

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

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BEFORE: GREGORY C. FAJT, Chairman
Raymond S. Angeli, Jeffrey W. Coy,
James B. Ginty, (via telephone)
Kenneth T. McCabe, (via telephone)
Kenneth Trujillo, Gary A. Sojka,
David Barasch, Deputy Secretary of
the Department of Revenue, Representative,
Keith Welks, Deputy State Treasurer for
Fiscal Operations, Ex-Officio Designee,
Michael Dillon, representing Russell
Redding, Secretary of Agriculture

HEARING: Tuesday, March 23, 2010, 9:35 a.m.

LOCATION: Temple University, Harrisburg Campus
Lecture Hall, Room 246/248
Harrisburg, PA

WITNESSES: Richard Sandusky

Reporter: Cynthia Piro-Simpson

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A P P E A R A N C E S

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A P P E A R A N C E S (cont.)

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OPENING REMARKS

By Chairman Fajt 5 - 7

PRESENTATION

By Mr. Sandusky 7 - 8

By Attorney Sherman 8 - 11

By Attorney Asali 16 - 17

By Attorney Davenport 21 - 22

By Attorney Shiffer 22

By Attorney Sherman 23 - 28

By Attorney Dustin Miller 29 - 31

P R O C E E D I N G S

1
2
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CHAIRMAN:

Good morning, everybody. I'm Greg Fajt,
Chairman of the Pennsylvania Gaming Control Board.
And again, just as a housekeeping matter I'd like to
ask everybody to turn off their cell phones,
Blackberries and other electronic devices as they tend
to interfere with our communication system here.

Joining us today is David Barasch,
representing the Secretary of Revenue; Michael Dillon,
representing the Secretary of Agriculture; and Keith
Welks, representing the State Treasurer, Rob McCord.
Thanks for being here.

We have Commissioners Ginty and McCabe
with us today on the phone. And I know you guys can
hear us, so welcome.

Quorum of the Board is present, I'd like
to call everybody to order and today's proceeding to
order. As the first order of business, please join me
for the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE RECITED

CHAIRMAN:

The first order of business is Old
Business and Announcements. And by way of

1 Announcements, the Board held an Executive Session
2 just prior to this meeting in accordance with the
3 Sunshine Act. The purpose of the Executive Session
4 was to conduct quasi judicial deliberations relating
5 to matters pending before the Board, including the
6 matters of the Board we will be hearing today upon
7 submission of documents.

8 I would also like to announce that the
9 Gaming Control Board will hold a Public Hearing on
10 Wednesday, March 31st, 2010, to gather evidence
11 including public comment on the Petition submitted by
12 Presque Isle Downs requesting table games.

13 The hearing will be at ten o'clock in the
14 morning at Summit Township Building located at 8900
15 Old French Road in Erie, Pennsylvania. Information
16 pertaining to these hearings can be viewed by logging
17 onto the Gaming Control Board website at
18 www.pgcb.state.pa.us or you can contact the Board
19 Secretary at 717-346-8325.

20 We'll now move on to New Business. Doug
21 Sherman, our Chief Counsel, will present his items.
22 Doug?

23 ATTORNEY SHERMAN:

24 Good morning. Chairman, members of the
25 Board, our first agenda matter relates to a Temporary

1 Regulation which Director of Regulatory Review,
2 Richard Sandusky, will present.

3 MR. SANDUSKY:

4 For the Board's consideration this
5 morning we have Regulation 125-115. This is a fairly
6 small package. It includes Amendments to Chapter 535
7 pertaining to Pai Gow Tiles, which establishes the
8 time period which the tiles must be rotated out of
9 play. That will be every 12 hours. It also
10 establishes a new chapter, Chapter 567, which
11 addresses the Table Game known as War. It's a card
12 game, it's very similar to what you played when you
13 were a few years younger. We have had one casino
14 request this game so; therefore, we've developed a
15 regulation so that they can offer it to the public.
16 If there are any questions, I'll be happy to answer
17 them. If not, we'd ask for a motion to Adopt the
18 Temporary Rulemaking.

19 CHAIRMAN:

20 Any questions or comments from the Board?
21 Nobody is going to chastise Richard for that sarcastic
22 remark he made?

