

**INDIANA GAMING COMMISSION
REGULAR MEETING**

**1:30 p.m., May 20, 1996
Indiana Government Center Auditorium
402 West Washington Street
Indianapolis, IN 46204**

PRESENT: Commission members Alan I. Klineman, Chair; Ann M. Bochnowski, Vice-chair; Donald R. Vowels, Secretary; Thomas F. Milcarek; David E. Ross, Jr., M.D., Robert W. Sundwick; Robert W. Swan; Staff members Jack Thar, Floyd Hannon, Kay Fleming, Cindy Dean, Pam Ayres and an audience.

Call to Order, Roll Call, and Announcements

Chairman Alan Klineman called the meeting to order at approximately 1:35 p.m. noting that a quorum was present. All commissioners were in attendance.

Approval of the Minutes

Chairman Klineman announced that approval of the May 8, 1996, meeting minutes would be tabled as they have not as yet been circulated to the Indiana Gaming Commission.

Report of the Executive Director

Executive Director Jack Thar indicated that the beginning of the process to open the two riverboats in Gary has been finalized. The play-money cruise for each boat will occur on June 3. The live money cruising for the Barden-Majestic Star Casino will take place on June 7; the live money cruise for Trump, on June 8. Assuming they balance over the course of June 9 and 10, they both will open for regularly-scheduled gaming on June 11 or June 12. The Indiana Gaming Commission will meet on June 3 in connection with the shake-down, play-money cruise occurring on each boat.

Mr. Thar announced that Indiana Gaming Commission staff met with Indiana Gaming Co., LP in preparation for the Commission's review of their Certificate of Suitability. They were notified of certain commissioner concerns over their financing process, where they are in their Corps of Engineers permitting process, and how far along they are in their overall project. Indiana Gaming Company, LP representatives advised they would be prepared to answer any questions.

As previously advised, the Corps permit process was suspended. Mr. Thar indicated that the suspension was lifted last Thursday, May 16. Indiana Gaming Co. appears to have made much progress in the areas previously mentioned. The picture is not as dismal as some reports predicted. Indiana Gaming Co., LP will be prepared to participate in a thorough hearing before

the Commission on the issues.

Hearing no questions, Executive Director Thar concluded his report.

Old Business

No old business.

New Business

Indiana Gaming Co., LP First Mortgage Notes

Executive Director Jack Thar reported that it was pointed out that a prior resolution, **Resolution 1996-15** had authorized Argosy Gaming Co., LP to process with its issuance of high yield notes or first mortgage debt bonds as long as it was completed by June 1, 1996, under substantially the same conditions, with a few exceptions, as the previous offering which had been approved by this Commission.

During the course of the Commission staff's meeting with Argosy last Wednesday, it was pointed out that 1) June 1 is a Saturday (thus, it would have to be completed the previous Friday or the next Monday), 2) a question about the technical term of when it is completed (is it when it is priced or when it is closed?).

Rather than request that the Commission extend the date to June 3, 1996 (Monday), staff is recommending that the deadline be extended to June 7, 1996, Friday of that week. Section 3 of the Resolution has been redrafted to state that the closing of the issue has to occur no later than the close of business on June 7. Mr. Thar explained that closing means that it has been priced, the five-day period between the pricing and the closing has transpired, and it has been closed and the money escrowed.

Executive Director Jack Thar sees this extension as an insignificant amount of time and it affords clarification of the previous resolution, giving Indiana Gaming Co. an extra two or three days' time. The Indiana Gaming Commission staff recommends that the Commission vote favorably on **Resolution 1996-33**.

ACTION: Resolution 1996-33, A Resolution Superseding Resolution 1996-15 and Reapproving the Issuance of First Mortgage Notes by Argosy Gaming Company, was unanimously approved on motion by Ann Bochnowski, second by Bob Swan.

Temporary Supplier License

Deputy Director Floyd Hannon presented **Resolution 1996-34, A Resolution Granting Temporary Supplier's Licenses to Video Lottery Consultants, Inc., Logical**

Solutions International, Inc. and Lodging and Gaming Systems. A preliminary investigation has been completed by the Indiana State Police and staff feels all three are eligible for the temporary license.

Lodging and Gaming Systems, Inc., a Reno, Nevada, company owned primarily by Steven Urie, has been in business since 1990. It provides computer software that handles player tracking and casino accounting systems. It is currently licensed in two states and conducts business in most states in the country that have any gambling activity. The awarding of the temporary license allows the company to do business in Indiana, but does not include any authority to utilize the system. The system must be approved at each installation by Gaming Laboratories International and Commission staff before it can be used. The State Police preliminary investigation indicated there are no statutory prohibitions existing that would prevent the company from being licensed.

Logical Solutions International, Inc., in Atco, New Jersey, has been in business since 1978, and is owned by John Russell Kiel. It also provides player tracking and casino accounting systems similar to that of Lodging and Gaming. The company is licensed in some manner in nine gaming jurisdictions and by five Native American tribes. Again, the system must be approved at each installation by Gaming Laboratories International and Commission staff before its use. The State Police investigation has found no statutory prohibitions existing that would prevent them from being licensed.

Video Lottery Consultants, Inc., in Bozeman, Montana, in business since 1985, is a wholly-owned subsidiary of Video Lottery Technologies, which is publicly traded. The company provides video gaming devices that offer slots, keno, and video poker and is licensed in some manner in sixteen separate gaming jurisdictions. Their products would also be subject to evaluation and testing by Gaming Laboratories International. Preliminary State Police investigation has found nothing to indicate there are any statutory prohibitions existing that would prevent the company from being licensed.

ACTION: Resolution 1996-34, A Resolution Granting Temporary Supplier's Licenses to Video Lottery Consultants, Inc., Logical Solutions International, Inc. and Lodging and Gaming Systems, was unanimously adopted on motion by Tom Milcarek, second by Ann Bochnowski.

Other Business

No other business.

Next Meeting

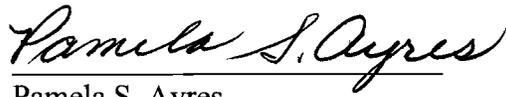
The next meeting of the Indiana Gaming Commission will be June 3, 1996, at 9:00 a.m. (Gary time), at the pavilion of the Trump Indiana-Majestic Star. The business meeting will precede the

shake-down cruises.

Recess Business Meeting to Commence Deliberation Process for Applicants for a Riverboat License in Harrison County

Chairman Alan Klineman recessed the business meeting at approximately 1:47 p.m., announcing that after a short break of ten minutes, the Indiana Gaming Commission would meet to undertake the deliberation process for a riverboat for Harrison County.

Respectfully submitted,


Pamela S. Ayres

THE INDIANA GAMING COMMISSION:


Alan I. Klineman, Chair

ATTEST:


Donald R. Vowels, Secretary