

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

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BEFORE: WILLIAM H. RYAN, JR., CHAIRMAN
Gregory C. Fajt, James B. Ginty,
Keith R. McCall, Anthony C. Moscato,
Gary A. Sojka, Kenneth I. Trujillo; Members
Christopher Craig, Representing Robert M.
McCord, State Treasurer
Robert Coyne, Representing Daniel P.
Meuser, Secretary of Revenue
Jorge Augusto, Representing George Greig,
Secretary of Agriculture

MEETING: Wednesday, March 21, 2012, 10:00 a.m.

LOCATION: Pennsylvania Gaming Control Board
Strawberry Square Complex, Second Floor
Harrisburg, PA 17101

WITNESSES: LiWei Zhou

Reporter: Jolynn C. Prunoske

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CHAIRMAN:

Good morning, ladies and gentlemen. My name is Bill Ryan. I'm Chairman of the Pennsylvania Gaming Control Board. Before we begin, as we always do, I would ask everyone to please turn off cell phones, PDAs and other electronic devices.

Okay. Thank you very much. Joining us today is Christopher Craig, representing the State Treasurer Robert McCord; Robert Coyne, representing Secretary, Department of Revenue, Daniel Meuser; and Jorge Augusto, Deputy Secretary of Agriculture, representing Secretary of Agriculture George Greig. Thank you all for coming.

We have a quorum, so I will formerly call today's meeting to order. First order of business, I ask everyone to stand for the pledge of allegiance.

PLEDGE OF ALLEGIENCE RECITED

ORAL ARGUMENT CONDUCTED

CHAIRMAN:

We will now begin our regularly scheduled meeting. By way of announcements, the Board held an Executive Session yesterday for the purpose of discussing personnel matters pending litigation and to

1 conduct quasi-judicial deliberations relating to
2 matters being considered by the Board today. Our
3 first order of business is we'll have consideration of
4 a motion to approve the transcript and minutes of the
5 Board's February 8, 2012 meeting. May I have a
6 motion?

7 MR. FAJT:

8 Mr. Chairman, I move that the Board
9 approve the minutes and transcript of the February 8,
10 2012 meeting. Thank you.

11 MR. GINTY:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 AYES RESPOND

16 CHAIRMAN:

17 Opposed? The motion carries. Next,
18 Kevin O'Toole, Executive Director, will provide his
19 report. Kevin?

20 MR. O'TOOLE:

21 Good morning, Chairman Ryan, Members of
22 the Board. Our staff assigned to the opening team
23 have been onsite at Valley Forge this week to ensure
24 that all regulatory details are completed prior to the
25 opening of Valley Forge Casino Resort, the first

1 Category 3 Slot Machine Licensee to open for business.

2 This morning I have a resolution to read
3 into the record that will accomplish two important
4 steps. First, a resolution request that the Board
5 approve proposed internal controls and audit protocols
6 submitted by Valley Forge. And second, the resolution
7 will delegate authority to Chairman Ryan, Commissioner
8 Fajt and Commissioner Ginty to act on behalf of the
9 full Board in authorizing commencement of gambling
10 activity at Valley Forge subject to the successful
11 completion of two test periods.

12 The resolution reads as follows, whereas
13 under Title IV of the Pennsylvania Consolidated
14 Statutes at Section 1202(a)(1), the Pennsylvania
15 Gaming Control Board has general and sole regulatory
16 authority over the conduct of gaming and related
17 activities, and whereas under Chapter 58 of the
18 Pennsylvania Code, Section 467 A.2b, a slot machine
19 licensee may not commence slot operations until the
20 slot machine licensee successfully demonstrates to the
21 Board that no less than nine criteria are met,
22 including but not limited to confirmation that the
23 slot machines and associated equipment are properly
24 operating, that adequate surveillance and security
25 measures are in place, that the slot machine

1 licensee's employees are all properly licensed,
2 permitted or registered by the Board, as well as
3 properly trained, that all conditions of licensure
4 have been met, that the licensee's proposed site plan,
5 internal systems and audit protocols have been
6 approved by the Board, and that the slot machine
7 licensee has successfully completed the test period,
8 and whereas under Title IV of the Pennsylvania
9 Consolidated Statutes at Section 13, capital A.22, a
10 slot machine licensee holding a Table Games Operation
11 Certificate may not commence table game operations
12 until the certificate holder is shown to be in full
13 compliance with the Pennsylvania Racehorse Development
14 and Gaming Act, the table games related internal
15 controls and audit protocols are found to be
16 sufficient, all table game employees are properly
17 authorized and credentialed, the certificate holder is
18 prepared in all respects to offer table games to the
19 public, and all necessary internal and management
20 controls, security arrangements and surveillance
21 systems are in place and operational, and whereas the
22 Board has previously approved Valley Forge Convention
23 Center Partners for slot machine licensure, to hold
24 the table games operations certificate, as well as
25 Valley Forge Convention Center Partners site plan, and

1 whereas Board staff has now reviewed the proposed
2 internal controls and audit protocols submitted by
3 Valley Forge Convention Center Partners as they relate
4 to both slot machine operations and table game
5 operations, and Board staff recommends that the Board
6 approve the proposed internal controls and audit
7 protocols submitted by Valley Forge Convention Center
8 Partners, and whereas Valley Forge Convention Center
9 Partners continues to work towards meeting the other
10 prerequisites to commencing slot machine and table
11 games operations, and whereas the Board has in the
12 past delegated authority upon certain members of the
13 Board, acting collectively, to review whether all
14 remaining pre-opening criteria have been met and to
15 grant authorizations on behalf of the full Board when
16 the required criteria have been met, and whereas the
17 Board believes it is once again in the Board's best
18 interest to delegate such authority to certain members
19 of the Board, now be it resolved that the Board hereby
20 approves the proposed internal controls and audit
21 protocols submitted by Valley Forge Convention Center
22 Partners as they relate to both slot machine
23 operations and table games operations. And be it
24 further resolved that Board Members William H. Ryan,
25 Jr., Gregory C. Fajt and James B. Ginty are delegated

1 authority to determine whether Valley Forge Convention
2 Center Partners has demonstrated that all pre-opening
3 criteria have been met and to authorize commencement
4 of slot operations and table game operations for the
5 Valley Forge Casino Resort.

6 The Board members delegated this
7 authority shall also have the authority to approve
8 minor modifications of any gaming floor plan
9 previously approved by the full Board between the date
10 of such Board approval and the commencement of slot
11 operations. I request at this time that a motion be
12 made to approve this resolution.

13 CHAIRMAN:

14 Any questions or comments from the Board?
15 From Ex-Officio members? May I have a motion?

16 MR. GINTY:

17 Mr. Chairman, I move that the Board adopt
18 the resolution related to Valley Forge Convention
19 Center Partners as described by the Executive
20 Director.

21 MR. MCCALL:

22 Second.

23 CHAIRMAN:

24 All in favor?

25 AYES RESPOND

1 CHAIRMAN:

2 Opposed? The motion carries. Thank you,
3 Kevin. Next will be Claire Yantis, Human Resources
4 Director.

5 MS. YANTIS:

6 Good morning, Chairman, Board Members.
7 The Office of Human Resources has two motions for your
8 consideration today. The first motion before you
9 today seeks to hire Mr. Chris Stever in the position
10 of Casino Compliance Representative at SugarHouse
11 Casino. Mr. Stever has completed the PGCB interview
12 process, background investigation and drug screening
13 and is being recommended for hire by Director of
14 Casino Compliance, Jerry Stoll. As such I ask that
15 the Board consider a motion to hire Mr. Stever as
16 indicated.

17 CHAIRMAN:

18 Any questions or comments from the Board?
19 Ex-Officio members? May I have a motion?

20 MR. MCCALL:

21 Mr. Chairman, I move that the Board
22 approve the applicant as proposed on condition that
23 they have completed the necessary background
24 investigations and drug testing.

25 CHAIRMAN:

1 Second?

2 MR. MOSCATO:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 AYES RESPOND

7 CHAIRMAN:

8 Opposed? The motion carries.

9 MS. YANTIS:

10 The second motion before you today is a
11 motion to ratify the hiring of two new individuals.
12 As you may recall, on February 29th, 2012 the Board
13 passed a motion to delegate authority for its
14 Personnel Committee to approve the hiring of
15 individuals that have successfully completed
16 background investigations between February 29th, 2012
17 and March 20th, 2012.

18 In that time frame, the Personnel
19 Committee approved the hire of Gerald Lynch in the
20 position of Casino Compliance Representative at
21 SugarHouse Casino and Jeremy Banks in the position of
22 Casino Compliance Representative at Harrah's. Unless
23 you have any questions, I'd ask that you consider a
24 motion ratifying the hire of these two individuals, as
25 required by the February 29, 2012 Board Action.

1 CHAIRMAN:

2 Questions or comments from the Board?
3 Ex-Officio members? May I have a motion?

4 MR. MOSCATO:

5 Mr. Chairman, I move that the Board
6 ratify the previous hearing of applicants as described
7 by the Director of Human Resources.

8 MR. SOJKA:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 AYES RESPOND

13 CHAIRMAN:

14 Opposed? The motion carries. Thank you,
15 Claire. Next will be Stacey Knavel, representing the
16 Budget Manager and presenting the financial update.
17 Good morning, Stacey.

18 MS. KNAVEL:

19 Good morning. My report today summarizes
20 agency expenditures through February. Through
21 February spending for the fiscal year totaled \$21.6
22 million. Expenditures recorded in February alone
23 totaled \$2.6 million.

24 For the year, personnel ---. I'm sorry.
25 For the year personnel expenditures totaled \$17.9

1 million or 83 percent of overall spending for the
2 fiscal year. Payroll expenses for February totaled
3 \$2.3 million. Operating expenses reported in February
4 totaled \$369,000, bringing the year-to-date total of
5 operating expenses to \$3.7 million.

6 Rentals and leases totaling \$1.4 million
7 was the largest category of operating expense to date
8 and represents 38 percent of operating expenses.
9 Services totaling \$958,000 and comprising 26 percent
10 of operating expenses was the second largest operating
11 expense for far this fiscal year. And the third
12 largest category of operating expense was other
13 operating expenses. This category accounted for
14 \$590,000, or 14 percent of the total.