23 MR. ANGELI:

24 He finally mentioned a game that I'm
25 familiar with.

1 CHAIRMAN:

2 May I have a motion, please?

3 MR. ANGELI:

4 Mr. Chairman, I move that the Board adopt
5 Temporary Regulation 125-115. And that the Board
6 establish a Public Comment Period for 30 days for this
7 Temporary Regulation. And that the Temporary
8 Regulation be posted on the Board's website.

9 CHAIRMAN:

10 Second?

11 MR. COY:

12 Second the motion.

13 CHAIRMAN:

14 All in favor?

15 ALL SAY AYE

16 CHAIRMAN:

17 Opposed? The motion passes. Richard,
18 thank you very much.

19 MR. SANDUSKY:

20 Thank you.

21 ATTORNEY SHERMAN:

22 Today the Board has one Petition and one
23 request to approve the Expansion of a Gaming Floor
24 before it for consideration. Both matters are
25 scheduled to be considered upon the documentary

1 record. In each case, the Board has been provided
2 with a Petition, the responsive pleadings of
3 Enforcement Counsel, any additional pleadings and
4 briefs as well as any supporting evidentiary
5 materials. All parties have also been notified that
6 the Board is considering each matter today.

7 The first Petition before the Board is
8 that of Mount Airy. It's their Amended Petition for
9 Board Approval of an Amendment to its Revolving Credit
10 and Term Loan and for Approval of Mount Airy Principal
11 and Guarantor, Louis A. DeNaples, to Loan Funds to
12 Mount Airy's Owner, the Guarantor Trust II of Lisa
13 DeNaples in order to Fund Mount Airy's Table Game
14 Expansion. On August 9th, 2007, Mount Airy initially
15 entered into the Revolving Credit and Term Loan
16 Agreement at issue.

17 That Agreement provided financing for the
18 development and operation of Mount Airy. Mount Airy's
19 Petition proposes to amend its original credit
20 facility for the fourth time in order to make certain
21 improvements to the Mount Airy Casino and fund the
22 expansion which will incorporate the table game
23 operation. Under the Proposed Amendments to the
24 original credit facility, a condition precedent to the
25 closing of the restructuring is the Board's approval

1 of the Amended Petition. The Office of Enforcement
2 Counsel (OEC) has no objection to the Mount Airy
3 Petition provided certain conditions are met regarding
4 the submission of all final financing documents
5 related to the proposed refinancing and restructuring.

6 Those conditions have been provided to the Board
7 along with the other materials in advance of this
8 meeting.

9 In addition, Mount Airy has also filed
10 with their Petition a Motion to Protect Certain
11 Confidential Information and that would be
12 specifically Appendices A, B, C and D to the Petition.
13 OEC has not objected to that motion. Both of those
14 motions, that is, one for the approval of the
15 amendment to the credit facility and two, to protect
16 the confidential information are both before this
17 Board and ready for consideration.

18 CHAIRMAN:

19 Thank you. I do see that there are
20 representatives from Mount Airy here today. Could I
21 ask that maybe two of you, and I don't care which two,
22 Don, you should be one of them and I don't care if
23 it's Ms. DeNaples or Mr. DeNaples or whoever comes
24 forward to address this issue. I guess we have others
25 that are going to come up, that's fine. And again,

1 I'm asking for your presence here. It's a Documentary
2 Hearing but in the event the Board has questions, we
3 wanted to have the ability to ask you questions.
4 Doug, do you have --- do you want to proceed or are
5 you finished with your comments?

6 ATTORNEY SHERMAN:

7 I'm finished.

8 CHAIRMAN:

9 Why don't I turn it over, questions from
10 the Board on this issue. Ken, Commissioner Trujillo?

11 MR. TRUJILLO:

12 Good morning. I have just a few
13 questions. I guess the first thing I'd like to get
14 some better sense of, and you'll have to forgive me
15 because I wasn't here for the first three amendments.
16 So, I'd like to have a description of the distinction
17 between the Third Amendment and the Fourth Amendment.

