

MINUTES

WEST VIRGINIA LOTTERY COMMISSION

January 23, 2019

Call to Order - Approval of Minutes

The monthly meeting of the West Virginia Lottery Commission was called to order at Lottery headquarters on Wednesday, January 23, 2019 at 11:09 a.m.

Commission Members present: Chairman Ken Greear, Vice Chairman Clayton, Douglas Bicksler, William Laird and Roy Shrewsbury. Commissioners Kniceley and Marshall joined by telephone.

Also present were: Director John Myers, Assistant Director Buffington, Robin Graley, Bob Humphrey, Keith Morgan, June Somerville, David Bradley, Elizabeth Webb, Steve Compston, Kayla Brown-Giordano, Dean Patrick and the public.

A motion to approve the minutes of December 19, 2018 monthly meeting was made by Commissioner Shrewsbury. This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

A motion to approve the minutes of the December 12, 2018 conference call was made by Vice Chairman Clayton seconded by Commissioner Bicksler and passed by unanimous voice vote.

Report of the Director

Director Myers reported Tracy Webb was recently hired as General Counsel.

Director Myers introduced Kayla Brown-Giordano, recently hired as Deputy Director of Marketing.

Director Myers reported on the recent passing of Dave Popish.

Director Myers reported recent budget hearings with Senate and House Finance Committees.

Director Myers reported licensing:

- Gaming Partners International USA, Inc. as a Table Games Supplier and a Limited Gaming Facility Supplier.

- Finance

- Dean Patrick reviewed the financial report for the month of December.

- Marketing

Kayla Brown-Giordano reviewed the monthly Marketing report and provided the social media report for November.

- Security Division – Traditional

Steve Compston provided the Racetrack/Traditional Security report.

- Security Division – Limited Video Lottery

David Bradley reviewed the Limited Video Lottery Security report.

-Security - Table Games/Casino/Video

David Bradley provided the report for the Table Games Division.

- Video Lottery

Bob Humphrey reviewed the monthly report for the Video Lottery Division.

- Licensing

Elizabeth Webb reviewed the Licensing report.

Questions for Contractor

There were no questions for IGT.

Finance and Audit Committee

The first item was possible approval of the Director's recommendation to impose a 100% civil penalty (\$12,399.78) against limited video lottery retailer Betlyn-Lyons, LLC dba A Better Place for second non-sufficient funds in twelve consecutive months.

VOTE: Vice Chairman Clayton moved to approve a 20% civil penalty in the amount of \$2,479.96 against Betlyn-Lyons, LLC dba A Better Place limited video lottery retailer for second non-sufficient funds in twelve consecutive months. If the retailer pays the amount of the first fine within 2 day the penalty will be reduced to 10% (\$1,239.98). If the retailer presents a letter from the bank within 3 weeks the penalty will be 0%. This motion was seconded by Commissioner Shrewsbury and passed by unanimous voice vote.

The next item was possible approval of the Director's recommendation to impose a 100% civil penalty (\$2,080.37) against limited video lottery retailer Moose Lodge #565 in Nitro, WV for first non-sufficient funds in twelve consecutive months.

VOTE: Vice Chairman Clayton moved to approve a civil penalty in the amount of \$2,08.04 against limited video lottery retailer Moose Lodge #565 in Nitro, WV for first non-sufficient funds in twelve consecutive months. This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

The next item was possible approval of the Director's recommendation to impose a 100% civil penalty (\$116,690.67) against limited video lottery operator Gameroom Amusements for first non-sufficient funds in twelve consecutive months.

VOTE: Vice Chairman Clayton moved to approve a civil penalty in the amount of \$10,000 against limited video lottery operator Gameroom Amusements for first non-sufficient funds in twelve consecutive months. This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

The next item was a review of the Audit Plan for remainder of FY 2019.

The last item was a review of the December Financial Statements.

Chairman Greear asked Director Myers to communicate to the limited video lottery operators and retailers that the Commission plans to initiate stronger approach in the review of future civil penalties for non-sufficient funds.

