

INDIANA GAMING COMMISSION BUSINESS MEETING

3:00 p.m., August 5, 2004
Indiana Welcome Center
7770 Corinne Drive
Hammond, Indiana 46323-3128

Call to Order and Roll Call: Chairman Donald Vowels called the meeting to order at approximately 10:04 a.m. local time. A quorum was present.

Present: Commission Members: Donald R. Vowels, Chair; Ann Bochnowski, Vice-Chair; Thomas Milcarek, Secretary; I. Maurice Ndukwu. Robert Barlow and Marya Rose were not present. Staff: Glenn R. Lawrence, Jennifer Arnold, James Osborn, Jennifer Chelf, Susan Brodnan, and members of the public.

Approval of the Minutes:

Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the minutes of the April 30, 2004, business meeting were unanimously approved.

Report of the Executive Director:

Waiver of Rules and Regulations

These requests were approved by the Executive Director.

- Harrah's - A Waiver of the requirement to notify the Commission of their intent to destroy duplicate records was granted.
- Blue Chip and Caesars were granted waivers of the requirement to conduct hard drops once every four days. This is now occurring in all casinos because of the Ticket-In/Ticket-Out and discontinuing hard drops.
- Aztar, Belterra, and Trump. All were granted a waiver of 68 IAC 2-6-9(h)(7) which requires the riverboat licensees to display on the drop door meters how many times the drop door or bill validator door on an electronic gaming device machine has been opened. Harrahs was granted a waiver to use Pai Gow Dice.
- Aztar was granted a waiver of the requirement to have a cage cashier sign pouch manual jackpot slips.
- Horseshoe was granted a waiver to allow for the cashing of third party checks written by Harrah's and its affiliates. This request had been previously denied but since Harrah's now owns Horseshoe, the request was approved.
- Aztar was granted a waiver of a requirement for security escorts for a manual jackpot payout of hopper fills of .02¢ slot machines and manual jackpots under \$200.00.

The Commission adopted Resolution 2004-31 on April 30, 2004 approving Harrah's request to acquire Horseshoe Hammond. A paragraph was added to the resolution to reflect that each property will be responsible for maintaining WBE/MBE purchasing goals.

Resolution 2004-20 adopted by the Commission on April 30, 2004 approved Paulson's request to change the name of the supplier licensee. The resolution reflected the new name as Gaming

Partner's International Corporation. The correct name should be Gaming Partners International USA, Inc. which will be reflected in the resolution.

Pursuant to the settlement agreement of 02-BT-03, the Commission and Belterra entered into an agreement where Belterra would complete construction of a 300 room tower within a two year period at their Indiana property; post a \$5 Million bond to be held in escrow pending completion of the project. Upon completion within the required period of time, the \$5 Million and interest is to be paid to Pinnacle Entertainment. Commission staff has toured the facility and has determined the project is substantially complete. The Executive Director has advised Pinnacle and their escrow agent that they will be permitted to release the money.

Commissioner Dale Gettelfinger has submitted his resignation to the Commission and it has been accepted by the Governor. Mr. Gettelfinger has an association with Fuzzy Zoeller and his properties. For this reason Commissioner Gettelfinger recused himself from the deliberations of the Orange County applicants. When the Commission selected Trump as the operating agent in French Lick, Commissioner Gettelfinger felt there would be a violation of ethics for him to continue on the Commission. His resignation became effective July 21st. A search for his replacement has begun.

Argosy and the City of Lawrenceburg has agreed to amend the local development agreement where the city will allow a \$5 million/year rebate from the fees paid to the city of a period of ten years. The rebates are conditioned upon their making a certain amount of win and AGR but also their commitment to utilize that money for capital improvement expansion. Argosy is currently looking at facilities for additional gaming space including furniture, fixtures, equipment, parking hotels and other amenities directly associated with a first class hotel. Future plans include building a new facility between the land and the vessel in order to house additional restaurants, a new parking garage and new conference center. Over the next 10 years they anticipate spending between \$125 and \$150 million for capital improvement projects.

NEW BUSINESS:

Voluntary Exclusion Program. Deputy Director Arnold provided an update on the Voluntary Exclusion Program (VEP) which began on July 1, 2003. The VEP allows a person to go to a riverboat casino or the IGC offices in Indianapolis to sign up to be barred from the boats for a period of 1 year, 5 years, or life. Angela Bunton is the coordinator who will oversee the Voluntary Exclusion Program. 83 individuals have signed up since the beginning of the program on July 1st. Of these 83 individuals:

- The male to female ratio is equally split
- 50% have signed up for the lifetime option.
- 35% are from Illinois with the remaining applicants from Ohio and Kentucky.

Orange County Update. Deputy Director Arnold provided an update on the Orange County project. Trump continues to update IGC staff on financial issues. Commission Staff has forwarded a draft contract to Trump for review and comment. All parties are ready to begin negotiations. IGC staff has also been working with local representatives as they work to finalize their local agreements.

After a survey of the site has been completed, IGC staff will accompany the Business Assistance Team (BAT) on an onsite review of the proposed project. The B.A.T. concept is a recent initiative by Governor Kernan to make permitting issues more efficient and expeditious. It will assist companies with state permitting. The team includes individuals with decision making authority, from IDEM, DOT, Commerce, DNR and the State Fire Marshals office.

Boykin and Trump are in the process of completing the survey so that the exact site of the project will be finalized. It is hoped that a groundbreaking ceremony will have been held before the next IGC Business Meeting.