18 ATTORNEY ASALI:

19 I'll address that.

20 CHAIRMAN:

21 Could you please state your name for the
22 record and spell it?

23 ATTORNEY ASALI:

24 Sure. My name is James Asali. Last name
25 is A-S-A-L-I. I'm an attorney with the firm of Archer

1 and Greiner in Philadelphia, Pennsylvania. The
2 distinction between the Third Amendment and the Fourth
3 Amendment essentially is as follows: The Third
4 Amendment accounted for the restructuring of the
5 ownership of Mount Airy Casino, approved the transfer
6 of the casino to an entity called Mount Airy Holdco,
7 which was then transferred from Louis DeNaples to the
8 Grantor Trust identified here in the Petition.

9 The Fourth Amendment is essentially a
10 two-part Amendment. It approves the equity
11 contribution that Mr. DeNaples is proposing to make
12 through the Trust and through Holdco of \$35 million in
13 order to fund the table games expansion. And it
14 addresses certain financial covenants and principal
15 debt terms of the revolving credit and term loan
16 facility. Specifically, it extends the maturity date
17 of the term loan out to, I believe, August of 2012.
18 It relaxes several significant financial covenants,
19 most specifically the minimum EBIDA covenants which
20 now don't go into place until the end of the first
21 quarter of 2011.

22 It pushes back the required principal
23 payments of \$1 million per quarter into next year.
24 And it converts a swap liability that the company had
25 entered into, and I believe that amount is

1 approximately \$8.8 million. It converts that to a
2 term loan. So, really it is a substantial relaxing of
3 the financial covenants and restrictions on the
4 company.

5 MR. TRUJILLO:

6 If I could clarify, did I mishear when
7 you said equity contribution by Mr. DeNaples? I
8 didn't see an equity contribution. I thought it was
9 in the form of a loan.

10 ATTORNEY ASALI:

11 Well, I should clarify that. It will be
12 in the form of a loan to the Trust which will then
13 make a contribution to Mount Airy Holdco, the holding
14 company, which will in turn make the contribution to
15 the borrower.

16 MR. TRUJILLO:

17 So, the equity contribution, it is not
18 from Mr. DeNaples, it's ---?

19 ATTORNEY ASALI:

20 No, no, no. It is a loan from Mr.
21 DeNaples to the parent entity, so to speak.

22 MR. TRUJILLO:

23 Thank you. Now, the financial covenants
24 you described, and specifically the one relating to
25 the EBIDA, as I understand it you had a --- going back

1 to Amendment Number Three, the EBIDA requirement
2 looked at, I believe it was a 27 and a half million
3 dollar EBIDA covenant effective end of December of
4 '09. And so that's what will be pushed forward to
5 slightly more than, I guess, \$28 million effective the
6 end of March 11, would be the first EBIDA covenant
7 under the Amendment; ---

8 ATTORNEY ASALI:

9 Correct.

10 MR. TRUJILLO:

11 --- is that accurate?

12 ATTORNEY ASALI:

13 That is correct.

14 MR. TRUJILLO:

15 And what is the state of the EBIDA
16 covenant as it stands today?

17 ATTORNEY ASALI:

18 I'll have to defer to the company on
19 that.

20 MR. TRUJILLO:

21 I guess ---.

22 ATTORNEY ASALI:

23 You mean as it relates to J.P. Morgan?

24 MR. TRUJILLO:

25 Correct.

1 ATTORNEY ASALI:

2 All covenants have been waived to date.
3 That's a non issue.

4 MR. TRUJILLO:

5 Thank you. The other questions I had
6 related to --- and I just wanted to understand. So, I
7 take it then that the swap, the \$8.8 million swap
8 then, in any event, this is a termination of the swap,
9 the \$8.8 and then that gets pushed into the term loan
10 and that's how the payment is made?

11 ATTORNEY ASALI:

12 Yes, it will be added to the principal
13 balance of the term loan.

14 MR. TRUJILLO:

15 That's all I have, Mr. Chairman.

16 CHAIRMAN:

17 Thank you. Commissioner Sojka?

18 MR. SOJKA:

19 My apologies in advance. I do not have
20 legal training and the terminology of transactional
21 law gets away from me. So, I want to put this in
22 extremely simple terms. And that is, I just want to
23 understand that if there is some new money involved
24 and it is \$35 million that essentially comes from Mr.
25 Louis DeNaples and that loan is collateralized, if I

1 understand correctly, by components of the casino, my
2 only question would be what would we do, heaven
3 forbid, should there be any kind of default? To whom
4 would those components of the casino go?

