

MINUTES

WEST VIRGINIA LOTTERY COMMISSION

December 20, 2017

Call to Order - Approval of Minutes

The monthly meeting of the West Virginia Lottery Commission was called to order at Lottery headquarters on Wednesday, December 20, 2017 at 11:00 a.m.

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

Also present were: Alan Larrick, Jim Cox, David Bradley, Bob Humphrey, Robin Graley, Dean Patrick, Keith Morgan Ray Moore, Danielle Boyd, June Somerville, Tommy Young, Patrick Clark and the public.

A motion to approve the minutes of the November 15, 2017 monthly meeting was made by Commissioner Shrewsbury. This motion was seconded by Commissioner Marshall and passed by unanimous voice vote.

A motion to approve the minutes of the November 8, 2017 conference call was made by Vice Chairman Clayton, seconded by Commissioner Bicksler and passed by unanimous voice vote.

Report of the Director

Director Larrick reported on the progress of the conversion to the IGT Gaming System.

Director Larrick reported all four racetracks and the Greenbrier have been converted to new site hardware and are fully operational on the new Connexus system.

Director Larrick reported The State Lottery Rule modifications were approved by the Joint Committee on Legislative Rule Making on December 1, 2017, with minor modifications that are not substantive.

Director Larrick reported on the Video Lottery Expo held at Lottery headquarters on December 5 & 6, 2017.

Director Larrick reported meeting with IGT field reps and service technicians on December 19, 2017.

Director Larrick reported approved of the re-licensing of and Aruze Gaming America, Inc., a Table Games Supplier and Galaxy Gaming, Inc., a Limited Gaming Facility Level 2 Supplier.

Director Larrick reported the legislative session begins January 10, 2018.

- Financial Report

Dean Patrick reviewed the financial report for the month of November. Mr. Patrick introduced Belinda Brown, recently hired in the Validations Division.

- Marketing

Tommy Young reviewed the monthly Marketing report.

- Security Division – Traditional

David Bradley 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

Jim Cox provided the Licensing report.

III. Questions for Contractor

There were no questions for IGT.

IV. Finance and Audit Committee

The first item was possible approval of the sale and acquisition of Tech Art Manufacturing, Inc., a Table Games and Limited Gaming Facility Supplier to Bally Gaming, Inc. a two tier subsidiary of Scientific Games.

VOTE: Vice Chairman Clayton moved to approve the sale and acquisition of Tech Art Manufacturing, Inc., a Table Games and Limited Gaming Facility Supplier to Bally Gaming, Inc. a two tier subsidiary of Scientific Games. This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

The next item was a review of the Director's show cause letter to Randy Miller of Desmad, LLC, dba The Inn at Pettyjohn, a licensed limited video lottery retailer who is to attend and explain why he should not face the imposition of the 100% civil penalty and

revocation of his limited video lottery license and permits for three non-sufficient funds condition.

VOTE: Vice Chairman Clayton moved to approve a 100% civil penalty and revocation of his limited video lottery license and permits for three non-sufficient funds condition against Randy Miller of Desmad, LLC, dba The Inn at Pettyjohn, a licensed limited video lottery retailer. The license for this retailer will also be revoked. This motion was seconded by Commissioner Bicksler and passed by unanimous voice vote.

The next item was a review of the Director's show cause letter to James Hutzler of Blue Diamond, LLC, a licensed limited video lottery operator who is to attend and explain why he should not face the imposition of the 100% civil money penalty for first non-sufficient fund condition. Mr. Hutzler's attorney appeared and announced Blue Diamond, LLC has filed bankruptcy.

The last item was questions regarding November Financial Statements.