15 Telecommunications expenses totaling
16 \$355,000 accounted for ten percent of the year-to-date
17 expenses. Finally, travel expenses totaling \$181,000,
18 represented the fifth largest operating expense to
19 date and accounted for five percent of the year-to-
20 date operating expenses.

21 CHAIRMAN:

22 Any questions or comments from the Board?
23 Ex-Officio members? Thank you, Stacey. Office of
24 Chief Counsel, Mr. Sherman?

25 ATTORNEY SHERMAN:

1 Good morning, Chairman, members of the
2 Board. Our first agenda items relate to Final-form
3 Regulations, which Assistant Chief Counsel Susan Yocum
4 will present.

5 ATTORNEY YOCUM:

6 Good morning, Chairman, Commissioners. I
7 have two Final-form Rulemakings for your consideration
8 today. That is 125-152 and 125-154. I am happy to
9 announce that these are the last rulemakings
10 transitioning the initial 29 temporary chapters on
11 table games into Final-form Rulemakings.

12 First, 125-152 addresses the rules of
13 play for three-card poker, four-card poker, Ultimate
14 Texas Hold 'Em and Let it Ride. During the comment
15 period, we did receive comments from Hollywood Casino
16 and the Independent Regulatory Review Commission.
17 Several rules were incorporated into this Final-form
18 Rulemaking. Additionally, we did add a --- some side
19 wagers to Let it Ride and some additional pay tables.
20 I'd be happy to answer any questions you may have.

21 CHAIRMAN:

22 Questions or comments from the Board?

23 MR. SOJKA:

24 There were no outside comments on that
25 last set of items, the side bets and so on?

1 ATTORNEY YOCUM:

2 No.

3 MR. SOJKA:

4 No. But they had plenty of time?

5 ATTORNEY YOCUM:

6 Yes.

7 CHAIRMAN:

8 Anyone else? Ex-Officio members? May I
9 have a motion?

10 MR. SOJKA:

11 Yes. Mr. Chairman, I'll move that the
12 Board adopt the Final-form Regulation Number 125-152,
13 as described by the OCC, and that the regulation be
14 posted on the Board's website.

15 CHAIRMAN:

16 Second?

17 MR. TRUJILLO:

18 Second.

19 CHAIRMAN:

20 All in favor?

21 AYES RESPOND

22 CHAIRMAN:

23 Opposed? The motion carries.

24 ATTORNEY YOCUM:

25 The last Rulemaking is 125-154, which

1 addresses the rules of play for Texas Hold 'Em Bonus
2 Poker and Four Game Side Poker. We did receive
3 comments from the Independent Regulatory Review
4 Commission, not from the operators. We did include
5 updates to several of the pay tables but there were no
6 substantive additions made to the rulemaking.

7 CHAIRMAN:

8 Questions or comments from the Board?
9 Ex-Officio members? May I have a motion?

10 MR. TRUJILLO:

11 Mr. Chairman, I move that the Board adopt
12 the Final-form Regulation Number 125-154, as described
13 by the OCC, and that the regulation be posted on the
14 Board's website.

15 MR. FAJT:

16 Second.

17 CHAIRMAN:

18 All in favor?

19 AYES RESPOND

20 CHAIRMAN:

21 Opposed? The motion carries. Thank you,
22 Susan. Doug?

23 ATTORNEY SHERMAN:

24 Today the Board has four petitions before
25 it for consideration, one of those involving Eastern

1 Pennsylvania Citizens Against Gambling and Mr.
2 Schneller, or the subject of the Oral Argument
3 earlier. The remaining three petitions will be
4 considered on the documents.

5 As to each of the petitions, the Board
6 has, in advance of this meeting, been provided with
7 all of the pleadings and any other responsive
8 documents, memoranda or evidence which has been filed
9 in the record. I'll briefly describe each and ask for
10 a motion.

11 The first petition before the Board today
12 is that of Eastern Pennsylvania Citizens Against
13 Gambling, and it's a request to issue a Stay of all
14 activities relating to the construction and
15 commencement of operations of Valley Forge Convention
16 Center Partners' licensed facility. The Board has
17 heard argument on that. Mr. Schneller, as we had
18 indicated, is not present. If there are any
19 questions, I'd be happy to answer them. Otherwise,
20 I'd ask for a motion on that motion for stay.

21 CHAIRMAN:

22 Questions or comments from the Board?
23 Ex-Officio members? May I have a motion?

24 MR. FAJT:

25 Mr. Chairman, I move that the Board deny

1 the request for a stay filed by PA Citizens Against
2 Gambling, as described by the OCC. I further move
3 that the Board deny Valley Forge's request for
4 administrative sanctions at this time.

5 MR. GINTY:

6 Second.

7 CHAIRMAN:

8 Second? Mr. King, speaking for myself as
9 the newest member of this Board, I will tell you that
10 I can't help but have a great deal of sympathy for you
11 and for Valley Forge in this matter. Maybe it's my
12 old age. I'm getting soft. Or maybe I haven't been
13 here long enough, but with respect to your request for
14 a remedy here, I can't go there. But I can tell you,
15 sir, I'm about this (indicating) close, because this
16 can't go on. But I think at this point, that's where
17 it is.

18 ATTORNEY KING:

19 Okay. Thank you.

20 MR. TRUJILLO:

21 Mr. Chairman, if I may, I understand
22 the --- both the frustration, but I am in agreement
23 with what Mr. Craig said earlier today, which is that
24 the two things that worry me --- you know, I was a
25 federal prosecutor and lots of other lives I've had,

1 you know, when you have pro se litigants, there's a
2 frustration that goes with that.

3 I think there's a couple of things that
4 you make here. Number one, he's not only a pro se
5 litigant, but he is purporting to represent others,
6 and that is, I think, a little bit of a troubling
7 thing for me. I'm not hesitant to --- or wouldn't be
8 hesitant to impose sanctions if I were certain of ---
9 and if we went through all of the due process
10 considerations that were required, so ---.

11 But on this record, I think it's still
12 impossible for us to make that determination. But I
13 think, much like the Chairman, I wouldn't be --- I
14 wouldn't hesitate to impose the appropriate sanction
15 if the record were appropriately developed.

16 CHAIRMAN:

17 Anybody else want to comment?

18 MR. SOJKA:

19 Yeah. On that very issue, I'm also moved
20 by the serious precedential nature of any decision
21 that we may take in this regard. And like everyone
22 here, I'm happy to express my frustration with this
23 ongoing obstruction which seems to be out of bounds.

24 But I would welcome a thorough discussion
25 of this issue by this Board before we reach some sort

1 of final remedy, because I think what we do will have
2 implications beyond not only this case, but possibly
3 beyond this Board.

4 CHAIRMAN:

5 Thank you. Any other comments? All
6 right. We have a motion and a second. All in favor?

7 AYES RESPOND

8 CHAIRMAN:

9 Opposed? The motion carries. Thank you.

10 ATTORNEY SHERMAN:

11 The next petition before the Board is
12 another Pennsylvania Citizens Against Gambling Appeal
13 of a January 20th, 2012 Order of the OHA.
14 Specifically on January 18th, 2012, Mr. Schneller and
15 the Eastern Pennsylvania group filed a Petition to
16 Intervene in Valley Forge's Petition for Approval of a
17 Floor Plan, and at that time also filed a motion for
18 release of a copy of the Floor Plan Petition with
19 confidential information redacted.

20 The Board's Hearing and Appeals Office
21 issued an Order on January 20th granting the motion
22 and providing Mr. Schneller with a copy of the
23 petition. However, Exhibit A, which was the floor
24 plan complete with back-of-house diagrams and other
25 confidential security information, was not provided

1 upon the basis that it is confidential.

2 Mr. Schneller filed an appeal of that
3 Order of the Director of Hearings and Appeals to the
4 Board, seeking release of a redacted version of the
5 floor plan. Following his appeal, the OCC did reach
6 out to Mr. Schneller, attempting to provide him with a
7 copy of the public version of that floor plan to make
8 sure he had it. And it's the same floor plan which
9 has been placed on our website.

10 For whatever reason, that did not
11 suffice, and he has continued the appeal. It is now
12 appropriate for the Board to consider a motion.

13 CHAIRMAN:

14 Any questions or comments from the Board?
15 Ex-Officio members? May I have a motion?

16 MR. GINTY:

17 Mr. Chairman, I move that the Board deny
18 the appeal of Eastern Pennsylvania Citizens Against
19 Gambling as described by the OCC.

20 MR. MCCALL:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 AYES RESPOND

25 CHAIRMAN:

1 Opposed? The motion carries.

2 ATTORNEY SHERMAN:

3 In the next Petition, Fine Capital has
4 requested to file as an Institutional Investor with
5 the Board in connection with its beneficial ownership
6 interest in Scientific Games International, a publicly
7 traded company, an Applicant before the Board for a
8 Manufacturer License. Should the Board allow Fine
9 Capital to file as an Institutional Investor, the
10 company will be allowed to participate in a somewhat
11 more abbreviated application process.

12 The background of this is that Fine
13 Capital has acquired and currently holds about 7.5
14 percent of the common voting shares of Scientific
15 Games. Fine Capital has indicated that its
16 acquisition of shares in Scientific Games was made for
17 investment purposes only and not to gain control of
18 the company. In fact Fine Capital has filed a
19 Schedule 13G with the Securities and Exchange
20 Commission, identifying itself as a passive investor.

21 Additionally, Fine Capital has filed all
22 of the required documents needed to receive a
23 designation as an Investment Advisor with the SEC. If
24 the SEC finds that Fine Capital is an Investment
25 Advisor, they will fall under the Gaming Act's

1 Definition of an Institutional Investor and thus be
2 afforded the abbreviated process.

3 OEC has not objected to the relief
4 requested by Fine Capital. However, OEC recommends
5 that the Board impose conditions requiring that if
6 Fine Capital receives the SEC approval as an
7 Investment Advisor under the Investment Advisor's Act
8 in 1940, that it provide evidence to the Bureau of
9 Licensing within five days of that approval, and if
10 the SEC conversely does not approve Fine Capital's
11 registration, that they immediately file the required
12 Principal Applications.

13 Finally, a Confidentiality Motion was
14 also filed by Fine Capital Partners, requesting that
15 just nine lines within its application be maintained
16 as confidential. There's no objection to that, and it
17 would be appropriate for the Board to consider both
18 motions.