Resolution 2004-34

A Resolution Granting the Executive Director Authority to Negotiate and Execute the Orange County Operating Agent Contract.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote present, the Commission granted the Executive Director the authority to negotiate the terms of the Orange County Operating Agent Contract and execute the contract on behalf of the Commission.

Rules

Resolution 2004-35

A Resolution Adopting 68 IAC 1-5-1, 68 IAC 2-3-5, 68 IAC 2-3-6, 68 IAC 2-3-9, 68 IAC 2-6-49, 68 IAC 2-7-12, 68 IAC 5-3-2, 68 IAC 5-3-7, 68 IAC 8-1-11, 68 IAC 8-2-29, 68 IAC 9-4-8, 68 IAC 11-1-8, 68 IAC 12-1-15, 68 IAC 15-1-8, 68 IAC 16-1-16, 68 IAC 17-1-5, 68 IAC 17-2-6, 68 IAC 18-1-6, 68 IAC 101-5, 68 IAC 11-3-1, 68 IAC 14-4-8, 68 IAC 14-5-6, 68 IAC 15-9-4, 68 IAC 15-10-4.1, 68 IAC 15-13-2.5, and 68 IAC 18-1-2 as Final Rules.

Action: Upon motion by I. Maurice Ndukwu, second by Ann Bochnowski, and unanimous vote of those present, the Commission adopted the proposed rules which will be forwarded to the Office of the Attorney General for approval as final rules pursuant to IAC 4-22-2-32. Upon approval by the Office of the Attorney General, the rules will be submitted to the Governor's Office for approval pursuant to IAC 4-22-2-33. After the rules have been approved or deemed approved by the Governor, the rules will be submitted to the Secretary of State for filing in accordance with IC 4-22-2-35. The Commission further adopts any stylistic, grammatical, typographical, or other non-substantive changes that the Commission or the Legislative Services Agency may make to the above rules before they are printed as final rules in the Indiana Register.

New Game Approval

Resolution 2004-36

A Resolution Concerning Approval of the Game of 3-5-7 Poker. Gaming Entertainment, Inc. submitted the game of 3-5-7 Poker for approval for play on Indiana riverboats. Gaming Laboratories International, Inc. ("GLI") reviewed the information and material submitted by Gaming Entertainment, Inc. and found that the game of 3-5-7 Poker is a variation of the traditional game of Poker. Gaming Entertainment, Inc. received conditional approval of the game for a period of six (6) months, pursuant to Resolution 2003-51, adopted by the Commission on November 14, 2003. Majestic Star Casino sponsored 3-5-7 Poker by introducing the game to its casino floor following the conditional approval. Majestic Star has indicated in writing that it wishes to continue offering the game of 3-5-7 Poker.

Action: Upon motion by Thomas Milcarek, second by Maurice Ndukwu, and unanimous vote of those present, the Commission approved the game of 3-5-7 Poker for use on Indiana riverboats. All riverboats who offer the game of 3-5-7 Poker must have pre-approved rules of the game and layout schematics.

Resolution 2004-37

A Resolution Concerning the Approval of the Game of Deuces Wild Hold 'Em Fold 'Em. T & P Gaming, Inc. submitted the game of Deuces Wild Hold 'Em Fold 'Em for approval for play on Indiana riverboats. Gaming Laboratories International, Inc. (GLI) reviewed the information submitted by T & P Gaming, Inc. and found that the game of Deuces Wild Hold 'Em Fold 'Em is a variation of the traditional game of Poker. T & P Gaming, Inc. received conditional approval of the game of a period of six (6) months, pursuant to Resolution 2003-53, which was adopted by the Commission on November 14, 2003. Caesars Indiana sponsored Deuces Wild Hold 'Em Fold 'Em by introducing the game to its casino floor following the conditional approval. Caesars has indicated in writing that it wishes to continue offering the game of Deuces Wild Hold 'Em Fold 'Em.

Action: Upon motion by Ann Bochnowski, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved the game of Deuces Wild Hold 'Em Fold 'Em for use on Indiana riverboats. All riverboats who offer the game of Deuces Wild Hold 'Em Fold 'Em must have pre-approved rules of the game and layout schematics.

Resolution 2004-38

A Resolution Concerning Conditional Approval of the Game of Riverboat Hold'Em Poker. River Gaming Concepts, LLC has submitted the game of Riverboat Hold'Em Poker and has asked that the Commission consider approving it for use in Indiana. Caesars Indiana has advised the Commission, in writing, that it supports the game of Riverboat Hold'Em Poker for use in Indiana, and has submitted a draft of proposed rules for the game which it purports to utilize if the game of Riverboat Hold'em Poker is approved. Gaming Laboratories International, Inc. has reviewed the information and material submitted by RGC. GLI has forwarded its report to the Commission and has found that the game of Riverboat Hold'Em Poker is a variation of the traditional game of Poker.

Action: Upon motion by Maurice Ndukwu, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved the game of Riverboat Hold'Em Poker for use on Indiana riverboats for a trial period of six (6) months. During the trial period, all riverboats who offer the game of Riverboat Hold'Em Poker must have pre-approved rules of the game and must report those matters as directed by the Executive Director or the Executive Director's designee, which matters shall include, but are not limited to, the following information: the amount of play, the revenue generated by the game of Riverboat Hold'Em Poker, and whether the riverboat licensee wishes to continue offering the game of Riverboat Hold'Em Poker. The riverboat licensee must also document any customer complaints or incidents that are generated by the game of Riverboat Hold'Em Poker and forward those reports to the Commission. At the end of the trial period, the Commission will consider approving the game of Riverboat Hold'Em Poker to be offered on Indiana riverboats on a permanent basis.