V. Games, Rules, Security & Marketing Committee

The first item was approval of: three New Everi Games Inc. (formerly known as Multimedia Games, Inc.) MForce Personality Programs Entitled "Patriot", "Electric Diamond", and "Jackpot Fire" for the racetracks, one new IGT "Ascent S3000" GI* "How to Marry a Millionaire" Installation Media and one new GAME* Package for the racetracks, one new IGT "Ascent S3000" GI* "Triple Red Hot Gold" Installation Media and one new GAME* Package for the racetracks, one new Everi Games Inc. (formerly known as Multimedia Games, Inc.) MForce Personality Programs Entitled "Smokin' 777" for the racetracks, one new Bally Gaming, Inc. "ArgOS" "Heidi's Bier Haus"

Personality Program for the racetracks, one new Bally Gaming, Inc. "ALPHA II" "Playboy Hot Shot" Personality Program and New Associated Software for the racetracks, one new IGT "Ascent S3000" GI* "Super Red Hot Jackpots Double Sizzling 777" Installation Media and one new GAME* Package for the racetracks, one new Everi Games Inc. (formerly known as Multimedia Games, Inc.) MForce Personality Programs Entitled "Total Meltdown" for the racetracks, one new Everi Games Inc. (formerly known as Multimedia Games, Inc.) MForce Personality Programs Entitled "Money Frog" for the racetracks, one new IGT "Ascent S3000" GI* "Triple Big Wheel 6x 4x 3x 2x V.I.P." Installation Media and one new GAME* Package for the racetracks, one new IGT "Ascent S3000" GI* "Super Red Hot Jackpots Sizzling 777" Installation Media and one new GAME* Package for the racetracks, one new Everi Games Inc. (formerly known as Multimedia Games, Inc.) MForce Personality Programs Entitled "Penn & Teller" for the racetracks, one new Konami Gaming, Inc. KP3.5 "Dragon Emblem Jackpots" Personality Program for the racetracks, one new Konami Gaming, Inc. KP3.5 "Extended #1 for Concerto and Crescent" Progressive Feature Software for the racetracks, New Everi Games Inc. (formerly known as Multimedia Games, Inc.) mLINK Progressive Controller System Patch for the racetracks, two new IGT Hardware Components for the racetracks, two new IGT Hardware Components for the racetracks, one new IGT Universal Controller (UC) Program and one new Sign Controller for the racetracks, one new Bally Gaming, Inc. "ALPHA II" "Silk & Steel" Personality Program and New Associated Software for the racetracks, one new Bally Gaming, Inc. "ALPHA II" "Super Quick Hit Playboy Midnight Diamonds" Personality Program and New Associated Software for the racetracks, one new Everi Games Inc. (formerly known as Multimedia Games, Inc.)

MForce Personality Program Entitled "Black Diamond" for the racetracks, one new Everi Games Inc. (formerly known as Multimedia Games, Inc.) MForce Personality Program Entitled "Earth Oceans" and "Rainforest" for the racetracks, one new Konami Gaming, Inc. KP3.5 "Lucky O'Leary Jackpots" Personality Program for the racetracks, one new Konami Gaming, Inc. KP3.5 "Lotus Land Deluxe Wild" Personality Program for the racetracks, one new Aristocrat, Inc. GEN7/GEN8 "Midnight Rumble" Personality Program for the racetracks, one new IGT sensys "Treasures of Olympus 3D" Personality Program and one new Coffee Program for the racetracks, one new Konami Gaming, Inc. KP3.5 "Mayan Chief Great Stacks" Personality Program for the racetracks, one new Konami Gaming, Inc. KP3.5 "Volcanic Rock Fire Twin Fever" Personality Program for the racetracks, one new IGT "Ascent S3000" GI* "Red Hot Tamales!" Installation Media and one new GAME* Package for the racetracks, one new Bally Gaming, Inc. "Crystal Forest More Magic" Personality Program for the racetracks, one new Konami Gaming, Inc. KP3.5 "Pharaoh's Fury" Personality Program for the racetracks, one new Aristocrat, Inc. GEN8 "Wild Fiesta'Coins" Personality Program for the racetracks, one new Aristocrat, Inc. GEN7/GEN8 "Sweet Moonlight" Personality Program for the racetracks, one new Aristocrat, Inc. GEN7/GEN8 "Sweet Daybreak" Personality Program for the racetracks, one new Aristocrat, Inc. GEN8 "Choy Coin Doa – Dragon Ingot" Personality Program for the racetracks, one new Bally Gaming, Inc. "ALPHA II" "Super Quick Hit Playboy Sunset Sapphires" Personality Program and New Associated Software for the racetracks, one new Ainsworth Game Technology Ltd. "Hao Yun Ingots" Personality Program for the racetracks, one new Ainsworth Game Technology Ltd. "Hao Yun Treasure" Personality Program for the racetracks, one new Bally Gaming, Inc. "ALPHA

