywhere in the country. So by
8 providing a very nice environment, of course,
9 gaming being the heart of it, I think we will be
10 competitive in the years to come.

11 Page 13 you also realize that we did
12 upgrade the old Hyatt hotel. We have now all of
13 the -- I'm sorry. Half of the rooms we
14 upgraded, and on page 14 there you will see one
15 of the upgraded rooms. On page 15 you will see
16 one of the newly renovated suite bedrooms as
17 well. Page 16 we're talking about the resorts.
18 As I've said, the management team has been there
19 for many, many years, and I think it's very
20 important that you minimize the change in
21 management. When we took over the property, we
22 work extremely hard to make sure that the people
23 that were in place who made the property
24 successful remain there. Making a change for
25 the sake of change it's not that (inaudible)

1 business.

2 On page 17 you will see over the last two
3 and a half years that we've owned the property
4 we've made significant investment in the
5 property. Not only have we bought new
6 machines, we are upgrading the hotel. We've
7 worked on upgrading the buffet. We also again
8 with the foundation of Rising Sun promoting the
9 new hotel. We really had to do that in order
10 to remain competitive and really to maintain
11 market excellence. If you are not competitive
12 nowadays, with all of the new properties coming
13 in Ohio and the new resorts anywhere, whether
14 they are in West Virginia, in Virginia or any
15 states, people are really improving the
16 experience of the customer. So we have to make
17 sure that we remain on that level of excellence.

18 On page 18 we want to talk a little bit
19 about the employees that we have, the associates
20 that we have. At the end of the day, they are
21 really the folks who make the property run.
22 Anybody knows who's been in business understand
23 that your success is where the rubber meets the
24 road, and whether you go to the buffet -- I'm
25 not there at the buffet. Sounds good to

1 investors, but when it comes to the buffet, my
2 impact is zero. The waitress, the chef, the
3 dealers are really the ones who make us, who can
4 break us. So we have 623 employees in the
5 small town of Rising Sun, Indiana. 87 percent
6 of our employees are from Indiana, 13 percent
7 from other states. Claire lives in Ohio.
8 She's moving to Indiana. So actually that
9 record is going to look a little bit better.
10 The average tenure of our employs is eight and a
11 half years. That's a long time today.
12 Management, we have 106 employees and associates
13 we have 527.

14 As you know, we are facing competition
15 from Ohio, and the competition is coming at us
16 very quickly, very keenly and very brightly.
17 So in the face of the competition, which is
18 really 13 licenses being awarded in Indiana, and
19 when I arrive in the gaming industry there was
20 one state who had gaming. I guess it was
21 Nevada. Two or three of them had lotteries,
22 and today Steve was telling me on the way that
23 40 states have gaming and I wouldn't be
24 surprised in five years from now 43 or 44 have
25 it. So we really have to get much smarter.

1 Just to give you on page 20 a little bit
2 of where the customer base come from. The
3 majority of our customers come from Ohio, 20
4 plus percent come from the state of Indiana.
5 We have some from Kentucky and, of course, we
6 have 10 percent from others. Page 21 gives you
7 an overview of the competitive landscape. The
8 picture speaks for itself. We are not going to
9 discuss it.

10 On page 22 you will see really the Rising
11 Star Casino resort. The two V wings there are
12 the hotels. Then the pavilion is a huge room
13 where when the boat was going up and down the
14 lovely Ohio River thousands of people used to
15 stay. Nowadays it's an empty big room, and we
16 hope eventually that it will not remain that
17 empty for too long so we can provide a great
18 entertainment feature for our customers. I'm
19 not going to go into details, but it is really a
20 lovely property. Any one of us seen that
21 property want to get in and we're going to see a
22 picture of it. It just looks like a wonderful
23 resort.

24 One thing that we will eventually be able
25 to provide is a wow factor when you come into

1 the property. We like to compete on the same
2 level, but at the end of the day in order to
3 remain competitive, we really have to reinvent
4 ourselves. I think every successful business
5 has to reinvent themselves every five, six, ten
6 years. As we are becoming much more
7 competitive, we are repositioning the company as
8 really an entertainment destination resort.
9 That's why we have another 100 extra rooms, and
10 if it works out, if we can fill up those rooms a
11 hundred percent of the time seven days a week, I
12 will go to my board and try to get another 100
13 rooms. Right now on Friday, Saturday and
14 Sunday and we almost have 100 percent occupancy.
15 It takes usually probably, I would say, four to
16 six month to be able to work with groups into
17 hotel occupancy. We've only opened the hotel
18 in November. I would say when the weather
19 start getting a little bit better, as you know,
20 the last 16 weeks were not exactly banner.
21 Lake Tahoe wish they had your snow. You
22 wish you had their sunshine. Now they have
23 mud. Thank God we don't have that in Indiana.
24 I think at the end of the day really we
25 need to become a destination resort in order to

1 survive and to prosper. We need two- or
2 three-day stay versus the four- or five-hour
3 stay. We are working on that very, very hard.