Resolution 2004-39

A Resolution Concerning Conditional Approval of the Game of Double Win Poker. Double Win Poker, Inc. has submitted the game of Double Win Poker and has asked that the Commission consider approving it for use in Indiana. Majestic Star Casino has advised the Commission, in writing, that it supports the game of Double Win Poker for use in Indiana, and has submitted a draft of proposed rules for the game which it purports to utilize if the game of Double Win Poker is approved. Gaming Laboratories International, Inc. has reviewed the information and material submitted by Double Win Poker, Inc. GLI has forwarded its report to the Commission and has found that the game of Double Win Poker is a variation of the traditional game of Poker.

Action: Upon motion by Thomas Milcarek, second by Maurice Ndukwu, and unanimous vote of those present, the Commission approved the game of Double Win Poker for use on Indiana riverboats for a trial period of six (6) months. During the trial period, all riverboats who offer the game of Double Win Poker must have pre-approved rules of the game and must report those matters as directed by the Executive Director or the Executive Director's designee, which matters shall include, but are not limited to, the following information: the amount of play, the revenue generated by the game of Double Win Poker, and whether the riverboat licensee wishes to continue offering the game of Double Win Poker. The riverboat licensee must also document any customer complaints or incidents that are generated by the game of Double Win Poker and forward those reports to the Commission. At the end of the trial period, the Commission will consider approving the game of Double Win Poker to be offered on Indiana riverboats on a permanent basis.

Resolution 2004-40

A Resolution Concerning Conditional Approval of the Game of Double Attack Blackjack. Nu Games has submitted the game of Double Attack Blackjack and has asked that the Commission consider approving it for use in Indiana. Trump Casino has advised the Commission, in writing, that it supports the game of Double Attack Blackjack for use in Indiana, and has submitted a draft of proposed rules for the game which it purports to utilize if the game of Double Attack Blackjack is approved. Gaming Laboratories International, Inc. has reviewed the information and material submitted by Nu Games. GLI has forwarded its report to the Commission and has found that the game of Double Attack Blackjack is a variation of the traditional game of Blackjack.

Action: Upon motion by Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the game of Double Attack Blackjack for use on Indiana riverboats for a trial period of six (6) months. During the trial period, all riverboats who offer the game of Double Attack Blackjack must have pre-approved rules of the game and must report those matters as directed by the Executive Director or the Executive Director's designee, which matters shall include, but are not limited to, the following information: the amount of play, the revenue generated by the game of Double Attack Blackjack, and whether the riverboat licensee wishes to continue offering the game of Double Attack Blackjack. The riverboat licensee must also document any customer complaints or incidents that are generated by the game of Double Attack Blackjack and forward those reports to the Commission. At the end of the trial period, the Commission will consider approving the game of Double Attack Blackjack to be offered on Indiana riverboats on a permanent basis.

Resolution 2004-41

A Resolution Concerning Conditional Approval of the Game of Player's Choice Poker. New Vision Gaming requests that the Commission consider approving the game of Player's Choice Poker for use in Indiana. Grand Victoria Casino has advised the Commission in writing that it supports the same of Player's Choice Poker for use in Indiana, and has submitted a draft of proposed rules for the game which it purports to utilize if the game is approved. Gaming laboratories International, Inc. has reviewed the information and material submitted by Shuffle Master. GLI has forwarded its report to the Commission and has found that the game of Player's Choice Poker is a variation of the traditional game of Poker.

Action: Upon motion by Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the game of Player's Choice Poker for a trial period of six (6) months for use on Indiana riverboats. During the trial period, all riverboats who offer the game of Player's Choice Poker must have pre-approved rules of the game and must report those matters as directed by the Executive Director or the Executive Director's designee, which matters shall include, but are not limited to, the following information: the amount of play, the revenue generated by the game of Player's Choice Poker, and whether the riverboat licensee wishes to continue offering the game of Player's Choice Poker. The riverboat licensee must also document any customer complaints or incidents that are generated by the game of Player's Choice Poker and forward those reports to the Commission. At the end of the trial period, the Commission will consider approving the game of Player's Choice Poker to be offered on Indiana riverboats on a permanent basis.

Occupational License Matters

Frank Taylor, III HA-DEN-04-1

On or about September 14, 1999 Frank Taylor III was issued a level 2 temporary occupational license to work as a Security Officer at Harrah's Casino. Mr. Taylor disclosed one arrest on his application. During the course of a background investigation conducted by Commission staff two additional arrests that he failed to disclose were discovered. Mr. Taylor was notified of this omission in August 2002 and submitted a written statement in September 2002 indicating he was not aware of the additional charges. During the course of its investigation, Commission agents obtained arrest photos and fingerprint cards from the incidents Mr. Taylor failed to disclose. The fingerprints were analyzed by the Indiana State Police and it was determined the fingerprints were those of Mr. Taylor who was fingerprinted pursuant to his employment at Harrah's. In March of 2004 Mr. Taylor was interviewed by a Commission agent. During the course of the interview Mr. Taylor admitted he had been arrested and that he did not disclose the information on his application for an occupational license. Commission staff revoked Mr. Taylor's temporary occupational license and denied his application for a permanent license and formally advised him of this action on June 8, 2004.

Action: Upon motion by Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission denied the application for an occupational license, level 2, submitted by Frank Taylor, III. The order will become effective fifteen (15) days after it is served.