II” “Green Machine Deluxe” Personality Program and New Associated Software for the racetracks, one new Bally Gaming, Inc. “ALPHA II” “Sunset on the Serengeti” Personality Program and New Associated Software for the racetracks, one new Bally Gaming, Inc. “ALPHA II” “Spin ‘N Hit” Personality Program and New Associated Software for the racetracks, one new Bally Gaming, Inc. “ArgOS” “Dashing Dollars: Frozen North” Personality Program for the racetracks, one new Bally Gaming, Inc. “ArgOS” “Dashing Dollars: Southern Magic” Personality Program for the racetracks, one new IGT “Ascent S3000” GI* “Triple Double Diamond” Installation Media and one new GAME* Package for the racetracks. Approval letters from GLI have been received and approved.

VOTE: Commissioner Shrewsbury moved to approve: three New Everi Games Inc. (formerly known as Multimedia Games, Inc.) MForce Personality Programs Entitled “Patriot”, “Electric Diamond”, and “Jackpot Fire” for the racetracks, one new IGT “Ascent S3000” GI* “How to Marry a Millionaire” Installation Media and one new GAME* Package for the racetracks, one new IGT “Ascent S3000” GI* “Triple Red Hot Gold” Installation Media and one new GAME* Package for the racetracks, one new Everi Games Inc. (formerly known as Multimedia Games, Inc.) MForce Personality Programs Entitled “Smokin’ 777” for the racetracks, one new Bally Gaming, Inc. “ArgOS” “Heidi’s Bier Haus” Personality Program for the racetracks, one new Bally Gaming, Inc. “ALPHA II” “Playboy Hot Shot” Personality Program and New Associated Software for the racetracks, one new IGT “Ascent S3000” GI* “Super Red Hot Jackpots Double Sizzling 777” Installation Media and one new GAME* Package for the racetracks, one new Everi Games Inc. (formerly known as Multimedia Games, Inc.)

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one new Bally Gaming, Inc. "ArgOS" "Dashing Dollars: Frozen North" Personality Program for the racetracks, one new Bally Gaming, Inc. "ArgOS" "Dashing Dollars: Southern Magic" Personality Program for the racetracks, one new IGT "Ascent S3000" GI* "Triple Double Diamond" Installation Media and one new GAME* Package for the racetracks. This motion was seconded by Commissioner Marshall and passed by unanimous voice vote.

The last item was possible approval of the hearing examiner's recommended decision in the limited video lottery retailer licensing appeal of Billy Boy, LLC.

VOTE: Commissioner Shrewsbury moved to approve the hearing examiner's recommended decision in the limited video lottery retailer licensing appeal of Billy Boy, LLC. This motion was seconded by Commissioner Marshall and passed by unanimous decision.

VI. Unfinished Business.

There is no Unfinished Business.

VII. New Business.

There is no New Business.

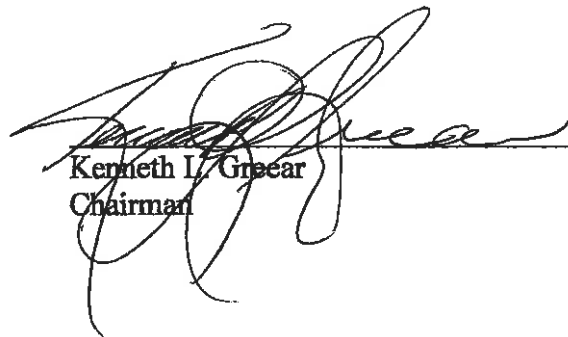
VIII. Scheduling the next meeting.

The date of January 24th was tentatively set for the monthly meeting. The meeting will begin at 11:00 a.m., committee meetings will be held at 10:00 a.m. The conference call was set for January 17th at noon. The location of the monthly meeting was set to be at Lottery headquarters in Charleston.

VOTE: Commissioner Bicksler moved to approve the January meeting dates. This motion was seconded by Commissioner Shrewsbury and passed by unanimous decision.

IX. Adjourn.

VOTE: Vice Chairman Clayton moved to adjourn the meeting. This motion was seconded by Commissioner Shrewsbury and passed by unanimous voice vote.



Kenneth I. Greear
Chairman



Robin Graley