

## LOUISIANA GAMING CONTROL BOARD

### Minutes of November 20, 2014

The monthly meeting of the Louisiana Gaming Control Board was convened on Thursday, November 20, 2014, 10:00 a.m., in House Committee Room 5 of the Louisiana State Capitol. Present at the meeting were: Ronnie Jones, Chairman, Ayres Bradford, Mark Stipe, James Singleton, Denise Noonan, Claude Mercer, Claude Jackson, Robert Gaston and ex-officio member Colonel Mike Edmonson. Absent was ex-officio member Secretary Tim Barfield.

The meeting was called to order. It was moved by Mr. Bradford to waive the reading and approve the minutes of the October meeting. That motion was seconded by Mr. Singleton and unanimously approved by the Board.

Ms. Donna Jackson, State Police Gaming Audit, provided revenue reports for the riverboats, landbased casino, slots at the track, and employee numbers for the landbased casino. Mr. Jim Bossier, also with the Gaming Audit Section, provided the statistics for video poker.

The Board considered a stipulation and petition to amend license conditions 7, 13(c) and 20(c) for Golden Nugget Lake Charles, LLC, No. R016502995. Following discussion, it was moved by Mr. Bradford to adopt the resolution approving the stipulation and the amendment of the above stated conditions. (*Attached as Exhibit A to these minutes.*) That motion was seconded by Mr. Gaston and unanimously approved by the Board.

The Board considered a request for approval of the Compulsive Gaming Program for Golden Nugget Lake Charles, LLC. Following discussion, it was moved by Mr. Singleton to adopt the resolution approving the Compulsive Gaming Program. That motion was seconded by Major Mercer and unanimously approved by the Board.

The Board considered the Manning Proposal for Golden Nugget Lake Charles, LLC. Following discussion, it was moved by Ms. Noonan to adopt the resolution approving the Manning Proposal that was recommended by ABS Consulting for inclusion in the Certificate of Compliance when it is issued by the Board. That motion was seconded by Mr. Jackson and unanimously approved by the Board.

The Board considered the Certificate of Compliance for the Alternate Riverboat Inspection of the gaming vessel of Golden Nugget Lake Charles, LLC – No. R016502995. Following discussion, it was moved by Mr. Gaston to adopt the resolution authorizing the Chairman to issue a temporary Certificate of Compliance upon receipt of all required permits as confirmed by ABS Consulting and Louisiana State Police. That motion was seconded by Mr. Bradford and unanimously approved by the Board.

The Board considered the request for determination of substantial completion, commencement of gaming operations and release of escrow account by Golden Nugget Lake

Charles, LLC – No. R016502995. Following discussion, it was moved by Mr. Bradford to adopt the resolution authorizing the Chairman to accept the architect’s Certificate of Substantial Completion and readiness for Occupancy and Use as confirmed by Louisiana State Police; to commence gaming operations subject to issuance of a Certificate of Compliance and a successful completion of a preoperative inspection by Louisiana State Police. The resolution further authorizes the Chairman to execute the notice to the escrow agent for release of the escrow funds upon receipt of confirmation from Louisiana State Police that gaming operations have commenced. (*Attached as Exhibit B to these minutes.*) That motion was seconded by Mr. Singleton and unanimously approved by the Board.

The Board considered the renewal application of Louisiana Riverboat Gaming Partnership d/b/a DiamondJacks Casino & Resort – No. R010800195. Following discussion, it was moved by Mr. Bradford to adopt the resolution approving the five-year renewal of the license. That motion was seconded by Ms. Noonan and unanimously approved by the Board.

The Board considered the petition for Transfer of Interest by Multimedia Games, Inc. – Nos. P056502954 & P076502956 to Global Cash Access Holdings, Inc. – Nos. P066502977 & P076502979. Following discussion, it was moved by Mr. Jackson to approve the transfer of interest. That motion was seconded by Major Mercer and unanimously approved by the Board.

The Board acted on Proposed Settlements/Appeals in the following:

1. **In Re: PNK (Lake Charles) L.L.C. d/b/a L’Auberge Lake Charles – No. R0110001707** – Motion by Ms. Noonan to approve the \$10,000 penalty for allowing an underage person to gamble. That motion was seconded by Mr. Gaston and unanimously approved by the Board.
2. **In Re: Deneine M. Luse – No. P040025709** – Motion by Mr. Bradford to affirm the Hearing Officer’s decision of a \$250 penalty for failure to remain current in the payment and filing of federal income taxes. That motion was seconded by Mr. Jackson and unanimously approved by the Board.
3. **In Re: Vivian T. Wilson – No. P040003084** – Motion by Mr. Bradford to remand the case to the Hearing Officer for the introduction of any new evidence and to render a decision accordingly. That motion was seconded by Mr. Singleton and unanimously approved by the Board.
4. **In Re: Rolling Bones, Inc. d/b/a Speakeasy Sports Bar & Grill – No. 2605213848** – Motion by Mr. Bradford to affirm the Hearing Officer’s decision and conduct a hearing on the recommendation of the revocation within 30 days. That motion was seconded by Mr. Singleton and unanimously approved by the Board.