Jonathan Campbell AG-DEN-03-2

Jonathan Campbell was issued a level 2 temporary occupational license to work as a Cage Cashier at Argosy Casino on or about October 8, 2003. Mr. Campbell disclosed several arrests

on his application for an occupational license. Commission staff sent three letters to Mr. Campbell requesting court documentation showing the outcome of the arrests. Two of the letters were hand delivered to Mr. Campbell by a Commission agent at Argosy. Mr. Campbell failed to comply with the numerous requests for information. On that basis, Commission staff revoked Mr. Campbell's temporary occupational license and denied his application for a permanent license. Commission staff formally advised Mr. Campbell of this action on June 7, 2004.

Tonya Gardner
BT-DEN-04-1

On or about April 21, 2004 Tonya Gardner received a level 3 temporary occupational license to work as a Cook at Belterra Casino. During the course of her employment at Belterra, it was discovered that she took money from the cash register at the casino deli without authorization. On that basis, Ms. Gardner's employment at Belterra Casino was terminated on or about June 10, 2004. Based on the evidence collected, Commission staff determined that Ms. Gardner committed theft during the performance of her duties as a cook. Commission staff revoked Ms. Gardner's temporary occupational license and denied her application for a permanent license and advised Ms. Gardner of this action on July 15, 2004.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission denied the application for an occupational license, level 2 submitted by Tonya Gardner. The order will become effective fifteen (15) days after it is served.

Robert Tedesco
GV-FEL-04-1

On or about October 21, 2003 Robert Tedesco submitted an application to the Indiana Gaming Commission and was issued a temporary occupational license, level 2, to work in Hotel Operations at Grand Victoria Casino and Resort. Mr. Tedesco disclosed a misdemeanor conviction on his application for an occupational license. Further review indicated that the conviction would be an equivalent to a felony conviction under Indiana law. Commission staff revoked Mr. Tedesco's temporary occupational license on July 28, 2004. Mr. Tedesco submitted a request for a waiver of the felony disqualification on or about July 29, 2004. Susan Brodnan, Deputy Chief Counsel for the Commission had previously been appointed as a review officer for such matters by Glenn R. Lawrence, Executive Director of the Commission. A hearing was held to consider Mr. Tedesco's waiver request on August 2, 2004 on the property of Grand Victoria Casino and Resort in Rising Sun, Indiana. Mr. Tedesco was present at the hearing, pro se. The review officer recommends that the request for a felony waiver of Mr. Robert Tedesco be granted.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present the Commission adopted the recommendation of the review officer and granted the request for a waiver of Mr. Tedesco's disqualification due to a felony conviction.

Aapri Alexander
AZ-DEN-04-1

On or about March 17, 2004 Aapri Alexander received a level 2 temporary occupational license to work as a Cage Cashier at Casino Aztar. During the course of her employment, it was discovered that she had stolen \$125.00 from her cash drawer by placing the money in her shirt. Ms. Alexander's employment was terminated on or about April 24, 2004. Commission staff determined that Ms. Alexander committed theft during her employment. Commission staff

revoked Ms. Alexander's temporary occupational license and denied her application for a permanent license. Commission staff attempted to formally advise Ms. Alexander of this action on May 12, 2004 and again on June 9, 2004.

Action: Upon motion by I. Maurice Ndukwu, second by Ann Bochnowski, and unanimous vote of those present, the Commission denied the application for an occupational license, level 2, submitted by Aapri Alexander. The order will become effective fifteen (15) days after it is served.

**Misdemeanor Gambling Waiver Request of
Kathleen Sullivan
HH-MG-04-1**

In February 2004, Ms. Kathleen Sullivan submitted an application for a level 2 occupational license to work as a dealer at Horseshoe Casino and was received a temporary occupational license on or about March 18, 2004. Ms. Sullivan disclosed on her application a 1996 arrest for misdemeanor gambling. Ms. Sullivan submitted a request for a waiver of the gambling conviction on or about July 9, 2004. Catherine Hood, Staff Attorney for the Commission having previously been appointed as a review officer for such matters by Glenn Lawrence conducted a hearing at the Horseshoe property on March 15, 2004, to consider Ms. Sullivan's request for a misdemeanor gambling waiver. Ms. Sullivan was present, pro se. The review officer recommends that the request for the misdemeanor gambling waiver be granted.

Action: Upon motion by Ann Bochnowski, second by Thomas Milcarek, and unanimous vote of those present, the Commission adopted the recommendation of the review officer approving the request for a gambling waiver of Ms. Kathleen Sullivan.

**Waiver Regarding
James Nelick**

On or about May 13, 1996 Mr. James Nelick submitted an application for an occupational license to the Indiana Gaming Commission. On that same date Mr. Nelick received a temporary level 1 occupational license to work for Majestic Star Casino as a Captain and received a permanent occupational license on or about October 24, 2003. Mr. Nelick revealed on his application for an occupational license that he had been convicted of public intoxication in 1986 and Driving While Intoxicated in 1987 in the State of Texas. Pending Commission approval Commission staff agreed to grant Mr. Nelick a waiver of 68 IAC 2-3-5(c)(10) provided that: Mr. Nelick acknowledge that if he is arrested for the use of an illegal drug or the abuse of alcohol or if he fails a random drug test administered by an Indiana riverboat licensee, his occupational license will be revoked and the waiver shall be nullified. Mr. Nelick accepted these terms by signing an agreement on July 22, 2004.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission accepted the recommendation of the staff and granted Mr. Nelick's request for a waiver upon the conditions listed above.