5 ATTORNEY ASALI:

6 Well, when you say the loan would be
7 collateralized, the loan that's being collateralized
8 has always been collateralized and that's the loan
9 from J.P. Morgan. If there is a default under that
10 facility, well, obviously, you know, you say heaven
11 forbid ---.

12 MR. SOJKA:

13 I mean that.

14 ATTORNEY ASALI:

15 Yes, and we mean it, too. I must say for
16 the record, we've had a very cooperative relationship
17 with J.P. Morgan as evidenced by the fact that we're
18 now amending this thing for the fourth time with their
19 consent and with their, you know, cooperation at all
20 levels. That being said, it is a loan. It's a
21 commercial loan. If we were reaching the point where
22 we thought that a default scenario might be necessary,
23 well, we would talk to J.P. Morgan. If that process
24 broke down, well they being a commercial lender would
25 exercise their remedies.

1 MR. SOJKA:

2 But the remedies then would be between
3 J.P. Morgan and the casino and Mr. DeNaples could stay
4 clear of that?

5 ATTORNEY ASALI:

6 No.

7 MR. SOJKA:

8 He would not in any way ever receive
9 casino property?

10 ATTORNEY ASALI:

11 No, he would not receive casino --- no,
12 no, no. Mr. DeNaples is a Guarantor.

13 MR. SOJKA:

14 Fine. That's the point I wanted to
15 clarify in public and I'm satisfied with your answer.

16 ATTORNEY ASALI:

17 Thank you.

18 ATTORNEY SHIFFER:

19 And just, Commissioners, to kind of
20 clarify.

21 CHAIRMAN:

22 Please state your name for the record.

23 ATTORNEY SHIFFER:

24 Don Shiffer, General Counsel, Mount Airy
25 Casino. Just for the record, it's to be clarified

1 that Mr. DeNaples is a Principal and licensed as such
2 based on his relationship as a Guarantor for the
3 senior credit facility of J.P. Morgan.

4 MR. SOJKA:

5 That's absolutely fine, lots of sunshine
6 on that.

7 CHAIRMAN:

8 Other questions?

9 MR. TRUJILLO:

10 I have a follow-up to --- and actually
11 this goes to Mr. Sherman. My understanding, and
12 again, forgive me because I don't have the history
13 here, but my understanding is that this kind of
14 transaction would normally not come to the Board, but
15 would rather go to the Executive Director; am I
16 correct?

17 ATTORNEY SHERMAN:

18 Certain lending to casinos does not come
19 to the Board for approval and that generally is where
20 the lending is an arm's length transaction by a
21 commercially established lending institution. In this
22 case it's been a requirement placed by this Board,
23 specifically for this Licensee that any lending by Mr.
24 DeNaples as Principal be approved by the Board. And
25 that's consistent with the Board's policy because it's

1 not a traditional lending institution relationship.

2 MR. TRUJILLO:

3 Thank you.

4 CHAIRMAN:

5 I have kind of a technical question on
6 the involvement of Holdco. As I understand the
7 transaction, Mr. DeNaples will make the loan of \$35
8 million to the Trust. The Trust in turn makes, and
9 again, I think this falls on Commissioner Trujillo's
10 question. The Trust then makes the equity
11 contribution to Mount Airy Holdco and then Holdco
12 contributes the \$35 million to Mount Airy. So, my
13 question is, the involvement of Holdco. It just seems
14 to me that there's an extra step in the process; is
15 that strictly a tax involvement of Holdco and is that
16 the reason for the existence of Holdco?

17 ATTORNEY ASALI:

18 It's not a tax issue. It's actually more
19 of a technical legal issue relating to security
20 interests and ease with which a commercial lender can
21 take a pledge of the equity of a borrowing entity.
22 It's much easier from a technical standpoint, Uniform
23 Commercial Codes' standpoint to do it under the
24 umbrella of a Limited Liability Company than through a
25 Trust.

1 CHAIRMAN:

2 And one follow-up question, the \$35
3 million that is it for this transaction, could Mr.
4 Shiffer or you just give us a high level overview of
5 what that \$35 million is going to be used for?