Games, Rules, Security and Marketing Committee

The first item was possible approval of the request of Tracy L. Strausser of Washington County, PA to be removed from the West Virginia Lottery self-exclusion list.

VOTE: Commissioner Shrewsbury moved to approve the request of Tracy L. Strausser of Washington County, PA to be removed from the West Virginia Lottery self-exclusion list. This motion was seconded by Commissioner Laird and passed by unanimous voice vote.

The next item was possible approval to establish an average weekly sales minimum for traditional retailers.

VOTE: Commissioner Shrewsbury moved to approve the establishment of an average weekly sales minimum of \$700 per week for traditional retailers. This motion was seconded by Commissioner Laird and passed by unanimous voice vote.

The last items for approval were: Ainsworth Game Technology Ltd. "Mystic Moon – Big Hit Bonanza" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "James Bond Goldfinger" Personality Program for the racetracks, IGT sensys "AVATAR 3D" Personality Program and Coffee Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Jackpots of Gold" Personality Program for the racetracks, Aristocrat, Inc. GEN7 "Jackpot Catcher" Personality Program for the racetracks, Everi Games Inc. (Multimedia Games, Inc.) MForce Personality Program Entitled "Double Jackpot Wolf" for the racetracks, Bally Gaming, Inc. "ArgOS" "Lock It Link – Hold On To Your Hat" Personality Program for the racetracks, Konami Gaming, Inc. KP3.5 "Money Galaxy Dragon's Return" Personality Program for the racetracks, Konami Gaming, Inc. KP3.5 "Money Galaxy Pharaoh's Power" Personality Program for the racetracks, Konami Gaming, Inc. KP3.5 "Money Galaxy Radiant Witch" Personality Program for the racetracks, IGT "Ascent" GI* "Golden Goddess Tullia" Installation Media and GAME* Package for the racetracks, IGT "Ascent" GI* "Fortune Coin" Installation Media and GAME* Package for the racetracks, IGT "Ascent" GI* "Fortune Rooster" Installation Media and GAME* Package for the racetracks, Incredible Technologies, Inc. "Eye of Odin" Personality Program for the racetracks, Incredible Technologies, Inc. "Jolly Emperor – Reign of the 8's" Personality Program for the racetracks, Incredible Technologies, Inc. "Clinko King of Bling"

Personality Program for the racetracks, Aristocrat, Inc. GEN7/GEN8 "Bengal Treasures"
Personality Program for the racetracks, Ainsworth Game Technology Ltd. "Vegas Delights – Big
Hit Bonanza" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "James Bond
Goldfinger" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Leprechaun's
Gold Rainbow Oasis" Personality Program for the racetracks, Incredible Technologies, Inc.
"Money Rain 2" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Zhen
Chan" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Jinse Dao Phoenix"
Personality Program for the racetracks, IGT "Ascent" GI* "DragonSphere" Installation Media
and GAME* Package for the racetracks, IGT "Ascent" GI* "Scarab" Installation Media and
GAME* Package for the racetracks, IGT "Ascent" GI* "Fort Knox Majestic Gorilla" Installation
Media and GAME* Package for the racetracks, IGT "Ascent" GI* "Fort Knox Twin Win"
Installation Media and GAME* Package for the racetracks, Bally Gaming, Inc. "ArgOS" "Yogi
Bear" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Treasures of Cairo"
Personality Program for the racetracks, Incredible Technologies, Inc. "Jolly Emperor Regal
Romance" Personality Program for the racetracks, Incredible Technologies, Inc. "Fireworks
Festival" Personality Program for the racetracks, Konami Gaming, Inc. KP3.5 KPS Game
Common Software for the racetracks, Konami Gaming, Inc. KP3.5 "Money Galaxy Extended
Game" Extended Feature Software for the racetracks, Konami Gaming, Inc. KPS Controller
Logic Box for the racetracks, Konami Gaming, Inc. KPS Media Display Controller Software for
the racetracks, JCM GEN5 USB/NETPLEX Printer for use by IGT for limited video lottery.

Approval letters from Gaming Laboratories, International have been received and reviewed.