**Waiver Regarding
Robert Henderson**

On or about June 6, 1996 Robert Henderson submitted an application for an occupational license to the Indiana Gaming Commission. On that same date he received a temporary level 1 occupational license to work for Horseshoe Casino as a Captain and or about June 7, 2004 he

received a permanent license. On his application he revealed that he had been convicted of Operating a Vehicle While Intoxicated in 1981 and 1986 in the State of Florida. Pending Commission approval Commission staff agree to grant Mr. Henderson a waiver provided that: Mr. Henderson acknowledge that his occupational license is a privilege and not a right and may be subject to further action by Commission staff; Mr. Henderson acknowledges that if he is arrested for the use of an illegal drug or the abuse of alcohol or if he fails a random drug test administered by an Indiana riverboat licensee, his occupational license will be revoked and the waiver shall be nullified. Mr. Henderson accepted these terms by signing an agreement on July 19, 2004.

Action: Upon motion by I. Maurice Ndukwu, second by Ann Bochnowski, and unanimous vote of those present, the Commission accepted the recommendation of the staff and granted the waiver containing the conditions listed above.

Waiver Regarding Bruce Werts

On or about April 18, 1997 Bruce Werts submitted an application for an occupational license to the Indiana Gaming Commission. On or about that same date he received a temporary level 1 occupational license to work for Harrah's Casino as a Captain. On his application he revealed that he had been convicted of Driving While Intoxicated in 1980, 1981, and 1990 in the State of Michigan. Pending Commission approval Commission staff agree to grant Mr. Werts a waiver provided that: Mr. Werts acknowledges that his occupational license is a privilege and not a right and may be subject to further action by Commission staff; Mr. Werts acknowledges that if he is arrested for the use of an illegal drug or the abuse of alcohol or if he fails a random drug test administered by an Indiana riverboat licensee, his occupational license will be revoked and the waiver shall be nullified. Mr. Werts accepted these terms by signing an agreement on July 21, 2004.

Action: Upon motion by, Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission accepted the recommendation of the staff and granted the waiver containing the conditions listed above.

Waiver Regarding John Bloom

On or about May 13, 1996 John Bloom submitted an application for an occupational license. On that same date he received a temporary level 1 occupational license to work for Majestic Star Casino as a Captain and received a permanent license on or about October 25, 2003. On his application he revealed that he had been convicted of Possession of Marijuana in 1974 in the State of Louisiana. Pending Commission approval, Commission staff agree to grant Mr. Bloom a waiver provided that: Mr. Bloom acknowledges that his occupational license is a privilege and not a right and may be subject to further action by Commission staff; Mr. Bloom acknowledges that if he is arrested for the use of an illegal drug or the abuse of alcohol or if he fails a random drug test administered by an Indiana riverboat licensee, his occupational license will be revoked and the waiver shall be nullified. Mr. Bloom accepted these terms by signing an agreement on July 21, 2004.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu and unanimous vote of those present, the Commission accepted the recommendation of commission staff and granted the waiver upon the above conditions.

Waiver Regarding Trevor Sweeney

On or about October 6, 2000 Mr. Trevor Sweeney submitted an application for a temporary level 1 occupational license to work for Belterra Casino as a Captain. On or about the same date he received a temporary occupational license. On his application he revealed that he had been convicted of Driving Under the Influence in 1986 in the State of Illinois and Public Intoxication in 1997 and Operating a Vehicle While Intoxicated in 2002 in the State of Indiana.

Action: Upon motion by I. Maurice Ndukwu, second by Ann Bochnowski, and unanimous vote of those present, the Commission accepted the recommendation of staff and granted the waiver upon the above conditions.

Supplier's License Matters

Resolution 2004-42

A Resolution Concerning the Renewal of Supplier's Licenses held by Atronic Americas, LLC; Gemaco, Inc; Gaming Partners International USA, Inc. (Paul-son), Osborne Coinage Co., Mikohn Gaming Corporation, VendingData Corporation and Spin for Cash Wide Area Progressive Joint Venture. These licensees have requested renewal of licensure and the renewal fees have been paid in accordance with 68 IAC 2-2-3(c) and 68 IAC 2-2-8. The licensees may have outstanding background investigation fees and will be responsible for payment of the background fees. If payment for the background fees is not received as directed by the Commission staff, the license will be subject to non-renewal or revocation.

Action: Upon motion by Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission granted the renewal of the Supplier's Licenses issued to Atronic Americas, LLC; Gemaco, Inc; Gaming Partners International USA, Inc. (Paul-son), Osborne Coinage Co., Mikohn Gaming Corporation, VendingData Corporation and Spin for Cash Wide Area Progressive Joint Venture on the condition that any outstanding background fees are paid as directed by the Commission staff. The Supplier's Licenses will be valid for a period of one (1) year from the date of issuance. The Supplier's Licensees must request renewal of the Supplier's License at least thirty (3) days before the expiration of the license and pay the Five Thousand Dollar (\$5,000) renewal fee.

Resolution 2004-43

A Resolution Granting Temporary Supplier's License to Cummins-Allison Corp. A preliminary background investigation conducted by the Indiana State Police has indicated the company meets the criteria for licensure as a supplier. They continue to conduct a complete background investigation of the company.

