

MINUTES

WEST VIRGINIA LOTTERY COMMISSION

July 22, 2020

Call to Order - Approval of Minutes

The monthly meeting of the West Virginia Lottery Commission was called to order at Lottery headquarters on Wednesday, July 22, 2020 at 11:09 a.m.

Commission Members present: Chairman Ken Greear, Vice Chairman Clayton, Douglas Bicksler, Andy Kniceley, Dan Marshall and Roy Shrewsbury.

Also present were: Director John Myers, Assistant Director Randy Burnside, Kim Lamb, Dustin Lamar, June Somerville, David Bradley, Elizabeth Webb, Steve Compston, Dean Patrick and the public.

A motion to approve the minutes of the June 24, 2020 monthly meeting was made by Vice Chairman Clayton. This motion was seconded by Commissioner Shrewsbury and passed by unanimous voice vote.

A motion to approve the minutes of the June 17, 2020 conference call was made by Commissioner Shrewsbury seconded by Commissioner Marshall and passed by unanimous voice vote.

Special Orders of Business:

Election of Chairman and Vice Chairman

VOTE: Commissioner Shrewsbury moved to retain Kenneth Greear as Chairman for Fiscal Year 2020. This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

VOTE: Commissioner Shrewsbury moved to retain William Clayton as Vice Chairman for Fiscal Year 2020. This motion was seconded by Commissioner Marshall and passed by unanimous voice vote.

Chairman Greear reappointed Roy Shrewsbury as Chairman of the Games, Rules, Security and Marketing Committee and William Clayton as Chairman of the Finance and Audit Committee.

Report of the Director

Director Myers reported Dustin Lamar had been appointed Deputy Director of Video Lottery.

Director Myers introduced Danielle Snidow who was recently hired as Deputy Director of Marketing.

Director Myers reported the death of Bob VanHoff who had been with the Lottery for 16 years, most recently at Mardi Gras

Director Myers reported approved the following licenses:

- Kax Media America, Inc., a Sports Wagering Supplier
- Konami Gaming, Inc., a Limited Gaming Facility Supplier
- The United States Playing Card Company, a Table Games Supplier

- **Interblock USA L.C., a Table Games Supplier**

Director Myers and Chairman Greear asked the Members to review the Financial, Traditional Performance & Marketing, Security, Video Lottery and Licensing reports that are in their packets. This was due the large amount of items on the agenda.

Questions for Contractor

There were no questions for IGT.

Finance and Audit Committee

The first item was possible approval of the reallocation of up to \$5,312,722.00 for expenses related to the purchase of the new video lottery central management system.

VOTE: Vice Chairman Clayton moved to approve the reallocation of up to \$5,312,722.00 for expenses related to the purchase of the new video lottery central management system. This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

The next item was approval of the transfer of \$7,765,000.00 million from the Lottery's Racetrack Video Lottery administrative fees to comply with W.Va. Code §29-22A-10(b)(1) (Racetrack Video Lottery Modernization Fund).

VOTE: Vice Chairman Clayton moved to approve the transfer of \$7,765,000.00 million from the Lottery's Racetrack Video Lottery administrative fees to comply with W.Va. Code §29-22A-10(b)(1) (Racetrack Video Lottery Modernization Fund). This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

The next item was approval of the Director's recommendation to revoke the permits and license of Ye Olde Alpha, Inc., a licensed limited video lottery retailer.

VOTE: Vice Chairman Clayton moved to approve the Director's recommendation to revoke the permits and license of Ye Olde Alpha, Inc., a licensed limited video lottery retailer. This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

Games, Rules, Security and Marketing Committee

The first item was approval of the Director's recommendation to impose a \$1,000.00 civil penalty against Southern Amusement Co., a licensed limited video lottery operator for tampering with a video lottery terminal.

VOTE: Commissioner Shrewsbury moved to impose a \$1,000.00 civil penalty against Southern Amusement Co., a licensed limited video lottery operator for tampering with a video lottery terminal. This motion was seconded by Commissioner Kniceley and passed by unanimous voice vote. Chairman Greear asked staff to prepare a letter to limited video lottery service technicians outlining their duties and responsibilities in instances such as this.