There being no further business, it was moved by Mr. Jackson to adjourn the meeting. That motion was seconded by Ms. Noonan and unanimously approved by the Board.

The meeting was adjourned.

EXHIBIT A



*State of Louisiana*  
*Gaming Control Board*

*BOBBY JINDAL*  
GOVERNOR

*RONNIE JONES*  
CHAIRMAN

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**In the Matter of Golden Nugget Lake Charles, LLC's  
Petition to Amend License Conditions  
No. R016502995**

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**RESOLUTION**

**On the 20th day of November, 2014**, the Louisiana Gaming Control Board ("Board"), in a duly noticed public meeting, did consider the issue of the Petition to Amend License Conditions filed by Golden Nugget Lake Charles, LLC, and upon motion duly made and seconded, the Board adopted this Resolution:

**BE IT RESOLVED** that, the Stipulation entered into by and among Golden Nugget Lake Charles, LLC, GNLC Holdings, Inc., Golden Nugget, Inc., Landry's Gaming, Inc. Fertitta Entertainment, Inc. and the Gaming Enforcement Division of Louisiana State Police providing for: (1) a \$25,000 payment as a condition of licensing; and (2) the expenditure by Golden Nugget Lake Charles, LLC of an additional \$2,000,000 on the golf course to be completed no later than April 30, 2015, a copy of which is attached hereto and made a part hereof, be and is hereby approved.

**BE IT RESOLVED** that, subject to all license conditions currently in effect on Golden Nugget Lake Charles, LLC, the following modifications to the Statement of Conditions be and are hereby **APPROVED**:

A. Condition 7 of the Statement of Conditions be modified and replaced with the following:

7. To construct and operate the Approved Project. It is expressly agreed and understood that no gaming operations shall commence until the Approved Project has been substantially completed and ready for occupancy and use in the opinion of the LGCB, with the exception of the 18-hole golf course with clubhouse facilities, to be completed and ready for occupancy and use by April 30, 2015. "Substantially complete" or "substantial completion" shall mean the stage in progress of the work when the Approved Project is sufficiently complete in accordance with the contract documents such that it can be occupied and utilized

for its intended use in the appropriate season. By “appropriate season,” it may not be necessary, for example, to open the swimming pool in the middle of winter, so long as the swimming pool is anticipated to be completed in time for the normal season for swimming pools in Lake Charles.

B. Condition 13.c of the Statement of Conditions be modified and replaced with the following:

13.c To commence construction of the Approved Project on or before July 20, 2012, with construction to be completed on or before December 31, 2014, with the exception of the 18-hole golf course with clubhouse facilities to be completed on or before April 30, 2015. Failure to meet these deadlines or to timely receive an extension may result in forfeiture of all privileges to the License.

C. Condition 20.c of the Statement of Conditions be modified and replaced with the following:

20.c Upon Completion of Construction of the Approved Project, any funds remaining in the Escrow Accounts shall be released.

**THUS DONE AND SIGNED IN BATON ROUGE, LOUISIANA, THIS 20th DAY OF NOVEMBER, 2014.**

  
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**RONNIE JONES, CHAIRMAN**  
**LOUISIANA GAMING CONTROL BOARD**

LOUISIANA GAMING CONTROL BOARD

IN RE: GOLDEN NUGGET LAKE CHARLES, LLC, Licensee  
License No. R 016502995

STIPULATION

NOW COMES Golden Nugget Lake Charles, LLC ("Licensee"), GNLC Holdings, Inc., Golden Nugget, Inc., Landry's Gaming, Inc., Fertitta Entertainment, Inc. and Louisiana State Police, Gaming Enforcement Division ("the Division"), who respectfully represent:

1. This matter is before the Louisiana Gaming Control Board ("Board") pursuant to its authority to consider the Licensee's request for amendments to the license conditions, a determination of substantial completion, authority to begin gaming operations and related matters.
2. Condition 7 of the license provides that no gaming operations shall commence until the entire Approved Project is substantially complete and ready for occupancy and use. The Approved Project includes an 18-hole golf course with clubhouse facilities.
3. Condition 13 of the license provides that construction of the Approved Project will be complete on or before December 31, 2014.
4. The 18-hole golf course with clubhouse facilities will not be complete until sometime after December 31, 2014.