6 ATTORNEY SHIFFER:

7 Just in general, Mr. Chairman, a portion
8 of the \$35 million will be used to fund the
9 Table Game Fee.

10 CHAIRMAN:

11 Sixteen (16) and a half million dollars?

12 ATTORNEY SHIFFER:

13 A portion of that will be used for that.
14 In addition, the lion's share of it will be used for
15 the improvements that will be necessary associated
16 with table games and Mount Airy's infrastructure to
17 accommodate table games. And then the remainder of
18 the monies available out of the \$35 million will be
19 used for certain permitted works on the property,
20 including a renovation of the golf course, an addition
21 of some parking and some other capital improvements on
22 the property. But globally that will be the use of
23 the funds.

24 CHAIRMAN:

25 Thank you. Any other questions? Could I

1 have a motion, please?

2 ATTORNEY DAVENPORT:

3 Excuse me, Commissioner and Chairman
4 sorry to interrupt. Prior to doing that --- I'm
5 sorry, Nan Davenport, Deputy Chief Enforcement Counsel
6 for the OEC. There are six conditions that OEC
7 recommended in our Answer. We'd like to respectfully
8 recommend that Condition Number Two be changed. It
9 currently reads that within five business days of
10 Board approval, Mount Airy # 1, LLC, shall provide the
11 Financial Investigation Unit with all final signed
12 documents relating to the restructuring, including but
13 not limited to copies of the Term Sheet, Promissory
14 Note and the Fourth Omnibus Waiver and Amendment
15 Agreement.

16 We'd like to change that language that
17 instead of five business days, to change it to 15
18 business days of execution that Mount Airy shall
19 provide. And I'd also like to note for the record
20 that Condition Number Four has been satisfied. That's
21 that Mount Airy # 1, LLC, shall respond in writing to
22 all questions raised in the Financial Investigation
23 Unit's report prior to the March 23rd, 2010 Board
24 Meeting. And at this time I'd like to move into the
25 record as OEC Exhibit Number Two, the Addendum to the

1 FIU Report. Thank you.

2 CHAIRMAN:

3 Thank you. Any other questions from OEC
4 or comments?

5 ATTORNEY PITRE:

6 I believe Mr. Shiffer has some documents
7 he'd like to move into the record.

8 ATTORNEY SHIFFER:

9 Mr. Chairman, I'd like to add three
10 documents to the record, one, the most recent draft of
11 the Fourth Omnibus Waiver and Amendment Agreement from
12 J.P. Morgan. I would also like to enter into the
13 record a memorandum in support of the use of the \$35
14 million table game proceeds breakdown. And I would
15 also like to add a correspondence dated March 22nd
16 from Latham and Watkins, Counsel for J.P. Morgan
17 relating to specific provisions of the loan agreement
18 which they will make slight modifications to.

19 CHAIRMAN:

20 Any objections from OEC on those
21 documents?

22 ATTORNEY DAVENPORT:

23 No objection.

24 CHAIRMAN:

25 Thank you, so submitted. Any other

1 comments from any of the parties? With that I will
2 entertain a motion.

3 MR. COY:

4 Thank you. Mr. Chairman, I move the
5 Board grant Mount Airy's Amended Petition as described
6 by the Office of the Chief Counsel (OCC).

7 MR. SOJKA:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 Opposed? Motion passes. Next. Thank
14 you.

15 ATTORNEY SHIFFER:

16 We'd like to thank the OEC and the FIU
17 for all their efforts in this matter.

18 CHAIRMAN:

19 Thank you, Mr. Shiffer.

20 ATTORNEY SHERMAN:

21 The second matter before the Board today
22 is Chester Downs, Request for Approval of Modification
23 to its Gaming Floor related to the implementation of
24 table games which was filed with the Board's Clerk
25 February 25th of this year. Specifically, Chester

1 Downs is requesting approval to expand its gaming
 2 floor by 10,663 square feet, which is primarily
 3 composed of former restaurant area and some other
 4 miscellaneous space in the facility which had not been
 5 previously used as gaming floor. Chester Downs will
 6 upon conversion of that space to gaming floor
 7 eventually relocate 2,000 slot machines within the
 8 facility including some into the new gaming floor
 9 space.