The next items for approval were: Aristocrat, Inc. "Dragon's Riches" Personality Program for the racetracks, Aristocrat, Inc. "Tiki Fire" Personality Program for the racetracks, Aristocrat, Inc. "Moon Race" Personality Program for the racetracks, Aristocrat, Inc. "Choy's Fortune" Personality Program for the racetracks, Bally Gaming Inc. "Jackpot Stampede" Personality Program for the racetracks, Bally Gaming Inc. "Invaders From the Planet Moolah" Personality Program for the racetracks, Bally Gaming Inc. "Blazing Hot Hot Jackpot" Personality Program for the racetracks, Bally Gaming Inc. "Cash Falls Pirate's Trove" Personality Program for the racetracks, Bally Gaming Inc. "Rainbow Rocks" Personality Program for the racetracks, Bally Gaming Inc. "Ultra Hot Mega Link Rome" Personality Program for the racetracks, Bally Gaming Inc. "Double Spin for Ca\$h" Personality Program for

the racetracks, Bally Gaming Inc. "Jinse Dao Horse" Personality Program for the racetracks, Bally Gaming Inc. "Super Spin for Ca\$h" Personality Program for the racetracks, Bally Gaming Inc. "Lock It Link Lu Lu Tong" Personality Program for the racetracks, Everi Games, Inc. "SharkWeek POTAWATOMI Plugin Installation Media and Plugin Software" Bonus Feature for the racetracks, IGT "Takes the Cake 2" Personality Program for the racetracks, Incredible Technologies, Inc. "A Cut Above Brilliant Blue Jackpots" Personality Program for the racetracks, Incredible Technologies, Inc. "Crazy Money II" Personality Program for the racetracks, Incredible Technologies, Inc. "Sky Pyramid Pretty Penny" Personality Program for the racetracks, Incredible Technologies, Inc. "Transact Epic Edge Printer" for the racetracks, Incredible Technologies, Inc. "Printer Software (MO-497-INT-19-01)" Printer for the racetracks, Bally Gaming Inc. "Cash Falls Huo Zhu" Personality Program for the racetracks, IGT "Pig & Pug" Personality Program for the racetracks, IGT "Pig & Pug" Personality Program for the racetracks, IGT "Nanoptix Paycheck 4" Printer Software for limited video lottery. Approval letters from GLI have been received and approved.

VOTE: Commissioner Shrewsbury moved to approve: Aristocrat, Inc. "Dragon's Riches" Personality Program for the racetracks, Aristocrat, Inc. "Tiki Fire" Personality Program for the racetracks, Aristocrat, Inc. "Moon Race" Personality Program for the racetracks, Aristocrat, Inc. "Choy's Fortune" Personality Program for the racetracks, Bally Gaming Inc. "Jackpot Stampede" Personality Program for the racetracks, Bally Gaming Inc. "Invaders From the Planet Moolah" Personality Program for the racetracks, Bally Gaming Inc. "Blazing Hot Hot Jackpot" Personality Program for the racetracks, Bally Gaming Inc. "Cash Falls Pirate's Trove" Personality Program for the racetracks, Bally Gaming Inc. "Rainbow Rocks" Personality