VOTE: Commissioner Shrewsbury moved to approve: Ainsworth Game Technology Ltd. "Mystic Moon – Big Hit Bonanza" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "James Bond Goldfinger" Personality Program for the racetracks, IGT sensys "AVATAR 3D" Personality Program and Coffee Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Jackpots of Gold" Personality Program for the racetracks, Aristocrat, Inc. GEN7 "Jackpot Catcher" Personality Program for the racetracks, Everi Games Inc. (Multimedia Games, Inc.) MForce Personality Program Entitled "Double Jackpot Wolf" for the racetracks, Bally Gaming, Inc. "ArgOS" "Lock It Link – Hold On To Your Hat" Personality Program for the racetracks, Konami Gaming, Inc. KP3.5 "Money Galaxy Dragon's Return" Personality Program for the racetracks, Konami Gaming, Inc. KP3.5 "Money Galaxy Pharaoh's Power" Personality Program for the racetracks, Konami Gaming, Inc. KP3.5 "Money Galaxy Radiant Witch" Personality Program for the racetracks, IGT "Ascent" GI* "Golden Goddess Tullia" Installation Media and GAME* Package for the racetracks, IGT "Ascent" GI* "Fortune Coin" Installation Media and GAME* Package for the racetracks, IGT "Ascent" GI* "Fortune Rooster" Installation Media and GAME* Package for the racetracks, Incredible Technologies, Inc. "Eye of Odin" Personality Program for the racetracks, Incredible Technologies, Inc. "Jolly Emperor – Reign of the 8's" Personality Program for the racetracks, Incredible Technologies, Inc. "Clinko King of Bling" Personality Program for the racetracks, Aristocrat, Inc. GEN7/GEN8 "Bengal Treasures" Personality Program for the racetracks, Ainsworth Game Technology Ltd. "Vegas Delights – Big Hit Bonanza" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "James Bond Goldfinger" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Leprechaun's

Gold Rainbow Oasis" Personality Program for the racetracks, Incredible Technologies, Inc. "Money Rain 2" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Zhen Chan" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Jinse Dao Phoenix" Personality Program for the racetracks, IGT "Ascent" GI* "DragonSphere" Installation Media and GAME* Package for the racetracks, IGT "Ascent" GI* "Scarab" Installation Media and GAME* Package for the racetracks, IGT "Ascent" GI* "Fort Knox Majestic Gorilla" Installation Media and GAME* Package for the racetracks, IGT "Ascent" GI* "Fort Knox Twin Win" Installation Media and GAME* Package for the racetracks, Bally Gaming, Inc. "ArgOS" "Yogi Bear" Personality Program for the racetracks, Bally Gaming, Inc. "ArgOS" "Treasures of Cairo" Personality Program for the racetracks, Incredible Technologies, Inc. "Jolly Emperor Regal Romance" Personality Program for the racetracks, Incredible Technologies, Inc. "Fireworks Festival" Personality Program for the racetracks, Konami Gaming, Inc. KP3.5 KPS Game Common Software for the racetracks, Konami Gaming, Inc. KP3.5 "Money Galaxy Extended Game" Extended Feature Software for the racetracks, Konami Gaming, Inc. KPS Controller Logic Box for the racetracks, Konami Gaming, Inc. KPS Media Display Controller Software for the racetracks, JCM GEN5 USB/NETPLEX Printer for use by IGT for limited video lottery. This motion was seconded by Commissioner Laird and passed by unanimous voice vote.

- Unfinished Business

There was no Unfinished Business.

- New Business

There was no Unfinished Business.

Scheduling of the next monthly meeting

The date for the next monthly meeting was set for February 20, 2019 at 11:00 a.m. at Lottery Headquarters in Charleston, WV. The date for the conference call was set for February 13, 2019 at 12:00 noon.

VOTE: Commissioner Bicksler moved to accept the meeting dates. This motion was seconded by Commissioner Shrewsbury passed by unanimous voice vote.

Adjourn

VOTE: Vice Chairman Clayton moved to adjourn the meeting.



Kenneth L. Greear
Chairman



Robin Graley
Recording Secretary