19 CHAIRMAN:

20 Questions or comments from the Board?
21 Ex-Officio members of the Board? May I have a motion?

22 MR. MCCALL:

23 Mr. Chairman, I move that the Board grant
24 the Amended Petition of Fine Capital Partners as
25 described by the OCC.

1 CHAIRMAN:

2 Second?

3 MR. MOSCATO:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 AYES RESPOND

8 CHAIRMAN:

9 Opposed? The motion carries.

10 ATTORNEY SHERMAN:

11 And the final petition before the Board
12 is Lightning Poker's Amended Petition for Approval of
13 Assignment of a Slot Machine Manufacturer License
14 Number M-18384 to Lightning Gaming, Incorporated.
15 Lightning Poker is a Pennsylvania-based company which
16 had been licensed in the Commonwealth to manufacture
17 electronic poker machines.

18 Lightning Gaming, Incorporated, the 100
19 percent owner and parent company of Lightning Poker,
20 has recently begun to manufacture slot machines and is
21 the licensee in other gaming jurisdictions outside of
22 Pennsylvania. All the Lightning Poker and Lightning
23 Gaming's directors, corporate officers and owners hold
24 more than --- who own more than a five percent
25 interest are already licensed by this Board in

1 conjunction with the Lightning Poker licensure.
2 Lightning Poker avers that for purposes of operational
3 and administrative efficiency, including the need for
4 a uniform licensee across all gaming jurisdictions,
5 the transfer of the license not only is necessary but
6 just simply makes sense.

7 If the Board is inclined to grant the
8 relief, OEC has requested that within 30 days of the
9 Order approving Lightning Poker's Petition, the
10 following shall occur, first, all employees of
11 Lightning Poker who are involved in the research
12 development, manufacturing and servicing of slot
13 machines must become employees of Lightning Gaming,
14 Incorporated. And second, all slot machine
15 manufacturer --- manufacturing and operations will be
16 conducted by Lightning Gaming, Incorporated and not
17 the old Lightning Poker. The record on the matter is
18 closed and ready for Board consideration and motion.

19 CHAIRMAN:

20 Questions or comments from the Board?

21 MR. SOJKA:

22 Just one quick one. Does this mean,
23 then, if we find in favor of this, that Lightning
24 Poker simply disappears in time?

25 ATTORNEY SHERMAN:

1 That seems to be the import, that
2 everything goes to the parent company under the
3 umbrella of Lightning Gaming, rather than having a
4 bifurcated company process.

5 MR. SOJKA:

6 Okay. Okay.

7 MR. GINTY:

8 Yeah, Mr. Chairman, I want the record to
9 reflect that I did not participate in this matter.

10 CHAIRMAN:

11 Yes. Let the record reflect that Mr.
12 Ginty has not participated and recuses himself. Any
13 other questions or comments from the Board?
14 Ex-Officio members? May I have a motion?

15 MR. MOSCATO:

16 Mr. Chairman, I move that the Board grant
17 the Petition of Lightning Poker for Approval of
18 Assignment of Slot Machine Manufacturer License Number
19 M-18384, as described by the OCC.

20 MR. SOJKA:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 AYES RESPOND

25 CHAIRMAN:

1 Opposed? The motion carries.

2 ATTORNEY SHERMAN:

3 Okay. Next, presenting Withdrawals,
4 Reports and Recommendations and one matter related to
5 an Emergency Suspension is Deputy Chief Counsel, Steve
6 Cook.

7 ATTORNEY COOK:

8 Thank you. Good morning.

9 CHAIRMAN:

10 Good morning, Steve.

11 ATTORNEY COOK:

12 The Board has received five unopposed
13 Petitions to Withdraw the Applications or Surrender
14 the Credentials of five individuals or businesses.
15 The persons or entities subject to these petitions are
16 as follows: Amenity Elite, LLC, Michelle Hofstetter,
17 Thomas F. Smock, Waller Corporation, and Andrew S.
18 Zimmerman. The OEC's reviewed each of these matters
19 and has no objections to these withdrawals. As such,
20 if the Board were to grant the same, they would be
21 doing so without prejudice.

22 CHAIRMAN:

23 Any questions or comments from the Board?
24 Ex-Officio members? May I have a motion?

25 MR. SOJKA:

1 Yes, Mr. Chairman. I'll move that the
2 Board issue Orders to approve the withdrawals as
3 described by the OCC.

4 CHAIRMAN:

5 Second?

6 MR. TRUJILLO:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? The motion carries.

13 ATTORNEY COOK:

14 Next before the Board for consideration
15 are four Reports and Recommendations pertaining to one
16 Gaming Employee Permit and three Non-Gaming
17 Registrations. These Reports and Recommendations,
18 along with the evidentiary record, have been provided
19 to the Board in advance of this meeting.

20 And additionally, in each case the person
21 implicated has been notified that the Board will be
22 taking the matter up today, and they have the right to
23 come forward and briefly address the Board. If any of
24 these persons are present, I would ask them to come
25 forward when their name is announced.

1 The first Report and Recommendation
2 pertains to Jerome Crawley. Mr. Crawley submitted a
3 Non-Gaming Employee Registration Application on August
4 23rd, 2010, seeking work in a janitorial position at
5 the SugarHouse Casino. The OEC issued a Notice of
6 Recommendation of Denial on September 30th, 2010,
7 based upon Mr. Crawley's failure to disclose on his
8 application certain criminal convictions or charges or
9 convictions, specifically a 2006 arrest for promoting
10 prostitution, a January 2009 arrest for similar
11 prostitution-related offenses, which ultimately led to
12 a conviction and a probationary sentence, and finally,
13 a June 2010 arrest and conviction for receiving stolen
14 property and theft.

15 Mr. Crawley requested a hearing which was
16 held on February 9th, 2012. Both he and the OEC
17 appeared and offered testimony. Essentially, Mr.
18 Crawley's defense was that he did not think the crimes
19 were serious enough in nature to warrant disclosing
20 them on his application when requested. Subsequently,
21 the Hearing Officer issued a Report and Recommendation
22 recommending that the application be denied. And that
23 is the recommendation before the Board.

24 CHAIRMAN:

25 Questions or comments from the Board? Ex-

1 Officio members? May I have a motion?

2 MR. TRUJILLO:

3 Mr. Chairman, I move that the Board issue
4 an Order to adopt the Report and Recommendation of the
5 OHA regarding the Non-Gaming Employee Registration of
6 Jerome Crawley, as described by the OCC.

7 MR. FAJT:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 AYES RESPOND

12 CHAIRMAN:

13 Opposed? The motion carries.

14 ATTORNEY COOK:

15 The next Report and Recommendation before
16 the Board pertains to Vanessa Holmes. On January 19,
17 2011, Ms. Holmes submitted an application for a Gaming
18 Permit to work as a Cage Cashier at Harrah's Chester
19 Racetrack and Casino. Ms. Holmes, on her application,
20 indicated that she did not have any outstanding tax
21 liabilities in the Commonwealth of Pennsylvania.
22 However, during the course of investigation, it was
23 determined that she, in fact, did have some
24 outstanding tax issues with the Commonwealth.

25 Ms. Holmes received a notice for --- a

1 Notice of Recommendation of Denial, requested a
2 hearing, and the hearing was scheduled for February
3 14th, 2012. However, Ms. Holmes failed to appear for
4 the hearing, although receiving notice, and the
5 hearing was held in her absence. Based upon the
6 ongoing tax issues with respect to Ms. Holmes, the
7 Report and Recommendation issued recommended her
8 application be denied, and that is the recommendation
9 before the Board.

10 CHAIRMAN:

11 Questions or comments from the Board?
12 Ex-Officio members? May I have a motion?

13 MR. FAJT:

14 Mr. Chairman, I move that the Board issue
15 an Order to adopt the Report and Recommendation of the
16 OHA regarding the Gaming Employee Permit of Vanessa
17 Holmes, as described by the OCC.

18 MR. GINTY:

19 Second.

20 CHAIRMAN:

21 All in favor?

22 AYES RESPOND

23 CHAIRMAN:

24 Opposed? The motion carries.

25 ATTORNEY COOK:

1 The next matter before the Board is the
2 Report and Recommendation pertaining to Dong Son. On
3 January 5th, 2011, Mr. Son submitted a Gaming Employee
4 Permit Application to work as a Table Games Dealer at
5 the Harrah's Chester Casino.

6 On his application, Mr. Son disclosed
7 that he had a March 2006 felony charge and subsequent
8 conviction for failure to comply with the Federal
9 Insurance Contribution Act withholding requirements.
10 Apparently, Mr. Son at one point in time was a small
11 business owner and failed to remit certain taxes to
12 the federal government, resulting in this conviction.

13 Based on the felony conviction, the OEC
14 issued a Notice of Recommendation of Denial. Mr. Son
15 requested a hearing, and it was held on ---. An
16 initial hearing was held on April 13th, 2011. At that
17 point in time, the Hearing Officer, upon Mr. Son's
18 request, held the record open in that Mr. Son
19 indicated that he was seeking an expungement of his
20 prior convictions.

21 After approximately six months, a notice
22 was sent to --- by the OHA to determine the status of
23 the matter, and subsequently, a hearing was held on
24 February 7th, 2012, again with both the OEC and Mr.
25 Son being present. At that point in time, the record

1 shows that, in fact, the felony conviction was not
2 expunged and remains in place.

3 As a result, the recommendation before
4 the Board is that the application be denied as it is
5 the statutory mandate that felony convictions within
6 15 years preclude licensure. That's the
7 recommendation that's before the Board.

8 CHAIRMAN:

9 Questions or comments from the Board?
10 Ex-Officio members? May I have a motion?

11 MR. GINTY:

12 Mr. Chairman, I move that the Board issue
13 an Order to adopt the Report and Recommendation of the
14 OHA regarding the Gaming Employee Permit of Dong Son,
15 as described by the OCC.

16 MR. MCCALL:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 AYES RESPOND

21 CHAIRMAN:

22 Opposed? The motion carries.

23 ATTORNEY COOK:

24 The final Report and Recommendation
25 before the Board today pertains to LiWei Zhou, who I

1 believe may be present. If he is, I'd ask him to come
2 forward.

3 I'll give the Board a little bit of
4 background. Mr. Zhou was issued a Gaming Permit to
5 work as a Table Games Dealer at Harrah's Chester
6 Casino on June 7th, 2010. On October 5th, 2011, while
7 off duty, Mr. Zhou visited the Sugarhouse Casino with
8 friends and played craps for approximately 15 minutes
9 before he was identified as a Gaming Employee from
10 another casino and escorted by security to the Board's
11 --- to a Board Casino Compliance Representative.