10 By doing so they will be making room for
 11 eventual table games if the Board were to approve that
 12 facility to operate table games. The actual move of
 13 the machines will be pursuant to authorization of the
 14 Executive Director in staged moves over a period of
 15 time after review by the Board's various bureaus. The
 16 OEC has not lodged any objection to the request
 17 provided they meet certain conditions that have been
 18 provided to the Board in advance. That matter is now
 19 ripe for the Board's consideration. Thank you.

20 CHAIRMAN:

21 Are the representatives from Chester here
 22 today? Could you please come forward? I'll now move
 23 over to OEC for questions and presentation.

24 ATTORNEY DALE MILLER:

25 Mr. Chairman, we have no questions. We

1 have no presentation. I think our response to the
2 pleading speaks for itself. We have no objection to
3 this subject to the conditions which we have presented
4 to the Board.

5 CHAIRMAN:

6 Any questions or comments from Chester?

7 ATTORNEY DALE MILLER:

8 I'm sorry, for the record, I'm Dale
9 Miller, Deputy Chief Enforcement Counsel for the OEC.

10 CHAIRMAN:

11 And just for the record, could I have
12 both of your names for our stenographer?

13 MR. VINCI:

14 Michael Vinci for Harris Chester.

15 MR. GOWEN:

16 Brandon Gowen, G-O-W-E-N.

17 CHAIRMAN:

18 Any questions from the Board? If not,
19 could I have a motion, please?

20 MR. SOJKA:

21 Yes, Mr. Chairman. I move that the Board
22 grant Chester Downs and Marina LLC's request to expand
23 the gaming floor as described by the OCC in writing,
24 of course.

25 MR. TRUJILLO:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed? Motion passes. Thank you.

7 ATTORNEY SHERMAN:

8 Next for the Board's consideration is a
9 proposed policy providing for legal representation and
10 indemnification of Board members, officials and
11 employees. Officials and employees of the
12 Commonwealth of Pennsylvania are entitled by virtue of
13 various statutes and regulations to representation and
14 indemnification for costs and liabilities if legal
15 proceedings are commenced against those individuals
16 for actions taken while functioning within the scope
17 of their duties. The proposed policy for the Board's
18 consideration essentially codifies those protections
19 in one source document for the Gaming Control Board
20 providing certainty to individuals who may be subject
21 to legal proceedings in the future as well as
22 providing a procedure by which past and present Board
23 members, officials and employees must follow in order
24 to obtain those protections provided in the event that
25 they were named in any legal proceedings. The policy

1 is submitted to the Board for consideration for
2 adoption.

3 CHAIRMAN:

4 Thank you. Any questions or comments
5 from the Board? If not, can I have a motion, please?

6 MR. TRUJILLO:

7 Mr. Chairman, the Board approves the
8 Indemnification Policy as described by the OCC.

9 MR. ANGELI:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 ALL SAY AYE

14 CHAIRMAN:

15 Opposed? Motion passes.

16 ATTORNEY SHERMAN:

17 Next presenting Withdrawals is Deputy
18 Chief Counsel, Steve Cook.

19 ATTORNEY COOK:

20 Good morning, members of the Board, Mr.
21 Chairman. The Board has received four unopposed
22 Petitions to withdraw applications which include five
23 individuals. The parties subject to these Petitions
24 are as follows: Michael Thomas, Charlene Jones, both
25 affiliated with Foxwoods, Richard Burt and Philip

1 Sader, both associated with IGT. And Craig Tragbar
2 (phonetic), who's the Principal of a vendor, the
3 Schnoor Painting Company. The OEC has no objections
4 to these Withdrawals. As such, the OCC submits the
5 Withdrawals to the Board for consideration of a motion
6 to approve same. I would note that with the exception
7 of Mr. Tragbar all these withdrawals will be without
8 prejudice. Mr. Tragbar's withdrawal will be with
9 prejudice.

10 CHAIRMAN:

11 Any questions or comments from the Board?
12 Could I have a motion, please?

13 MR. TRUJILLO:

14 Mr. Chairman, I move that the Board issue
15 Orders to approve the Withdrawals or Surrenders as
16 described by the OCC.