Action: Upon motion by I. Maurice Ndukwu, second by Ann Bochnowski, and unanimous vote of those present, the Commission issued a temporary Supplier's License to Cummins-Allison Corp. The temporary Supplier's License will remain valid until the date that permanent Supplier's License is issued or until the temporary Supplier's License is revoked. The temporary supplier licensee must pay all costs associated with the completion of the background investigation to the extent the amount exceeds the application fee that was paid. The temporary

supplier licensee must sign an affidavit acknowledging the conditions listed in Resolution 2004-43 that are placed on the issuance of the temporary supplier licensee.

Resolution 2004-44

A Resolution Concerning the Request of Acres Gaming, Incorporated to Withdraw Its Temporary Suppliers License. The Commission issued a temporary Supplier's License to Acres Gaming, Inc. on or about September 5, 1996. Acres Gaming, Inc. is a wholly owned subsidiary of International Game Technology. The Commission was notified in June 2004 that Acres Gaming, Inc., will be integrated into IGT and will function as a division of IGT and that the Acres Gaming, Inc., legal entity will no longer exist. All Acres Gaming, Inc. products will be sold and invoiced by IGT. Acres Gaming, Inc. has requested the ability to surrender its temporary Supplier's License. The request was submitted on or about July 1, 2004.

Action: Upon motion by Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission granted Acres Gaming, Inc.'s request to withdraw its temporary Supplier's License. Acres Gaming is responsible for paying any outstanding background investigation fees. If Acres Gaming or its parent company fails to make payment for the background investigation fees, IGT will be subject to Commission action.

Resolution 2004-45

A Resolution Concerning the Denial of a Supplier's License to Gaming Systems International. Gaming Systems International filed an application for a supplier's license in September 1996 to supply software systems for playing tracking and accounting purposes to Indiana riverboats. On or about January 14, 1997 GSI requested a suspension in the processing of its license application. On or about June 8, 1999, October 23, 2003 and again on November 7, 2003, the Commission staff sent letters requesting GSI reactivate its application for a supplier's license or request that the application be withdrawn. Several attempts had been made to contact a representative of GSI. GSI did not respond to any of these requests.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission denied the supplier's license application of Gaming Systems International for non-communication with the Commission and lapse of time since filing application.

Resolution 2004-46

Global Surveillance Associates was advised via e-mail on or about November 24, 2003 that a Supplier's License was necessary to supply surveillance equipment to Harrah's East Chicago Casino and acknowledged receipt of the application materials via e-mail on November 26, 2003. Global Surveillance Associate's application was turned over to the Commission's Background Investigation Unit in December 2003 for investigation. In January 2003, Commission agents at Harrah's notified Commission staff that Global Surveillance Associates had been performing duties at Harrah's during November and December of 2003. Vendor logs received from Harrah's verify this information. Specifically, Global Surveillance Associates performed duties at Harrah's on nine separate days from November 24, 2003, the date they were advised that a Supplier's License was required, and December 31, 2003. At no time did the Commission issue a temporary or permanent supplier's license to Global Surveillance Associates. Based upon information uncovered during the course of the investigation, Commission staff determined that Global Surveillance Associates is not suitable to hold a Supplier's License.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission denied the application for a Supplier's License submitted by Global Surveillance Associates.

**Order
Miller Pizza**

Pursuant to Resolution 2004-16 the Commission denied Miller Pizza's application for a supplier's license to provide services on the riverboats located in Buffington Harbor. On May 17, Miller Pizza submitted a request for hearing to appeal that denial. The matter was forwarded to Administrative Law Judge David Rimstidt for action. Pending Commission approval, the Commission and Miller Pizza agreed to a settlement. Judge Rimstidt recommends that, if the commission approves the proposed terms of the settlement agreement, that the appeal be dismissed.

Action: Upon motion by I. Maurice Ndukwu, second by Ann Bochnowski, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement and accepted the Administrative Law Judge's recommendation to dismiss.

Resolution 2004-47

A Resolution Concerning the Renewal of the Riverboat Owner's License Held by Grand Victoria Casino and Resort, LP. The Commission issued a Riverboat Owner's License to the entity known as the Grand Victoria Casino and Resort, LP on September 16, 1996. Pursuant to IC 4-33-6-12(b), a licensed owner shall undergo a complete investigation every three (3) years to determine that the licensed owner remains in compliance with IC 4-33. The three (3) year investigation coincides with Grand Victoria's annual license renewal, which is due in September 2004. The Commission has not completed the reinvestigation of the renewal of the Riverboat Owner's License issued to Grand Victoria, and the Commission intends to hold a public hearing in Rising Sun, Indiana, where Grand Victoria will have an opportunity to make a presentation. Grand Victoria submitted the payment of a five thousand dollar (\$5,000) annual renewal fee and a statement indicating its intent to continue the riverboat gambling operation more than thirty (30) days prior to the expiration of the license, and the Commission may make a preliminary finding that Grand Victoria satisfies the conditions of Indiana Code 4-33.

Action: Upon motion by I. Maurice Ndukwu, second by Thomas Milcarek, and unanimous vote of those present, the Commission made a preliminary determination to renew the Riverboat Owner's License held by Grand Victoria Casino and Resort, LP. The license will remain valid until the Commission reconvenes to hold a public hearing concerning the investigation of the Riverboat Owner's License held by Grand Victoria Casino and Resort, LP.

Licensure Renewal

Blue Chip, LLC

The riverboat owner's license held by Blue Chip LLC was renewed on July 11, 2003 and expires on August 17, 2004. Blue Chip has requested the renewal of its license and has submitted the required application fee. Commission staff recommends that their license be renewed for one year expiring August 17, 2005.