12 At that point in time, he admitted to the
13 CCR that he held a Gaming Permit and worked as a
14 Dealer at Harrah's Chester Casino. Mr. Zhou also
15 stated that he knew he was prohibited by the Board's
16 regulations from gaming at casinos in the
17 Commonwealth, and he indicated a regret that he had
18 chosen to partake in gaming at SugarHouse on that
19 evening. OEC thereafter commenced an enforcement
20 action seeking revocation of Mr. Zhou's gaming permit.

21 Mr. Zhou requested a hearing, which was
22 held on January 25th, 2012. Both he and the OEC
23 appeared at that hearing. Mr. Zhou again admitted to
24 his conduct and indicated that he was remorseful for
25 his actions, and he realized what he had done was

1 wrong. Upon completion of the hearing, the Hearing
2 Officer issued the Report and Recommendation
3 recommending that OEC's request for a Revocation not
4 be granted, but rather that a six-month suspension of
5 Mr. Zhou's Gaming Permit be imposed. That is the
6 Report and --- or that's the recommendation that's
7 before the Board today.

8 And as indicated, Mr. Zhou is present.
9 If you'd like to address the Board, Mr. Zhou.

10 CHAIRMAN:

11 Mr. Zhou?

12 MR. ZHOU:

13 Yes.

14 CHAIRMAN:

15 First of all, sir, I think we should have
16 you sworn, so I would ask the court reporter to swear
17 in the witness.

18 -----

19 LIWEI ZHOU, HAVING FIRST BEEN DULY SWORN, TESTIFIED AS
20 FOLLOWS:

21 -----

22 CHAIRMAN:

23 Mr. Zhou, try to sit up and speak into
24 the microphone so everybody can hear you; okay?

25 A. Yeah.

1 CHAIRMAN:

2 Go ahead.

3 A. Well, thank you for giving me this opportunity to
4 speak today. I want to really apologize for my
5 actions of breaking one of the rules and policies of
6 the Gaming Commission, which is not to gamble while
7 holding a GE license at any other PA casinos.

8 I was very sorry for what I had done, and I ---
9 when they pulled me off the floor, I didn't give them
10 any hassle, you know. I went without any problems.
11 And whatever they asked me to provide, I provided
12 them, and I did not try to deceive them or anything.

13 And I was sitting in the back for two and a half
14 hours and it gave me a lot to think about. And I was
15 really upset, because, you know, I let the Gaming
16 Commission down, and I've also, you know, let my wife
17 and kids down and to jeopardize my license and my
18 career and this, you know, great opportunity that you
19 guys have provided.

20 And you know, usually, I'm at work and I'm never
21 late and I barely call out and, you know, I just
22 follow the rules and polices at work at all times.
23 And I try to move up, because I'm trying to better
24 myself. And every time they offer any games or
25 anything, I always took it, and right now I've only

1 been there for 18 months and I'm complied with the ---
2 I'm certified in all the games except for one.

3 But it has come to a conclusion that I cannot move
4 up at all with this six-month suspension, and I feel
5 it's very harsh and, you know, it's definitely my
6 fault, and I admit that 100 percent. You know, I have
7 no excuse for that, and I definitely learned a lot
8 from it and, you know ---.

9 But you know, I'm just hoping you guys can see
10 some light into this, and that maybe there is another
11 way of punishment, such as a fine or a long probation,
12 because once I get suspended, I cannot even get a
13 license from out of state. I tried to get a Delaware
14 license. I cannot ---. I'm not able to get it, and
15 I'm definitely fired from my job, and I'm probably
16 definitely not able to get hired from any other PA
17 casinos for my actions.

18 So, I think it's a very harsh penalty. And you
19 know, I realize what I did was terribly wrong, and I
20 hope you guys can shed some light into this dark
21 situation I've created.

22 CHAIRMAN:

23 Sir, you understand what you did was
24 wrong; right?

25 A. Yes, definitely.

1 CHAIRMAN:

2 No question about that?

3 A. No question.

4 CHAIRMAN:

5 I take it you still have your job at the
6 casino?

7 A. Yes, for now.

8 CHAIRMAN:

9 Sir, do you have any remarks you want to
10 make?

11 ATTORNEY PITRE:

12 Yes. Usually, I use ---. Initially we
13 started out revoking people for this. Now we're down
14 to a point where we're offering giving individuals
15 six-month suspensions, which I have to agree that in
16 this situation, I think, would be a bit harsh.
17 Usually, the individual is not remorseful. They don't
18 show up to the --- at the hearings. They're very ---.
19 They have a very disagreeable attitude about the whole
20 process.

21 Here we have an individual who, aside
22 from this anomaly on his record, has not caused any
23 problems. He was very ---. From what I understand,
24 he was very contrite when he was pulled off the floor
25 and didn't cause any problems and admitted, you know,

1 to what he was doing. So, in this instance I would
2 leave it to the Board --- Board's discretion, but I
3 would definitely have no problem with the Board
4 reducing the suspension or fining the individual in
5 this case.

6 CHAIRMAN:

7 Members of the Board, looking at this
8 gentleman and the violation here, it just seems to me
9 the suspension is a little harsh. Does any member of
10 the Board concur, have any suggestion?

11 MR. TRUJILLO:

12 Mr. Chairman, based on the record in
13 front of us, I agree that it's unduly harsh. I have
14 one question about that. What would be the likely
15 impact if, in fact, a suspension were imposed on him?

16 ATTORNEY PITRE:

17 Depending upon the length of the
18 suspension, he'd lose his job. And he would report
19 --- have to report that to any other jurisdiction he
20 goes to, and they would likely hold that against him
21 in some form or fashion.

22 MR. TRUJILLO:

23 And what would be the effect if instead
24 of a suspension, he were fined?

25 ATTORNEY PITRE:

1 He would still have to report it, but he
2 would probably maintain his job, and he would ---. It
3 wouldn't be as egregious to other jurisdictions.

4 MR. TRUJILLO:

5 And I take it that the reason for that is
6 because the other jurisdictions will view the
7 suspension as an indication that the Board views the
8 conduct as being a step up from, or more egregious if
9 it's a suspension and very egregious if it's a
10 revocation, and less egregious, therefore, if it's a
11 fine?

12 ATTORNEY PITRE:

13 That's correct, unless he doesn't pay the
14 fine fully ---

15 MR. TRUJILLO:

16 Okay.

17 ATTORNEY PITRE:

18 --- but that's correct.

19 MR. TRUJILLO:

20 And finally, is there any ---?
21 Consistent with his testimony, is there any
22 information on how he has performed as an employee?

23 ATTORNEY PITRE:

24 Well, I speak to Harrah's General Counsel
25 on a frequent basis. I mentioned the name to her.

1 She looked into it. From all respects he's performed
2 admirably.

3 MR. TRUJILLO:

4 Thank you. That's all I need, Mr.
5 Chairman.

6 MR. FAJT:

7 Mr. Chairman, just a quick comment. This
8 Board has a fairly long history of when individuals
9 appear in front of us to consider their testimony, and
10 sometimes it works in their favor, quite frankly, and
11 sometimes it doesn't. But in this case, I have to
12 agree with you that I'm certainly amenable to
13 something less than a six-month suspension, given his
14 cooperation and his appearance here today.

15 CHAIRMAN:

16 Mr. Zhou, not only did you gamble in this
17 particular occasion, but you got lucky; right? You
18 won 479 bucks?

19 A. Yes.

20 CHAIRMAN:

21 And you eventually did get that from the
22 casino?

23 A. Yes, sir.

24 CHAIRMAN:

25 All right. Do you understand you have to

1 give that money back?

2 A. That's not a problem, sir. That's definitely not
3 a problem.

4 CHAIRMAN:

5 How about a fine of \$500? Fine of \$500?
6 Anybody want to make a motion?

7 MR. TRUJILLO:

8 So moved.

9 CHAIRMAN:

10 Second?

11 MR. MOSCATO:

12 Second.

13 CHAIRMAN:

14 All right. Mr. Son, what we're
15 discussing here is a fine of \$500 plus you have to pay
16 back to the Commonwealth of Pennsylvania the money you
17 won, which is \$479; okay? The Board will give you 30
18 days to make that total payment of \$979; understand?

19 A. Yes, sir.

20 CHAIRMAN:

21 Okay. Could I have a vote? All in
22 favor?

23 AYES RESPOND

24 CHAIRMAN:

25 Opposed? The motion carries. Thank you

1 all.

2 A. Thank you very much, sir.

3 MR. FAJT:

4 And Mr. Chairman, just for the record,
5 there is no imposition then of a suspension of his
6 license?

7 CHAIRMAN:

8 That's correct.

9 A. I appreciate it. Thank you.

10 CHAIRMAN:

11 Okay.

12 ATTORNEY COOK:

13 The next matter before the Board ---.

14 MR. SOJKA:

15 Just to be formal, do we need to reject
16 the Report and Recommendation?

17 ATTORNEY COOK:

18 I think we would be adopting, but ---.
19 We probably need a motion to adopt the Report and
20 Recommendations but for the facts --- but for the
21 recommendation which --- in lieu of the
22 recommendation, there was a fine.

23 CHAIRMAN:

24 Okay. Thank you.

25 MR. TRUJILLO:

1 Yeah, sure. So, I guess it would be a
2 motion the Board issue an Order to adopt the Report
3 and Recommendation of the OEC regarding the Gaming
4 Employee Permit of Dong Son, except as it relates to
5 the imposition of a six-month suspension, and in its
6 place, instead, a \$500 fine would be entered and to be
7 paid within 30 days, along with the money that he won.

8 CHAIRMAN:

9 That keep all the lawyers happy?

10 ATTORNEY COOK:

11 It would be Mr. Zhou.

12 MR. TRUJILLO:

13 Oh, I'm sorry. Yeah.

14 ATTORNEY COOK:

15 You said Son.

16 MR. TRUJILLO:

17 Yeah. Sorry, Zhou, Z-H-O-U; right. I'm
18 sorry.

19 CHAIRMAN:

20 Okay? Do we have it? All in favor?

21 AYES RESPOND

22 CHAIRMAN:

23 Opposed? That motion carries; okay? We
24 got it? Thank you.

25 OFF RECORD DISCUSSION

1 ATTORNEY COOK:

2 The next matter before the Board, is the
3 request by the OEC to lift the Emergency Suspension of
4 the Gaming Registration held by Travis Riley. By way
5 of background, on February 17th, 2012, Executive
6 Director O'Toole issued Emergency Suspension of Travis
7 Riley's Gaming Permit based upon this individual being
8 charged with felony stalking involving two incidents
9 between Mr. Riley and a former girlfriend.