17 MR. ANGELI:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 ALL SAY AYE

22 CHAIRMAN:

23 Opposed? Motion passes.

24 ATTORNEY SHERMAN:

25 And that concludes the matters of the

1 OCC.

2 CHAIRMAN:

3 Thank you, Doug. Thanks, Steve. Next up
4 is our Chief Enforcement Counsel, Cyrus Pitre. I see
5 Dustin is here today.

6 ATTORNEY PITRE:

7 We have one matter to present for the
8 Board's consideration.

9 ATTORNEY DUSTIN MILLER:

10 Good morning, Chairman Fajt, members of
11 the Board. There's one matter relating to Revocation
12 of a casino employee before the Board today. The
13 records pertinent to this matter have been provided to
14 the Board in advance of this meeting. Upon
15 notification the Complaint filed to revoke the
16 registration of the individual named in the Complaint,
17 the individual chose not to respond to the matters set
18 forth in the Complaint. In addition, the Applicant
19 has been notified that the Board is considering her
20 Revocation today and she has the right to be present
21 to address the Board.

22 If the individual is present today, she
23 should come forward when her name is announced.
24 Sierra Taylor. This is the only request for
25 Revocation today. And Ms. Taylor had been employed as

1 a host cashier at Harrah's Chester Downs Casino and
2 registered as a Non-Gaming Employee. The OEC filed an
3 Enforcement Complaint to revoke Ms. Taylor's Non-
4 Gaming Employee Registration for failing to abide by
5 her continual duty to inform the Board of an incident
6 that would render her unsuitable to hold a Non-Gaming
7 Employee Registration. We filed that on January 22nd,
8 2010.

9 The Enforcement Complaint was properly
10 served upon Ms. Taylor to the address listed on her
11 application by both certified and regular mail. Ms.
12 Taylor did not respond to the filing in any way. Due
13 to Ms. Taylor's failure to respond, the averments in
14 the Enforcement Complaint are deemed to be admitted as
15 fact and her right to a hearing has been waived. On
16 March 12, 2010, the OEC filed a request to enter
17 judgment upon default. The matter is now before the
18 Board to consider the revocation of Ms. Taylor's Non-
19 Gaming Employee Registration.

20 CHAIRMAN:

21 Thank you. Is Ms. Taylor present today?
22 Any questions from the Board?

23 MR. SOJKA:

24 One quick one. According to the
25 documentation we received, Ms. Taylor did apparently

1 not operate alone. Can you tell us anything about a
2 coconspirator or what might be being done there?

3 ATTORNEY DUSTIN MILLER:

4 Just a little bit. I can tell you that
5 she was licensed, that a Complaint to revoke her
6 license has been filed by the OEC. And there's a
7 hearing scheduled in the matter tomorrow at the Office
8 of Hearings and Appeals.

9 CHAIRMAN:

10 Thank you. Other questions? If not,
11 could I have a motion, please?

12 MR. ANGELI:

13 Mr. Chairman, I move that the Board issue
14 an Order to Approve the Revocation of Non-Gaming
15 Employee Registration of Sierra Taylor as described by
16 the OCC.

17 MR. COY:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 ALL SAY AYE

22 CHAIRMAN:

23 Opposed? Motion passes. Thank you,
24 Dustin. Thank you, Cyrus. This concludes today's
25 business. In closing, our next scheduled public

1 meeting will be held on Wednesday, April 7th in this
2 room and it will begin at 10:00 a.m. Any final
3 comments from the Board. Could I have a Motion to
4 Adjourn, please?

5 MR. COY:

6 So moved.

7 MR. SOJKA:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 Meeting is adjourned. Thank you.

14 * * * * *

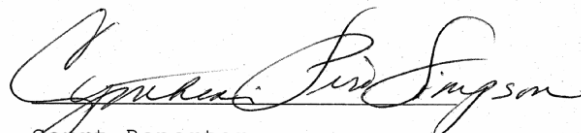
15 MEETING CONCLUDED AT 10:10 A.M.

16 * * * * *

17 CERTIFICATE

18 I hereby certify that the foregoing
19 proceedings, meeting held before Chairman Fajt, was
20 reported by me on 03/23/2010 and that I Cynthia Piro
21 Simpson read this transcript and that I attest that
22 this transcript is a true and accurate record of the
23 proceeding.

24
25


Court Reporter