THEREFORE, the parties STIPULATE and AGREE as follows:

1. As a reasonably imposed condition of licensing, Licensee will make a payment of \$25,000 in connection with its failure to complete the entire project by December 31, 2014 and prior to the commencement of gaming operations. The \$25,000 payment shall be paid within 15 days of the Board's approval of this Stipulation.
2. Licensee will spend Two Million Dollars (\$2,000,000) more than initially budgeted for additional landscaping and water features for the golf course and will complete the 18-hole golf course with clubhouse facilities no later than April 30, 2015. Failure to do so will result in the suspension of the license or the imposition of a civil penalty.
3. The Division does not object to the amendments to the conditions as requested by the licensee in its Petition filed November 7, 2014.

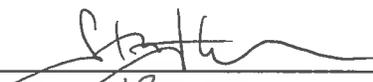
4. If the entire Approved Project, with the exception of the 18-hole golf course with clubhouse facilities, is not substantially complete and ready for occupancy and use in the opinion of the Board by December 31, 2014, this Stipulation is void.
5. "Substantially complete" or "substantial completion" shall have the same meaning as found in the conditions to the license.
6. This proposed Stipulation is subject to the approval of the Board and will be submitted to the Board in conjunction with the Licensee's request for amendment to the license conditions.

GOLDEN NUGGET LAKE CHARLES, LLC

By:   
V.P. (Title)

Date: November 20, 2014

GNLC HOLDINGS, INC.

By:   
V.P. (Title)

Date: November 20, 2014

GOLDEN NUGGET, INC.

By:   
V.P. (Title)

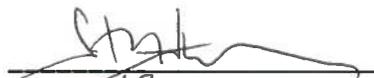
Date: November 20, 2014

LANDRY'S GAMING, INC.

By:   
V.P. (Title)

Date: November 20, 2014

FERTITTA ENTERTAINMENT, INC.

By:   
V.P. (Title)

Date: November 20, 2014

LOUISIANA STATE POLICE

By:   
Major Mike Noel, Command Inspector

Date: November 20, 2014



*State of Louisiana*  
*Gaming Control Board*

*BOBBY JINDAL*  
GOVERNOR

*RONNIE JONES*  
CHAIRMAN

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**In the Matter of Golden Nugget Lake Charles, LLC's  
Petition for Determination of Substantial Completion,  
Commencement of Gaming Operations and Release of Escrowed Funds  
No. R016502995**

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**RESOLUTION**

On the 20<sup>th</sup> day of November, 2014, the Louisiana Gaming Control Board ("Board") did, in a duly noticed public meeting, consider the issue of Golden Nugget Lake Charles, LLC's Petition for Determination of Substantial Completion, Commencement of Gaming Operations and Release of Escrowed Funds, and upon motion duly made and seconded, the Board adopted this Resolution:

**BE IT RESOLVED** that the Chairman be authorized to accept the architect's Certificate of Substantial Completion and Readiness for Occupancy and Use, as confirmed by the Louisiana State Police, Gaming Enforcement Division ("Division"), and to determine substantial completion of the Approved Project, with the exception of the 18-hole golf course with clubhouse facilities to be completed no later than April 30, 2015, in accordance with Conditions 6, 7 and 8, as amended, on behalf of the Board.

**BE IT FURTHER RESOLVED** that Golden Nugget Lake Charles, LLC's request to commence gaming operations on or about December 1, 2014, be approved subject to (1) issuance of a Riverboat Gaming Vessel Certificate of Compliance, (2) successful completion of the preoperative inspection to be conducted by the Division and (3) the determination of substantial completion of the Approved Project, with the exception of the 18-hole golf course with clubhouse facilities to be completed no later than April 30, 2015, in accordance with Conditions 6, 7 and 8, as amended, by the Chairman.

**BE IT FURTHER RESOLVED** that the Chairman be authorized to execute the notice to the escrow agent for release of the escrow funds upon receipt of confirmation from the Division that gaming operations have commenced at the Approved Project.

**THUS DONE AND SIGNED IN BATON ROUGE, LOUISIANA THIS 20<sup>th</sup> DAY OF NOVEMBER, 2014.**

  
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**RONNIE JONES, CHAIRMAN**  
**LOUISIANA GAMING CONTROL BOARD**