10 The Board thereafter on February 29th,
11 2012 issued an Order continuing the Emergency
12 Suspension and referring the matter to the OHA, so
13 that a hearing could be held in this matter.
14 Subsequently, the OEC confirmed that the felony charge
15 facing Mr. Riley had been withdrawn, and as a result
16 there is now no basis for continuing the Emergency
17 Suspension. The OEC filed a motion, actually, or a
18 notice requesting the withdrawal of the Emergency
19 Suspension.

20 This matter is now ripe for the Board's
21 consideration. I would note for the record that
22 should the Board lift the Emergency Suspension today,
23 it does not prejudice the OEC in any way of coming
24 forward with another enforcement action based on
25 criminal charges that presumably remain for the

1 underlying conduct, for that matter.

2 CHAIRMAN:

3 Questions or comments from the Board,
4 Ex-Officio Members? May I have a motion?

5 MR. MOSCATO:

6 Mr. Chairman, I move that the Board issue
7 an Order to lift the Emergency Suspension previously
8 imposed upon Travis Riley's Gaming Employee Permit as
9 identified by the OCC.

10 COMMISSIONER SOJKA:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 AYES RESPOND

15 CHAIRMAN:

16 Opposed? The motion carries.

17 ATTORNEY COOK:

18 And that concludes all of our records.

19 CHAIRMAN:

20 Thank you. Next we have Susan Hensel,
21 Director of Licensing.

22 MS. HENSEL:

23 Thank you, Chairman Ryan and members of
24 the Board. Before the Board today will be one
25 Manufacturer License, as well as motions regarding 721

1 Principal, Key, Gaming and Non-Gaming Employees. In
2 addition, there will be the consideration of motions
3 regarding 27 gaming service providers.

4 The first matter for your consideration
5 is the approval of an initial Slot Machine
6 Manufacturer License for Scientific Games,
7 International, Inc. Scientific Games sells
8 technology-based products, systems and services to
9 gaming markets worldwide, including central control
10 computer systems.

11 The Bureau of Investigations and
12 Enforcement has completed its investigations, and the
13 Bureau of Licensing has provided you with a background
14 investigation and suitability report for this
15 Applicant. I have provided you with a draft Order and
16 ask that the Board consider the approval of Scientific
17 Games International, Inc. for a Slot Machine
18 Manufacturer License.

19 CHAIRMAN:

20 Any comments from Enforcement Counsel?

21 ATTORNEY PITRE:

22 Enforcement Counsel had no objection to
23 the request.

24 CHAIRMAN:

25 Any questions or comments from the Board?

1 MR. SOJKA:

2 I have one question, just a clarification
3 for the OEC. In the materials prepared there was an
4 item called Miscellaneous Matter, which involved some
5 apparent improprieties having to do with lobbying and
6 legislation in North Carolina. And it's clear that
7 Scientific Gaming was not a target in that
8 investigation, did cooperate, but was clearly the
9 subject of some of that information.

10 And the report concludes with --- if
11 you'll pardon me for the lawyerly language. It says,
12 upon review of information obtained by BIE, the OEC is
13 of the opinion that the behavior of SGI in relation to
14 the above referenced indications would not preclude a
15 finding that it is suitable for approval of a Slot
16 Machine Manufacturer License.

17 That's a fairly safe comment, and I want
18 to be sure that we fully understand if there are any
19 implications that might relate to something, for
20 example, as general as corporate culture. Do you or
21 does the OEC have any concerns at all in that area if
22 we go ahead and accept this recommendation?

23 ATTORNEY PITRE:

24 No, sir, Commissioner Sojka. We don't
25 have any concerns. For the most part, that's just a

1 writing style.

2 MR. SOJKA:

3 I know that.

4 ATTORNEY PITRE:

5 Someone just ---

6 MR. SOJKA:

7 I know that. I know.

8 ATTORNEY PITRE:

9 --- took the liberty --- felt like, I
10 guess, taking liberty with the English language, but
11 there are no concerns. We've fully vetted the matter.
12 We're comfortable. We've talked to the prosecutors at
13 length, so we have no problem.

14 COMMISSIOENR SOJKA:

15 That's a fine answer, and I didn't mean
16 to be in any way critical.

17 ATTORNEY PITRE:

18 No, no.

19 MR. SOJKA:

20 I just wanted to be certain that we were
21 not missing any signals.

22 ATTORNEY PITRE:

23 No.

24 MR. SOJKA:

25 Thank you.

1 ATTORNEY PITRE:

2 No.

3 MR. GINTY:

4 I have a question. Cyrus, this goes to,
5 apparently, a contract that was executed between the
6 Department of Gaming Services and Scientific Gaming
7 that was subsequently, I guess, revoked or canceled by
8 DGS in the best interest of the Commonwealth. And
9 apparently, no --- Scientific Games has now taken that
10 into the Commonwealth Court, and it is before the
11 Commonwealth Court. And it appears that the DGS is
12 refusing to give any reason for canceling the executed
13 contract. And that's included in the report.

14 Does that item ---? I'm not impugning
15 Scientific Games in any way here, and I ---. You
16 know, they're approved in numerous jurisdictions. But
17 does that scenario give you any --- have you had an
18 opportunity to flesh it out so that we're comfortable
19 that it doesn't raise any issues?

20 ATTORNEY PITRE:

21 Well, we're monitoring the litigation to
22 see where it comes up, where it ends. I've been
23 dealing with Scientific Games ever since I got into
24 the gaming industry 15 years ago, as Autotote, as
25 Scientific Games, and now as Scientific Games

1 International. They're well respected throughout the
2 industry.

3 They have had some bumps in the road. I
4 have fined them before for things, but I mean they're
5 no different than any other manufacturer in the gaming
6 industry. So, as far as that litigation is concerned,
7 I assume that DGS has its reasons, and I assume that
8 through litigation at some point, that will be brought
9 out.

10 MR. GINTY:

11 And it also involves another Licensee,
12 and that's its GTECH. GTECH isn't before us now, and
13 as I said, there's nothing here that is obvious to me
14 to raise questions about Scientific Gaming. And I
15 would ask you to keep your eyes on that.

16 ATTORNEY PITRE:

17 Oh, we will. I mean I think it's
18 important to note, too, that I mean Scientific Games
19 and GTECH largely either are competing against one
20 another or are in business together in other
21 jurisdictions, in joint ventures. So, I mean this is
22 pretty much par for the course for them. I mean I
23 don't want to ---. I mean, their Counsel is here if
24 you'd like to hear from him, but this is the way they
25 pretty much do business and go at it.

1 MR. GINTY:

2 Well, my concern is the canceling of the
3 contract without giving the reason, other than best
4 interest.

5 ATTORNEY PITRE:

6 Well, I'm sure it'll be addressed in
7 litigation at some point.

8 MR. GINTY:

9 And that's fine. I don't need ---. I
10 don't want to start any war. But I would ask you to
11 keep an eye on it.

12 ATTORNEY PITRE:

13 With interest. I mean, it's our central
14 computer system that ---.

15 CHAIRMAN:

16 Okay, Jim? Anyone else from the Board?
17 Ex-Officio members? May I have a motion?

18 MR. MOSCATO:

19 Mr. Chairman, I move that the Board
20 approve the Slot Machine Manufacturer License for
21 Scientific Games International, as described by the
22 Bureau of Licensing.

23 MR. SOJKA:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 AYES RESPOND

3 CHAIRMAN:

4 Opposed? The motion carries.

5 MS. HENSEL:

6 Next for your consideration is the
7 approval of Principal and Key Employee License. Prior
8 to this meeting, the Bureau of Licensing provided you
9 with a proposed Order for one Principal and three Key
10 Employee licenses for Category One and Category Two
11 licensees. I ask that the Board consider the Order
12 approving these licenses.

13 CHAIRMAN:

14 Comments from Enforcement Counsel?

15 ATTORNEY PITRE:

16 We have no objection.

17 CHAIRMAN:

18 Questions or comments from the Board?

19 Ex-Officio members? May I have a motion?

20 MR. SOJKA:

21 Yes, Mr. Chairman. I'll move that the
22 Board approve the issuance of Principal and Key
23 Employee Licenses as described by the Bureau of
24 Licensing.

25 CHAIRMAN:

1 Second?

2 MR. TRUJILLO:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 AYES RESPOND

7 CHAIRMAN:

8 Opposed? The motion carries.

9 MS. HENSEL:

10 Also for your consideration are Temporary
11 Key Employee Licenses. Prior to this meeting, the
12 Bureau of Licensing provided you with an Order
13 regarding the issuance of temporary licenses for 23
14 Key Employees. I ask that the Board consider the
15 Order approving these licenses.

16 CHAIRMAN:

17 Any comments from Enforcement Counsel?

18 ATTORNEY PITRE:

19 We have no objection.

20 CHAIRMAN:

21 Questions or comments from the Board?

22 Ex-Officio members? May I have a motion?

23 MR. TRUJILLO:

24 Mr. Chairman, I move that the Board

25 approve the issuance of Temporary Key Employee

1 Credentials, as discussed by the Bureau of Licensing.

2 MR. FAJT:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 AYES RESPOND

7 CHAIRMAN:

8 Opposed? The motion carries.

9 MS. HENSEL:

10 Next are Gaming Permits and Non-Gaming
11 Registrations. Prior to this meeting, the Bureau of
12 Licensing provided you with a list of 544 individuals
13 who the Bureau has granted Temporary or Full
14 Occupation Permits to, and 128 individuals who the
15 Bureau has granted Registrations to under the
16 authority delegated to the Bureau of Licensing. I ask
17 that the Board consider a motion to approve the Order.

18 CHAIRMAN:

19 Any comments from Enforcement Counsel?

20 ATTORNEY PITRE:

21 We have no objection.

22 CHAIRMAN:

23 Questions or comments from the Board?

24 Ex-Officio members? May I have a motion?

25 MR. FAJT:

1 Mr. Chairman, I move that the Board
2 approve the issuance of Gaming Employee Permits and
3 Non-Gaming Employee Registrations as described by the
4 Bureau of Licensing.