Program for the racetracks, Bally Gaming Inc. "Ultra Hot Mega Link Rome" Personality Program for the racetracks, Bally Gaming Inc. "Double Spin for Ca\$h" Personality Program for the racetracks, Bally Gaming Inc. "Jinse Dao Horse" Personality Program for the racetracks, Bally Gaming Inc. "Super Spin for Ca\$h" Personality Program for the racetracks, Bally Gaming Inc. "Lock It Link Lu Lu Tong" Personality Program for the racetracks, Everi Games, Inc. "SharkWeek POTAWATOMI Plugin Installation Media and Plugin Software" Bonus Feature for the racetracks, IGT "Takes the Cake 2" Personality Program for the racetracks, Incredible Technologies, Inc. "A Cut Above Brilliant Blue Jackpots" Personality Program for the racetracks, Incredible Technologies, Inc. "Crazy Money II" Personality Program for the racetracks, Incredible Technologies, Inc. "Sky Pyramid Pretty Penny" Personality Program for the racetracks, Incredible Technologies, Inc. "Transact Epic Edge Printer" for the racetracks, Incredible Technologies, Inc. "Printer Software (MO-497-INT-19-01)" Printer for the racetracks, Bally Gaming Inc. "Cash Falls Huo Zhu" Personality Program for the racetracks, IGT "Pig & Pug" Personality Program for the racetracks, IGT "Pig & Pug" Personality Program for the racetracks, IGT "Nanoptix Paycheck 4" Printer Software for limited video lottery. This motion was seconded by Commissioner Marshall and passed by unanimous voice vote.

VI. Unfinished Business.

The only item was possible approval of the Director's recommendation to impose civil penalties, license suspension or revocation, or other administrative action against a limited video lottery retailer licensee, Karen's Cookie Carnival, Inc., located in Huntington, WV. This discussion was recorded by court reporter. (copy of transcript attached).

VOTE: Commissioner Bicksler moved to fine Karen's Cookie Carnival \$100 per incident. As 921 incidents were found, the total fine would be \$92,100. Commissioner Shrewsbury seconded the motion which was passed by voice vote, with no one abstaining.

VOTE: Commissioner Shrewsbury moved to revoke the license and permits of Karen's Cookie Carnival. This motion was seconded by Commissioner Marshall and passed by unanimous voice vote with no one abstaining.

New Business.

The first item was possible approval of Ecom Access, Inc., dba Income Access as a Sports Wagering Supplier.

VOTE: Commissioner Shrewsbury moved to approve Ecom Access, Inc., dba Income Access as a Sports Wagering Supplier. This motion was seconded by Commissioner Kniceley and passed by unanimous voice vote.

The next item was possible approval of The Action Network, Inc., as a Sports Wagering Supplier.

VOTE: Commissioner Marshall moved to approve The Action Network, Inc., as a Sports Wagering Supplier. This motion was seconded by Commissioner Shrewsbury and passed by unanimous voice vote.

The next item was possible approval of PopOdds, Inc. dba abe as a Sports Wagering Supplier.

VOTE: Commissioner Bicksler moved to approve PopOdds, Inc. dba abe as a Sports Wagering Supplier. This motion was seconded by Commissioner Marshall and passed by unanimous voice vote.

The next item was possible approval of an amalgamation (analogous to a merger under U.S. law) of GeoComply Solutions, a British Columbia entity, licensed as a Sports Wagering Supplier.

VOTE: Vice Chairman Clayton moved to approve an amalgamation (analogous to a merger under U.S. law) of GeoComply Solutions, a British Columbia entity, licensed as a Sports Wagering Supplier. This motion was seconded by Commissioner Marshall and passed by unanimous voice vote.

The next item was possible approval of a Redemption Agreement of Trans-Allegheny Enterprises, LLC, a limited video lottery operator

VOTE: Commissioner Kniceley moved to approve a Redemption Agreement of Trans-Allegheny Enterprises, LLC, a limited video lottery operator. This motion was seconded by Commissioner Shrewsbury and passed by unanimous voice vote.

Choose the date and location for August Commission meeting

The date of August 26, 2020 was set for the monthly meeting. The meeting will begin at 11:00 a.m. and will be held at Lottery headquarters. The conference call was set for August 19, 2020 at noon.

VOTE: Vice Chairman Clayton moved to approve the dates for the August Commission meeting. This motion was seconded by Commissioner Shrewsbury and passed by unanimous voice vote.

Adjourn

VOTE: Vice Chairman Clayton moved to adjourn the meeting.



Kenneth L. Greear
Chairman



Kim Lamb
Recording Secretary