

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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IN RE: STADIUM CASINO, LLC - PETITION FOR AN
INTERACTIVE GAMING CERTIFICATE

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HEARING

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BEFORE: MEMBERS OF THE BOARD:

DAVID M. BARASCH, CHAIRMAN

Richard G. Jewell

Kathy M. Manderino (via telephone)

Merritt C. Reitzel

Obra S. Kernodle, IV

Dante Santoni, Jr.

Sean Logan

EX-OFFICIO MEMBERS/DESIGNEES IN ATTENDANCE:

Jennifer Langan, Designee, Department of
Treasury

Fred Strathmeyer, Designee,
Department of Agriculture

Christin Heidingsfelder, Designee,
Department of Revenue

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HEARING: Wednesday, October 31, 2018

LOCATION: Pennsylvania Gaming Control Board

Strawberry Square

2nd Floor

Harrisburg, PA 17101

Reporter: Bernadette M. Black

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NONE OFFERED

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CHAIRMAN: Next, Stadium Casino, LLC,
Petition for Interactive Gaming. All alone.

ATTORNEY STEWART: Mr. Chairman,
Commissioners, good morning.

May it please the Board, my name is
Mark Stewart with the law firm Eckert Seamans. And
that's Stewart, S-T-E-W-A-R-T. Appearing before you
today on behalf of Stadium Casino, LLC in regards to
its Petition for an Interactive Gaming Certificate.

I don't have a presentation for you
today. Act 42 and the Interactive Gaming Petition
process, to a large degree, has placed Stadium Casino
in a bit of a pickle.

We were required to apply for the
Certificates in order to preserve the ability to
obtain them. But obviously, we do not yet have a
casino, we do not have employees. We are not capable
of providing many of the informational items required
in the petition-filing process.

Our view of the law, as laid out in
our petition, was that the 90-day time frame for the
Board to act on the petition was directory and not
mandatory. That was based on cases with which the

1 Chairman is well familiar and was probably a litigant
2 in some of them, if not all of them.

3 And to the extent there was any doubt,
4 we were prepared to afford the Board an open-ended
5 extension on it.

6 That said, Stadium Casino has no
7 objection to the conditions put forward by the Office
8 of Enforcement Counsel (OEC), to the extent that they
9 should be modified based upon the amendment that we
10 have filed. And if the Board is prepared to consider
11 the petition, we would ask that it be granted subject
12 to those - granted as amended and subject to those
13 conditions.

14 And the amendment, as you are aware,
15 was to limit our request to two Certificates instead
16 of three, with the appropriate adjustment and the fee.

17 CHAIRMAN: Just for the record,
18 explain which one you withdrew.

19 ATTORNEY STEWART: The Peer-to-Peer
20 Games. So, Stadium Casino is requesting the
21 Non-Peer-to-Peer Games that simulate slot machines and
22 Non-Peer-to-Peer Games that simulate table games.

23 CHAIRMAN: Thank you.

24 ATTORNEY STEWART: And with that,
25 other than asking that our Motion for Confidentiality

1 be granted as well, we rest.

2 CHAIRMAN: Thank you.

3 Comments from Enforcement Counsel?

4 ATTORNEY ARMSTRONG: James Armstrong
5 for the OEC.

6 Mr. Chairman, with the Board's
7 permission, the OEC would like to respond to an
8 amendment to the petition filed by Stadium Casino, LLC
9 on Monday, October 29th, which it advised the Board it
10 no longer wished to obtain certification to conduct
11 Peer-to-Peer Interactive Gaming.

12 Thank you.

13 The OEC does not object to the
14 amendment. And in response, the OEC would like to
15 amend its Answer on the record and to remove from
16 consideration our responses related to Peer-to-Peer
17 Interactive Gaming throughout the Answer, requested
18 conditions and Proposed Order.

19 Additionally, we would like to amend
20 OEC's request that Condition 23 in our Proposed Order
21 to remove the \$10 million fee and replace it with an
22 \$8 million fee for the Certification request present.

23 CHAIRMAN: That is acceptable to you
24 all?

25 ATTORNEY STEWART: Yes, Mr. Chairman.

1 CHAIRMAN: Thank you.

2 ATTORNEY ARMSTRONG: In regard to the
3 petition, the OEC, along with the Bureau of Gaming
4 Operations, the Bureau of Gaming Operations, the BIE,
5 the Bureau of Gaming Laboratory Operations, the Bureau
6 of Licensing, the Office of Diversity and the Office
7 of Compulsive and Problem Gambling have reviewed and
8 consulted extensively on the petition and the
9 appendices filed by Stadium Casino, LLC to conduct
10 Interactive Gaming and for the issuance of an
11 Interactive Gaming Certificate.

12 After which, the OEC filed an Answer
13 in this matter, requesting that the Board order the
14 implementation of certain listed conditions if it were
15 so inclined to grant the relief requested in the
16 Petition.

17 As a result, the OEC has no objection
18 to the approval of Stadium Casino, LLC's Petition to
19 Conduct Interactive Gaming and to the issuance of an
20 Interactive Gaming Certificate to Stadium Casino, LLC,
21 subject to the proposed conditions outlined in the
22 OEC's Answer filed on September 11th and thereafter
23 amended on this date on any additional conditions
24 proposed by the Board.

25 We'd be glad to answer any questions

1 you may have.

2 CHAIRMAN: Thank you.

3 Are there any questions or comments
4 from the Board?

5 Hearing none, do you have any further
6 comments?

7 ATTORNEY STEWART: No, Mr. Chairman.

8 CHAIRMAN: Okay.

9 And I assume there's no formal
10 presentation, obviously, by -

11 ATTORNEY ARMSTRONG: No, we do not.

12 CHAIRMAN: - the OEC.

13 This matter, also, will be voted on
14 later under the Office of Chief Counsel's (OCC)
15 portion of the agenda.

16 ATTORNEY STEWART: Thank you.

17 CHAIRMAN: Okay. Thank you very much.

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19 HEARING CONCLUDED

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CERTIFICATE

I hereby certify that the foregoing proceedings,
hearing held before the Pennsylvania Gaming Control
Board, was reported by me on 10-31-18 and that I,
Bernadette M. Black, read this transcript, and that
I attest that this transcript is a true and accurate
record of the proceeding.

Dated the 27th day of November, 2018

Bernadette M. Black

Bernadette M. Black,
Court Reporter