5 MR. GINTY:

6 Second.

7 CHAIRMAN:

8 All in favor?

9 AYES RESPOND

10 CHAIRMAN:

11 Opposed? The motion carries.

12 MS. HENSEL:

13 We also have for your consideration
14 Withdrawal Requests for Key, Gaming and Non-Gaming
15 Employees. In each case the license, permit or
16 registration is no longer required due to such
17 circumstances as the job offer being rescinded. For
18 today's meeting, I have provided the Board with a list
19 of one Key, nineteen Gaming and two Non-Gaming
20 Employee Withdrawals for approval. I ask that the
21 Board consider the Orders approving this list of
22 Withdrawals.

23 CHAIRMAN:

24 Comments from Enforcement Counsel?

25 ATTORNEY PITRE:

1 No objection.

2 CHAIRMAN:

3 Any questions or comments from the Board?
4 Ex-Officio members? May I have a motion?

5 MR. MCCALL:

6 Mr. Chairman, I move that the Board
7 approve the Withdrawals as described by the Bureau of
8 Licensing.

9 CHAIRMAN:

10 Second?

11 MR. MOSCATO:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 AYES RESPOND

16 CHAIRMAN:

17 Opposed? The motion carries.

18 MS. HENSEL:

19 In addition we have an Order to certify
20 the following gaming service providers: Component
21 Assembly Systems, Inc.; Graphic Controls Acquisition
22 Corporation; Mintz and Hoke, Inc.; Paragon Wholesale
23 Foods Corp.; and Samuels and Son Seafood Company, Inc.
24 I ask that the Board consider the Order approving
25 these gaming service providers for certification.

1 CHAIRMAN:

2 Comments from Enforcement Counsel?

3 ATTORNEY PITRE:

4 No objection.

5 CHAIRMAN:

6 Questions or comments from the Board?

7 Ex-Officio members? May I have a motion?

8 MR. MOSCATO:

9 Mr. Chairman, I move that the Board issue
10 an Order to approve the applications for Gaming
11 Service Provider Certification as described by the
12 Bureau of Licensing.

13 MR. SOJKA:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 AYES RESPOND

18 CHAIRMAN:

19 Opposed? The motion carries.

20 MS. HENSEL:

21 Next we have an Order regarding Gaming
22 Service Provider Registrations. The Bureau of
23 Licensing provided you with an Order and an attached
24 list of 16 registered gaming service providers. I ask
25 that the Board consider a motion approving the Order

1 registering these gaming service providers.

2 CHAIRMAN:

3 Any comments from Enforcement Counsel?

4 ATTORNEY PITRE:

5 No objection.

6 CHAIRMAN:

7 Any questions or comments from the Board?

8 Ex-Officio members? May I have a motion?

9 MR. SOJKA:

10 Yes. Mr. Chairman, I'll move that the
11 Board issue an Order to approve the Applications for
12 Gaming Service Provider Registration as described by
13 the Bureau of Licensing.

14 CHAIRMAN:

15 Second?

16 MR. TRUJILLO:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 AYES RESPOND

21 CHAIRMAN:

22 Opposed? The motion carries.

23 MS. HENSEL:

24 Finally, there are Gaming Service
25 Provider Applications that are being recommended for

1 abandonment. These companies filed applications with
2 the Board but failed to complete them. In some cases
3 the companies are, to the best of the Bureau of
4 Licensing's knowledge, out of business.

5 Under our regulations, the Board has the
6 authority to declare an application abandoned if the
7 applicant fails to cure application deficiencies. A
8 company whose application is abandoned is free to
9 reapply at any time. I ask that the Board consider
10 the Orders declaring the following applications
11 abandoned: Alta Communications, Inc.; James S.
12 Ritter, d/b/a Ritter's Farm Markets; Land Shapers,
13 Inc.; Peregrine Company, Inc.; T.C. Lloyd Construction
14 Company, Inc.; and Turner/Rado Joint Venture, doing
15 business as Turnado.

16 CHAIRMAN:

17 Comments from Enforcement Counsel?

18 ATTORNEY PITRE:

19 No objection.

20 CHAIRMAN:

21 Any questions or comments from the Board?

22 Ex-Officio members? May I have a motion?

23 MR. TRUJILLO:

24 Mr. Chairman, I move that the Board issue
25 an Order to approve the abandonment of the Gaming

1 Service Provider Applications as described by the
2 Bureau of Licensing.

3 MR. FAJT:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 AYES RESPOND

8 CHAIRMAN:

9 Opposed? The motion carries.

10 MS. HENSEL:

11 That concludes the Bureau of Licensing's
12 presentation.

13 CHAIRMAN:

14 Thank you, Susan. All right. Cyrus
15 Pitre, our Chief Enforcement Counsel, is next.

16 ATTORNEY PITRE:

17 We have four revocations and eight
18 Involuntary Exclusion List candidates for the Board's
19 consideration today. Billie Jo Matelevich-Hoang will
20 start us off.

21 ATTORNEY MATELEVICH-HOANG:

22 Thank you. Good morning, Chairman Ryan,
23 members of the Board. My name is Billie Jo
24 Matelevich-Hoang, M-A-T-E-L-E-V-I-C-H, hyphen,
25 H-O-A-N-G, on behalf of the OEC. This matter involves

1 the request to revoke Mr. Glazewski's Gaming Permit.
2 On January 11, 2012 the OEC filed a Complaint for
3 Revocation of Mr. Glazewski's Gaming Permit due to his
4 arrest and guilty plea for retail theft.

5 The Enforcement Complaint was properly
6 served upon Mr. Glazewski by First Class and Certified
7 Mail. Mr. Glazewski did not respond to the complaint
8 within 30 days. Therefore, pursuant to Board
9 regulations, all facts alleged in the complaint are
10 deemed admitted. The OEC filed a Request for Default
11 Judgment on February 28th, 2012, and at this time the
12 OEC asks that Mr. Glazewski's gaming permit be
13 revoked.

14 CHAIRMAN:

15 Is Thomas Glazewski in the hearing room?
16 Any questions or comments from the Board? Ex-Officio
17 members? May I have a motion?

18 MR. FAJT:

19 Mr. Chairman, I move that the Board issue
20 an Order to approve the revocation of Thomas
21 Glazewski's Gaming Employee Permit as described by the
22 OEC.

23 MR. GINTY:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 AYES RESPOND

3 CHAIRMAN:

4 Opposed? The motion carries.

5 ATTORNEY MATELEVICH-HOANG:

6 Thank you.

7 CHAIRMAN:

8 Thank you.

9 ATTORNEY FENSTERMAKER:

10 Good morning, Chairman Ryan, members of
11 the Board. I'm Cassandra Fenstermaker, Assistant
12 Enforcement Counsel. I have three revocations for
13 your consideration today. The first occurred on
14 December 13th, 2011. The OEC filed a complaint for
15 revocation against Alexis Billops, a former Food and
16 Beverage Server at Harrah's Chester, after she
17 admitted to taking a gift card voucher which she
18 cashed in for four gift cards.

19 The Enforcement Complaint was served on
20 Ms. Billops by First Class Mail. Ms. Billops did not
21 respond to the complaint in 30 days. Therefore,
22 pursuant to Board regulations, all facts alleged in
23 the complaint are deemed admitted. The OEC filed a
24 Request for Default Judgment on February 23rd, 2012,
25 and at this time, requests that Alexis Billops'

1 Non-Gaming Registration be revoked.

2 CHAIRMAN:

3 Is Alexis Billops in the hearing room?

4 Any questions or comments from the Board? Ex-Officio
5 members? May I have a motion?

6 MR. GINTY:

7 Mr. Chairman, I move that the Board issue
8 an Order to approve the Revocation of Alexis Billops'
9 Non-Gaming Employee Registration as described by the
10 OEC.

11 MR. MCCALL:

12 Second.

13 CHAIRMAN:

14 All in favor?

15 AYES RESPOND

16 CHAIRMAN:

17 Opposed? The motion carries.

18 ATTORNEY FENSTERMAKER:

19 On January 3rd, 2012 the OEC filed a
20 Complaint for Revocation against Valerie Marker, a
21 former Food and Beverage Employee of Harrah's
22 Chester's, after she admitted to and was charged with
23 theft from Harrah's Chester and another theft
24 unrelated to the casino. The Enforcement complaint
25 was served upon Ms. Marker by First Class and

1 Certified Mail.

2 Ms. Marker did not respond to the
3 complaint within 30 days. Therefore, pursuant to
4 Board regulations, all facts in the complaint are
5 deemed admitted. The OEC filed a Request for Default
6 Judgment on February 23rd, 2012, and at this time
7 requests that Valerie Marker's Non-Gaming Registration
8 be revoked.

9 CHAIRMAN:

10 Is Valerie Marker in the hearing room?
11 Any questions or comments from the Board? Ex-Officio
12 members? May I have a motion?

13 MR. MCALL:

14 Mr. Chairman, I move that the Board issue
15 an Order to approve the revocation of Valerie Marker's
16 Non-Gaming Employee Registration, as described by the
17 OEC.

18 CHAIRMAN:

19 Second?

20 MR. MOSCATO:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 AYES RESPOND

25 CHAIRMAN:

1 Opposed? The motion carries.

2 ATTORNEY FENSTERMAKER:

3 Thank you. Finally, on January 20th,
4 2012, the OEC filed a Complaint for Revocation against
5 Ryan Patrick Lowe, formerly a Table Games Dealer at
6 Harrah's Chester, as a result of a guilty plea to
7 intentional possession of a controlled substance. The
8 Enforcement Complaint was served on Mr. Lowe by First
9 Class and Certified Mail.

10 Ms. Lowe --- Mr. Lowe did not respond to
11 the complaint within 30 days. Therefore, pursuant to
12 Board Regulations, all facts alleged in the complaint
13 are deemed admitted. The OEC filed a Request for
14 Default Judgment on February 23rd, 2012, and at this
15 time requests that Ryan Patrick Lowe's Gaming Permit
16 be revoked.

17 CHAIRMAN:

18 Is Ryan Patrick Lowe in the hearing room?
19 Any questions or comments from the Board? Ex-Officio
20 members? May I have a motion?