Action: Upon motion by Thomas Milcarek, second by Ann Bochnowski, and unanimous vote present, the Commission granted Blue Chip's request to renew their license for a period of one year, expiring August 17, 2005.

Resolution 2004-49

A Resolution Concerning Financing by Harrah's Operating Company, Inc. Harrah's Operating Company, Inc. owns 99.775% of Showboat Marina Casino Partnership, the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in East Chicago, Indiana. Harrah's Operating Company, Inc. also owns 100% of Horseshoe Gaming Holding Corp., the entity that holds the riverboat owner's license to operating a riverboat gaming facility located in Hammond, Indiana. Harrah's Entertainment, Inc. is the parent company of Harrah's Operating Company, Inc. At the April 30th meeting of the Commission, Harrah's made a first presentation seeking Commission approval for amending and restating its current credit agreement with Bank of America to allow up to \$3,000,000,000 in debt at a variable interest rate. In order to close on the amendment and restatement on June 24, 2004, Harrah's requested and received approval for both a waiver of the two-meeting rule and the amendment and restatement under the provisions of Resolution 2003-2 on June 24, 2004. Harrah's requested ratification of both the interim waiver and approval granted on June 24, 2004 for the amendment and restatement of its current credit agreement with Bank of America at the terms described above.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved Harrah's request for ratification of the waiver of 68 IAC 5-3-2(b)(3) the two meeting rule.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved Harrah's request for ratification of the approval of Harrah's amendment and restatement of its current credit facility with Bank of America to allow \$3,000,000,000 in debt pursuant to Resolution 2003-2.

Resolution 2004-50

A Resolution Concerning Financing by Argosy Gaming Company. Argosy Gaming Company is the holding company of the Indiana Gaming Company which is the majority partner in Indiana Gaming, LP the entity that holds the riverboat owner's license to operate a gaming facility located in Lawrenceburg, Indiana. Representatives from Argosy Gaming appeared before the Commission and requested approval to replace its current credit facility with Wells Fargo Bank. Currently, Argosy has a \$400,000,000 revolving credit facility with a \$275,000,000 term loan. Argosy plans to replace these instruments with a \$500,000,000 credit facility and up to a \$175,000,000 term loan with a \$200,000,000 green show provision. Argosy also requested a waiver of the two meeting rule and approval of the replacement of its current credit agreement with Wells Fargo Bank.

Action: Upon motion by I. Maurice Ndukwu, second by Ann Bochnowski, and unanimous vote of those present, the Commission approved Argosy's request for a waiver of 68 IAC 5-3-2(b)(3), the two meeting rule.

Action: Upon motion by I. Maurice Ndukwu, second by Ann Bochnowski, and unanimous vote of those present, the Commission approved Argosy's request for the replacement of Argosy's current credit facility with Wells Fargo Bank allowing a \$500,000,000 credit facility and up to a \$175,000,000 term loan with a \$200,000,000 greenshoe provision.

Resolution 2004-51

Pinnacle Entertainment, Inc. is the parent corporation of Belterra Resort (Indiana) LLC, the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in

Belterra, Indiana. Pinnacle advised the Commission, by letter dated July 26, 2004, of its intention to seek approval to amend its existing \$272,000,000 credit facility with Lehman Brothers & Bear Stearns by increasing the facility to a maximum amount of \$400,000,000. The credit facility will be comprised of a \$125,000,000 revolver, a \$150,000,000 funded term loan, and a \$125,000,000 delayed draw term loan. Pinnacle requested a waiver of the two meeting rule and approval of the amendment of its current credit agreement with Lehman Brothers & Bear Stearns at the terms listed above.

Action: Upon motion by Ann Bochnowski, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved Pinnacle's request for a waiver of 68 IAC 5-3-2(b)(3), the two meeting rule.

Action: Upon motion by Ann Bochnowski, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved Pinnacle's request to amend their current credit facility with Lehman Brothers & Bear Stearns allowing maximum \$400,000,000 debt comprised of a \$125,000,000 revolver, a \$150,000,000 funded term loan, and a \$125,000,000 delayed draw term loan.

Resolution 2004-52

Boyd Gaming Corporation is the parent corporation of Blue Chip Casino, LLC, the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in LaPorte County, Indiana. Boyd recently purchased the Sun Harbor Budget Suites located next to the Stardust on the Las Vegas Strip for \$43,000,000. As part of the purchase price, Boyd intends to assume Sun Harbor's mortgage of approximately \$17,000,000 at an interest rate of 8.77%. In a letter dated July 28, 2004 Boyd requested Commission approval of Boyd's assumption of the mortgage. Boyd Gaming requested a waiver of the two meeting rule and approval of the assumption of the Sun Harbor mortgage at the terms described above.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved Boyd Gaming's request for a waiver of 68 IAC 5-3-2(b)(3), the two meeting rule.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved Boyd's request to assume the \$17,000,000 Sun Harbor mortgage at 8.77%.

Resolution 2004-53

A Resolution Concerning Financing By Aztar Corporation. In Resolution 2004-28 the Commission approved Aztar's request to issue up to \$400 million in 2014 Notes at a coupon not to exceed 7.25%. By letter dated May 13, 2004 Aztar advised the Commission interest rates had become more volatile and requested the condition on the interest rate for the notes approved in 2004-28 be increased from 7.25% to 8.5%. Pursuant to Resolution 2003-2, the Executive Director, after consulting with the Chairman and Mr. Gettelfinger, approved the interest rate increase on May 19, 2004. Aztar requested ratification of both the waiver of the two meeting rule and approval granted May 19, 2004 to life the interest rate ceiling set in Resolution 2004-28 at the terms described above.