4 We brought back to our company John
5 Sheldon who was previously the vice-president of
6 marketing and advertising for the property when
7 the property was under the Hyatt leadership.
8 So John works with Steve in marketing and
9 entertainment as well as corporate director of
10 marketing and entertainment.

11 The emphasis that we're going to focus on
12 the hotel of course, the restaurant, the golf
13 course, the headliners and the pavilion
14 activities and entertainment. We have that
15 huge pavilion that's empty. Now we're going to
16 be using that pavilion for line dancing,
17 whatever we can do to create excitement at the
18 town of Rising Sun. The town is also working
19 with us to create excitement around the casino.
20 So we're going to try getaway packages, golf
21 packages, special occasion. The following
22 pages there are going to give you a little bit
23 of an overview of what we are trying to do.
24 It's not exactly what we're going to do because
25 entertainment and marketing packages moves on

1 very quickly, but that's what John and his team
2 -- I mean Steve and John and the team put
3 together to try to reposition the property for
4 the future. We are going to call it play, stay
5 and get away. All of the pages that you have
6 there just outline the different programs that
7 we are touching. We are touching golf. We
8 are touching, of course, gaming. We are
9 touching the hotel. I think that's really how
10 properties like ours off the mainstream. I
11 mean we are not in Cincinnati. We are not --
12 we are on the outskirts of Cincinnati, mind you,
13 but we are not right on the major highway
14 leading out of Cincinnati. So we think that by
15 becoming or reinventing or repositioning
16 ourselves as a resort, gaming entertainment
17 center, we will be able to compete with Ohio and
18 we will be able to bring people into our
19 property that might not come otherwise.

20 So that was my very brief presentation.
21 If you have any questions for me, please feel to
22 ask.

23 CHAIRMAN BELL: Mr. Morgan.

24 COMMISSIONER MORGAN: I want to thank you
25 for coming and making your presentation. I've

1 seen a lot of passion. I wish you all the
2 success. Thank you.

3 MR. HILLIOU: Thank you very much, and I
4 want to thank you for inviting Steve and I to
5 come down today and, of course, Elaine and
6 Claire to come down and present to you. We
7 were very glad to do it.

8 CHAIRMAN BELL: Additional questions or
9 comments from the Commission? I would echo
10 Commissioner Morgan's comments in thanking you
11 for being here today. Clearly you face a slew
12 of new and difficult competitive challenges, but
13 with your commitment to the community, with your
14 commitment to your employees, with your
15 commitment to excellence and integrity and
16 creativity, we're very confident that the future
17 of Rising Star will be very solid in your hands
18 and look forward to your success.

19 MR. HILLIOU: Thank you.

20 CHAIRMAN BELL: Is there any additional
21 business to come before the Commission? Hearing
22 none, I will announce that our next meeting date
23 will be June 26, 2014. We will meet again in
24 the library. I am happy to share that we will
25 not miss NCAA basketball to do it, but for

1 anyone who is a fan of the AT&T National first
2 round, you may want to set your DVR before you
3 come.

4 Hearing no further business, the Chair
5 would entertain a motion for adjournment.

6 COMMISSIONER MORGAN: Motion to adjourn.

7 COMMISSIONER SVETANOFF: Second.

8 CHAIRMAN BELL: There's a motion to
9 adjourn and second. All those in favor signify
10 by saying aye.

11 (Aye)

12 CHAIRMAN BELL: All opposed same sign.
13 Thank you. We are adjourned.

14 (Adjourned at 3:10 p.m.)
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1 STATE OF INDIANA)
) SS:
 2 COUNTY OF MARION)

3
 4 I, Deanne S. Hutson, a Notary Public in and for
 5 said county and state, do hereby certify that the
 6 Indiana Gaming Commission Business Meeting held on
 7 March 20, 2014, at 2:00 p.m. at the Indiana State
 8 Library, History Reference Room, 315 West Ohio
 9 Street, Indianapolis, Indiana, was taken down in
 10 stenograph notes and afterwards reduced to
 11 typewriting under my direction, and that the
 12 typewritten transcript is a true record of the
 13 proceedings had.

14 IN WITNESS WHEREFORE, I have hereunto set my
 15 hand and affixed my notarial seal this 9th day
 16 of April, 2014.

17
 18
 19
 20
 21 Deanne S. Hutson

22 Deanne S. Hutson, Notary Public,
 23 Residing in Marion County, Indiana

24 My Commission Expires:
 25 November 6, 2014