21 MR. MOSCATO:

22 Mr. Chairman, I move that the Board issue
23 an Order to approve the revocation of Ryan Patrick
24 Lowe's Gaming Employee Permit as described by the OEC.

25 MR. SOJKA:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 AYES RESPOND

5 CHAIRMAN:

6 Opposed? The motion carries.

7 ATTORNEY FENSTERMAKER:

8 Thank you.

9 CHAIRMAN:

10 Thank you.

11 ATTORNEY DUSTIN MILLER:

12 Good morning, Chairman Ryan, members of
13 the Board. Dustin Miller, on behalf of the OEC. The
14 next item is a request for placement on the Board's
15 Exclusion --- Excluded Persons List today, involving
16 Clive W. Cattan.

17 The OEC filed a petition to place Mr.
18 Cattan on the Exclusion List for cheating while
19 playing blackjack on October 6th, 2011. The petition
20 was filed on January 3rd, 2012, and the petition was
21 properly served upon Mr. Cattan to the address listed
22 on the criminal complaint filed against him by both
23 Certified and First Class Mail.

24 Mr. Cattan did not respond to the filing
25 in any way. Due to Mr. Cattan's failure to respond,

1 the averments in the petition are deemed to be
2 admitted as fact, and his right to a hearing has been
3 waived. On February 29th, 2012, the OEC filed a
4 Request to Enter Judgment Upon Default in this matter.
5 The matter is now before the Board to consider the
6 placement of Clive W. Cattan on the Board's Excluded
7 Persons List.

8 CHAIRMAN:

9 Is Clive Cattan in the hearing room? Any
10 questions or comments from the Board? Ex-Officio
11 members? May I have a motion?

12 MR. SOJKA:

13 Yes. Mr. Chairman, I'll move that the
14 Board issue an Order to approve the addition of Clive
15 Cattan to the PGCB Involuntary Exclusion List as
16 described by the OEC.

17 CHAIRMAN:

18 Second?

19 MR. TRUJILLO:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 AYES RESPOND

24 CHAIRMAN:

25 Opposed? The motion carries.

1 ATTORNEY DUSTIN MILLER:

2 Thank you.

3 ATTORNEY ROLAND:

4 Good morning, Mr. Chairman, members of
5 the Board. Mike Roland, R-O-L-A-N-D, with the OEC. I
6 will be presenting the last seven agenda items for you
7 today. In each one of these, Enforcement Counsel
8 filed a Petition to Exclude. With no response from
9 any of the patrons, we then filed a Default ---
10 Request for Default Judgment. Those matters are
11 before you today.

12 The first one is Nebiyu Bellete. This
13 next matter is a request to place Mr. Bellete on the
14 Board's Exclusion List. The OEC filed a petition on
15 October 20th, 2011 to place Mr. Bellete on the
16 Exclusion List for past post betting while playing
17 midi baccarat at Sands.

18 The petition was properly served on Mr.
19 Bellete to the address listed on the criminal
20 complaint filed against him by both Certified and
21 First Class Mail. A receipt for the Certified Mail
22 was signed and returned to the OEC, confirming
23 successful service. Mr. Bellete did not respond to
24 the filing in any way. Given Mr. Bellete's failure to
25 respond, the averments in the petition are deemed to

1 be admitted as fact, and his right to a hearing has
2 been waived.

3 On February 14th, 2012, the OEC filed a
4 Request to Enter Judgment Upon Default. The matter is
5 now before the Board to consider the placement of
6 Nebiyu Bellete on the Board's Excluded Person List.

7 Mr. Bellete was originally charged with a
8 Felony Three under our Act, Prohibited Acts, Section
9 1518. He was also charged with theft by deception
10 under 3922 under the Crimes Code. At this point,
11 those matters still seemed to be pending.

12 Just a mater of note, Mr. Bellete was
13 able to remove \$2,325 from Sands Casino. That has not
14 yet been recovered. Apparently, while playing midi
15 baccarat ---. I'm not terribly familiar with it, but
16 I understand you can place multiple bets at one time.
17 Mr. Bellete placed a \$25 bet and a \$5 bet and,
18 essentially, a \$75 bonus bet. He had won the hand,
19 and while the dealer was paying out another patron, he
20 very carefully --- and we have this very clear on
21 surveillance --- then slid the bonus bet over to cap
22 his original bet, thus causing 30 to 1 odds and in him
23 winning that large sum.

24 It was only one hand which he won.
25 Unfortunately, we have not been able to recover it yet

1 at this point.

2 CHAIRMAN:

3 Nebiyu Bellete in the hearing room? Any
4 questions or comments from the Board? Ex-Officio
5 members? May I have a motion?

6 MR. SOJKA:

7 Yes, Mr. Chairman. I'll move that the
8 Board issue an Order to approve the addition of Nebiyu
9 Bellete to the PGCB Involuntary Exclusion List, as
10 described by the OEC.

11 CHAIRMAN:

12 Second?

13 MR. TRUJILLO:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 AYES RESPOND

18 CHAIRMAN:

19 Opposed? The motion carries.

20 ATTORNEY ROLAND:

21 The next matter is a request to place Jin
22 Cheng Lin on the Board's Excluded Persons List. The
23 OEC filed a petition on October the 11th to place Mr.
24 Lin on the Exclusion List for past post betting while
25 playing mini baccarat at Sands. The Petition was

1 properly served on Mr. Lin to the address listed on
2 the criminal complaint filed against him by both
3 Certified and First Class Mail.

4 Mr. Lin did not respond to the filing in
5 any way, and given Mr. Lin's failure to respond, the
6 averments in the petition are deemed to be admitted as
7 fact, and his right to a hearing has been waived. On
8 February 14th, 2012, the OEC filed a request to Enter
9 Judgment Upon Default. The matter is now before the
10 Board to consider the placement of Jin Cheng Lin on
11 the Board's Excluded Person List.

12 Mr. Lin was charged with four counts of
13 theft by deception, all being misdemeanor of the
14 Second Degree, two counts of prohibited acts, under
15 our Act, Section 1518, misdemeanor of the First
16 Degree. The case has been disposed of. He entered a
17 guilty plea to one amended count of theft by
18 deception, and that was Misdemeanor Three.

19 In the Order, he was sentenced to 12
20 months probation, restitution and court costs. The
21 restitution was \$827, which Mr. Lin won by having two
22 out of four successful attempts at capping his bet ---
23 past post betting, I'm sorry.

24 CHAIRMAN:

25 Is Jin Cheng Lin in the hearing room?

1 Any questions or comments from the Board? Ex-Officio
2 members? May I have a motion?

3 MR. TRUJILLO:

4 Mr. Chairman, I move the Board issue an
5 Order to approve the addition of Jin Cheng Lin to the
6 PGCB Involuntary Exclusion List, as described by the
7 OEC.

8 MR. FAJT:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 AYES RESPOND

13 CHAIRMAN:

14 Opposed? The motion carries.

15 ATTORNEY ROLAND:

16 The next matter is a request to place
17 Aizhen Nmn Liu on the Board's Excluded Persons List.
18 The OEC filed a petition on October the 11th to place
19 Ms. Liu on the Exclusion List for past posting bets
20 while playing midi baccarat at Sands. The petition
21 was properly served upon Ms. Liu to the address listed
22 on the criminal complaint filed against her by both
23 Certified and First Class Mail.

24 A receipt for the Certified Mail was
25 signed and returned to the OEC, confirming successful

1 service. Ms. Liu did not respond to the filing in any
2 way, and given Ms. Liu's failure to respond, the
3 averments in the petition are deemed to be admitted as
4 fact, and her right to a hearing has been waived.

5 On February 14th, 2012 the OEC filed a
6 Request to Enter Judgment Upon Default. The matter is
7 now before the Board to consider the placement of Ms.
8 Aizhen Liu on the Board's Excluded Persons List.

9 Originally, Ms. Liu was charged with one
10 count of theft by deception, Misdemeanor Two. The
11 case has since been disposed of. This also is a
12 guilty plea, which was reduced to a summary disorderly
13 conduct.

14 Her sentence was restitution, that being
15 in the amount of \$2,000, but she actually never really
16 removed \$2,000 from the facility, because she was
17 caught in the process of trying to post the bet. So,
18 she never actually got away from the table. She also
19 was sentenced to some court costs and, specifically,
20 stay out of the Sands Casino.

21 CHAIRMAN:

22 Is Aizhen Liu present in the hearing
23 room? Any questions or comments from the Board?
24 Ex-Officio members? May I have a motion?

25 MR. FAJT:

1 Mr. Chairman, I move that the Board issue
2 an Order to approve the addition of Aizhen Liu to the
3 PGCB Involuntary Exclusion List, as described by the
4 OEC.

5 CHAIRMAN:

6 Second?

7 MR. GINTY:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 AYES RESPOND

12 CHAIRMAN:

13 Opposed? The motion carries.

14 ATTORNEY ROLAND:

15 The next matter is a request to place
16 Qing Ding Liu on the Board's Excluded Person's List.
17 The OEC filed a petition on October the 19th to place
18 Mr. Liu on the Exclusion List for grabbing gaming
19 chips from an active mini baccarat table game float
20 and subsequently running through the casino with the
21 gaming chips in his possession.

22 The petition was properly served on Mr.
23 Liu to the address listed on the criminal complaint
24 filed against him by both Certified and First Class
25 Mail. The receipt for the Certified Mail was signed

1 and returned to the OEC, confirming successful
2 service. Mr. Liu did not respond to the filing in any
3 way. Given Mr. Liu's failure to respond, the
4 averments in the petition are deemed to be admitted as
5 fact, and his right to a hearing has been waived.

6 On February 14th, 2012, the OEC filed a
7 Request to Enter Judgment Upon Default. The matter is
8 now before the Board to consider the placement of Qing
9 Ding Liu on the Board's Excluded Persons List.

10 Mr. Liu was charged with one count of
11 theft by unlawful taking, one count of receiving
12 stolen property, both of those being felonies of the
13 Third Degree. The matter is still pending in the
14 criminal court system.

15 We have very clear surveillance showing
16 Mr. Liu, while in the process of playing, reaching
17 into the gaming float. And it's blatant. It's not
18 hard to see. Grabbing seven \$1,000 gaming chips and
19 absconding from the table. Thankfully, he was caught
20 in the parking lot by our security --- or Sands'
21 security. Those chips have been recovered, so at this
22 point there's no loss to the Sands Casino.