Action: Upon motion by I. Maurice Ndukwu, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved Aztar's request for a waiver of 68 IAC 5-3-29b)(3), the two meeting rule.

Action: Upon motion by I. Maurice Ndukwu, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved Aztar's request to increase the interest rate ceiling set in Resolution 2004-28 to 8.5%.

MBE/WBE

Order Belterra Resort (Indiana), LLC Minority and Women Owned Business Participation

The Indiana Gaming Commission issued a riverboat owner's license to Belterra Resort, LLC on October 23, 2000. On December 6, 2001 the Commission approved an MBE/WBE Compliance Plan submitted by Belterra. The plan was submitted in response to the discovery that Belterra had been falling short of meeting the statutory goals regarding minority and woman owned business participation. Pursuant to the plan, Belterra set aside \$750,000 in a fund designed to help grow and support minority and women owned businesses in the community. All money from the fund has been distributed. Belterra was also required to submit monthly progress reports to the Commission regarding purchasing and appear at all live Commission meetings to provide information regarding its progress in this area. Belterra has complied with these directives. Belterra has satisfied the statutory MBE/WBE goals for 2002 and 2003. Belterra has represented to the Commission that it has made up the shortfall experienced prior to submission of the action plan.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved Belterra's released from its obligation to appear at all Commission meetings and submit monthly written progress reports prior to each meeting. The Commission reserved the right to take further disciplinary action regarding Belterra's MBE/WBE participation should the facts and circumstances change.

Disciplinary Action Matters

Belterra Resort (Indiana) LLC Complaint No. 04-BT-1

Pursuant to 68 IAC 8-2-2 a riverboat licensee shall have at least one certified emergency medical technician on the riverboat at all times that patrons are present. On or about March 25, 2004 from approximately 5:25 am to 6:00 am there was no EMT on board the vessel. The certified EMT working that night left the vessel for a total of thirty-five (35) minutes. This left the vessel without an EMT available while patrons were still on board. During the last part of March 2004 four days of wagering taxes were not paid in a timely manner due to a system failure of the financial institution employed by Belterra to conduct the electronic funds transfer. It is the responsibility of Belterra to ensure their wagering tax payments are completed in a timely manner. Pending Commission approval commission staff and Belterra agree that a sanction be imposed due to these actions and that Belterra pay fines in the amount of \$22,500.00; \$2,500 for failure to maintain an EMT on board the vessel, \$20,000 for late payment of wagering taxes; \$5,00 for each incident.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement.

Blue Chip Casino, LLC
Complaint No. 04-BC-2

On or about May 4, 2004 a deckhand allowed three vendors to enter the vessel. Without asking to see badges, a security officer directed the three vendors onto the vessel. Another security officer noticed that one of the vendors did not have a vendor's badge. This officer asked the vendor his age to which the vendor replied that he was nineteen (19) years old. The minor vendor was then taken to the security dispatch office where he was escorted off the vessel. Commission agents on board the vessel were not notified of the incident. Pending Commission approval, Commission staff and Blue Chip agree that a sanction be imposed and that Blue Chip will agree to pay a fine in the amount of \$4,500.00.

Action: Upon motion by Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement.

Aztar Indiana Gaming Company, LLC
Complaint No. 04-AZ-2

Between April 11, 2004 and May 6, 2004 there were four instances where minor's obtained access to the riverboat. On April 12, 2004 an audit was conducted by Commission staff. The audit revealed three regulatory violations. The first violation involved a failure of the soft count team to count nine bill validator boxes for the gaming day of April 8, 2004. The uncounted boxes were left on a cart containing empty boxes that had been counted. The boxes were found and counted on April 10, 2004. The second violation involved a failure to file the RG-1 for gaming day April 1, 2004 in a timely manner. The form was filed one day late on April 6, 2004. The third violation involved a failure to timely file taxes for gaming day April 6, 2004. The taxes were filed one day late on April 9, 2004. Pending Commission approval, commission staff and Aztar agree that Aztar will pay a fine in the amount of \$38,500.00.

Action: Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement.

NEXT MEETING:

The next meeting of the Indiana Gaming Commission will be October 1, 2004 at 10:00 a.m. in the offices of the Indiana Gaming Commission at 115 W. Washington St., Ste. 950 S., Indianapolis, IN.

ADJOURNMENT:

Upon motion by Ann Bochnowski, second by I. Maurice Ndukwu, and unanimous vote of those present, the meeting was adjourned.

MINUTES:

Fissinger & Knight Court Reporters transcribed the August 4, 2004 Business Meeting. Consequently, the transcript is the complete record of the meeting. Anyone wishing to see the transcript can review it in the Commission office or obtain a copy of the transcript from Fissinger & Knight Court Reports, Plum Creek Plaza, 222 Indianapolis Blvd., Suite 207, Schererville, Indiana 46375, (219) 931-7293.

These minutes were prepared by Rhonda K. Dalton, Executive Secretary of the Indiana Gaming Commission.

Respectfully submitted,

Rhonda K. Dalton (FACSIMILE)
Rhonda K. Dalton

THE INDIANA GAMING COMMISSION:

Donald R. Vowels (FACSIMILE)
Donald Vowels, Chair

Thomas Milcarek (FACSIMILE)
Thomas Milcarek, Secretary