23 CHAIRMAN:

24 Is Qing Ding Liu in the hearing room?
25 Any questions or comments from the Board? Ex-Officio

1 members? May I have a motion?

2 MR. GINTY:

3 Mr. Chairman, I move this Board issue an
4 Order to approve the addition of Qing Ding Liu to the
5 PGCB Involuntary Exclusion List as described by the
6 OEC.

7 MR. MCCALL:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 AYES RESPOND

12 CHAIRMAN:

13 Opposed? The motion carries.

14 ATTORNEY ROLAND:

15 Next matter is a request to place Sefula
16 Seji on the Board's Excluded Persons List. The OEC
17 filed a petition on October 11th to place Mr. Seji on
18 the Exclusion List for marking cards while playing
19 poker at Sands. The petition was properly served upon
20 Mr. Seji to the address listed on the criminal
21 complaint failed against him by both Certified and
22 First Class Mail.

23 A receipt for the Certified Mail was
24 signed and returned to the OEC, confirming successful
25 service. Mr. Seji did not respond to the filing in

1 any way. Given Mr. Seji's failure to respond, the
2 averments in the petition are deemed to be admitted as
3 fact, and his right to a hearing has been waived.

4 On February 14th, 2012, the OEC filed a
5 Request to Enter Judgment Upon Default. The matter is
6 now before the Board to consider the placement of
7 Sefula Seji on the Board's Excluded Persons List.

8 Mr. Seji was charged with 39 counts of
9 prohibited Acts under our Gaming Act, Section 1518,
10 those all being misdemeanor of the First Degree. The
11 matter is still pending.

12 Mr. Seji was relatively creative. He had
13 a square piece of sandpaper on the inside of his
14 middle finger on one hand. He was using that to scuff
15 the backs of the cards so he could identify which
16 cards would assist him in his play.

17 He actually did this on two separate
18 occasions, one ---. On one day he marked 30 cards.
19 The second day he had successfully marked 39 cards.
20 Why he was only charged with 39 counts for the second
21 day, I can't answer that.

22 And at this point, there's been some
23 difficulty trying to determine exactly how much he
24 would've been successful taking from the Sands,
25 because once the cards are marked and they're going

1 through the game play, no one is really certain
2 whether or not the winning hand is because of the
3 marked card or not. We are looking into that. We're
4 trying to see if we can come up with a number.

5 At this point, whatever he would have
6 been successful in winning is still out of pocket for
7 Sands. We would anticipate that coming back in
8 restitution if there is some type of guilty plea.

9 CHAIRMAN:

10 Is Sefula Seji in the hearing room? Any
11 questions or comments from the Board? Ex-Officio
12 members? May I have a motion?

13 MR. MCCALL:

14 Mr. Chairman, I move that the Board issue
15 an Order to approve the addition of Sefula Seji to the
16 Pennsylvania Gaming Control Board Involuntary
17 Exclusion List as described by the OEC.

18 CHAIRMAN:

19 Second?

20 MR. MOSCATO:

21 Second.

22 CHAIRMAN:

23 All in favor?

24 AYES RESPOND

25 CHAIRMAN:

1 Opposed? The motion carries.

2 ATTORNEY ROLAND:

3 The next matter is a request to place Ms.
4 Baoyu Zhang on the Board's Excluded Persons List. The
5 OEC filed a petition on September 16th to place Ms.
6 Zhang on the Exclusion List. Zhang, with the
7 assistance of patron Cong Zheng, placed post bets
8 while playing mini baccarat at Sands.

9 The petition was properly served upon Ms.
10 Zhang to the address listed on the criminal complaint
11 filed against her by both Certified and First Class
12 Mail. A receipt for the Certified Mail was signed and
13 returned to the OEC confirming successful service.
14 Ms. Zhang did not respond to the filing in any way,
15 and given Ms. Zhang's failure to respond, the
16 averments in the petition are deemed to be admitted as
17 fact, and her right to a hearing has been waived.

18 On February 14th, 2012, the OEC filed a
19 Request to Enter Judgment Upon Default. The matter is
20 now before the Board to consider placement of Ms.
21 Baoyu Zhang on the Board's Excluded Persons List.

22 She's charged with one count of
23 prohibited acts under Section 1518, a Misdemeanor One,
24 also, under 1518, but subsection (d) for aiding and
25 abetting. That's also a Misdemeanor One. One count

1 of theft by deception, a Misdemeanor One.

2 The case has been disposed of. She
3 entered a guilty plea to a summary disorderly conduct
4 under 5503. She was ordered to pay restitution, court
5 costs, not placed on probation in this situation. I
6 bring that up only because her co-defendant was placed
7 on probation.

8 Ms. Zhang is a resident of California. I
9 know routinely that Pennsylvania will transfer
10 probation to surrounding states. Sometimes that
11 becomes a little bit more difficult if you're going
12 across the country. That's only speculation on my
13 behalf, why she only has restitution and court costs.

14 As far as the restitution is concerned,
15 she was ordered to pay the full \$400 which they were
16 successfully able to remove from play. Ms. Zhang was
17 sitting one seat next to Mr. Zheng, and Mr. Zheng
18 actually had the winning hand. Ms. Zhang capped Mr.
19 Zheng's bet. Mr. Zheng was paid the full amount out,
20 and then he slid it over between the two of them,
21 which she then took, and we assume that they were
22 going to split at one point in time, which is why they
23 were both charged.

24 CHAIRMAN:

25 Is Baoyu Zhang in the hearing room?

1 Questions or comments from the Board?

2 MR. SOJKA:

3 Just could I ask one quick question?

4 That is, here's a person, obviously, that's doing this
5 thing in various places. Do we issue to these persons
6 that we put on our list some kind of clear formal
7 announcement to them that they're on that list? Do
8 they know they're on the list?

9 ATTORNEY ROLAND:

10 Well, they certainly receive all of ---.
11 As far as Enforcement Counsel's concerned, they've
12 received all the paperwork that would have been filed
13 and at some point in time was presented to the Board,
14 saying that there was a petition for you to be placed
15 on the Exclusion List. And it lays out blow by blow,
16 in detail, what the accusations are.

17 MR. SOJKA:

18 How does she know the ---?

19 ATTORNEY ROLAND:

20 I'm sorry. One more time?

21 MR. SOJKA:

22 Will she get a letter saying ---?

23 ATTORNEY COOK:

24 There's actually an Order issued, or an
25 Order to her last known.

1 MR. SOJKA:

2 Okay. So, then in other words, the best
3 we can hope for in this is that this is a clear
4 disincentive to people to try to wander back into a
5 Pennsylvania casino? They know they're going to be
6 looked for?

7 ATTORNEY COOK:

8 I think that's true.

9 MR. SOJKA:

10 Okay. Thank you.

11 CHAIRMAN:

12 Any other questions of the Board?
13 Ex-Officio members? May I have a motion?

14 MR. MOSCATO:

15 Mr. Chairman, I move that the Board issue
16 and Order to approve the addition of Baoyu Zhang to
17 the PGCB Involuntary Exclusion List as described by
18 the OEC.

19 MR. SOJKA:

20 Second.

21 CHAIRMAN:

22 All in favor?

23 AYES RESPOND

24 CHAIRMAN:

25 Opposed? The motion carries.

1 ATTORNEY ROLAND:

2 And the last matter before you today is
3 the co-defendant of Ms. Zhang. The next matter is a
4 request to place Cong Zheng on the Board's Excluded
5 Persons List. The OEC filed a petition on September
6 the 16th to place Mr. Zheng on the Exclusion List for
7 placing post bets while playing mini baccarat at
8 Sands. The petition was properly served upon Mr.
9 Zheng to the address listed on the criminal complaint
10 filed against him by both Certified and First Class
11 Mail.

12 Mr. Zheng did not respond to the filing
13 in any way. Given Mr. Zheng's failure to respond, the
14 averments in the Petition are deemed to be admitted as
15 fact, and his right to a hearing has been waived.

16 On February 14th, 2012, the OEC filed a
17 Request to Enter Judgment Upon Default. The matter is
18 now before the Board to consider the placement of Cong
19 Zheng on the Board's Excluded Persons List.

20 Same as Ms. Zhang, Mr. Zheng was charged
21 with one count of prohibited acts, Misdemeanor One.
22 Second count of prohibited acts is under Subsection
23 (d), aiding and abetting, and one count of conspiracy
24 to commit theft by deception, Misdemeanor One. The
25 case has been disposed of. It was a guilty plea to

1 the summary disorderly conduct, just like Ms. Zheng,
2 except in this case we have 12 months of probation in
3 addition to the restitution.

4 CHAIRMAN:

5 Is Cong Zheng in the hearing room? Any
6 comments, questions from the Board? Ex-Officio
7 members? May I have a motion?

8 MR. SOJKA:

9 Yes, Mr. Chairman. I'll move that the
10 Board issue an Order to approve the addition of Cong
11 Dian Zheng to the PGCB Involuntary Exclusion List as
12 described by the OEC.

13 CHAIRMAN:

14 Second?

15 MR. TRUJILLO:

16 Second.

17 CHAIRMAN:

18 All in favor?

19 AYES RESPOND

20 CHAIRMAN:

21 Opposed? The motion carries.

22 ATTORNEY ROLAND:

23 That's all I have. Thank you.

24 CHAIRMAN:

25 Thanks, Michael. Thank you, Cyrus.

1 Ladies and gentlemen, I think that completes the
2 substantive part of this hearing and meeting this
3 morning. We have a period today set aside for public
4 comment, but as I understand it, however, we do not
5 have anyone registered to speak today. Is there
6 anyone in the audience wishing to make public comment?
7 Since there are no speakers, I believe that concludes
8 our business today.

9 Our next scheduled public meeting will be
10 held here on Wednesday, April 11th at 10:00 a.m. Any
11 final comments from the Board? Ex-Officio members?
12 May I have a motion to adjourn the meeting?

13 MR. TRUJILLO:

14 So moved.

15 CHAIRMAN:

16 Second?

17 MR. FAJT:

18 Second.

19 CHAIRMAN:

20 This meeting is adjourned. Thank you all
21 very much.

22 * * * * *

23 MEETING CONCLUDED AT 11:43 A.M.

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CERTIFICATE

I hereby certify that the foregoing proceedings, meeting held before Chairman Ryan, was reported by me on 03/21/2012 and that I, Jolynn C. Prunoske, read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.

Jolynn C. Prunoske