

LOUISIANA GAMING CONTROL BOARD

Minutes of January 21, 2003

The Louisiana Gaming Control Board held a meeting on Tuesday, January 21, 2003, 10:00 a.m., House Committee Room 1 of the Louisiana State Capitol. Present at this meeting were: Hillary J. Crain, Chairman; Robert M. Fleming, Vice-Chairman; James G. Boyer, Secretary/Treasurer; Gen. Sherian Cadoria, Dennis Kinchen, Dudley Lastrapes, Marcia Morgan, Rupert Richardson and Kelly Simoneaux. Absent were ex-officio members, Col. Terry Landry, and Sec. Cynthia Bridges.

The meeting was called to order. It was moved by Gen. Cadoria to waive the reading and approve the minutes of the December meeting. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

Ms. Donna Jackson, State Police Gaming Audit Division, presented the revenue reports for the riverboats, landbased casino, and slots at the tracks. Ms. Racquel Francis with the State Police Audit Division, reported on the employee numbers and salaries of the landbased casino, and Ms. Donna Stevens, also with Audit Division, reported on the statistics for video poker.

It was moved by Sec. Boyer to approve the revision of DPSSP Forms 0073, 0036 and 0037, Level II Business Application. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Board acted on the following truckstop applications:

1. **St. Martin Truckstop & Casino, Inc. - No. 5000513178** - Motion by Gen. Cadoria to approve the application. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.
2. **Jalou of St. Martin, LLC d/b/a Vegas Style Casino - No. 5000513043** - Motion by Sec. Boyer to approve the application. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

The Board acted on Proposed Settlements/Appeals from Hearing Officers' decisions in the following:

Numbers 1 - 27 below were acted on in globo because they all dealt with licensees not submitting their annual local or state tax clearances and were each assessed a \$250.00 penalty. It was moved by Gen. Cadoria to approve the

settlement for all 27 cases. That motion was seconded by Ms. Richardson and approved by the Board.

1. In Re: Minnows, L.L.C. d/b/a Lucky Dollar Casino - No. 5000512212
2. In Re: J & C Entertainment, L.L.C. d/b/a High Rollers Sports - No. 4600111133
3. In Re: Little Deuces d/b/a Little Deuces - No. 5302605379
4. In Re: Forest Gold Truck Plaza & Casino - No. 4600511922
5. In Re: LaRose Truck Plaza & Casino, L.L.C. d/b/a LaRose Casino - No. 2900511789
6. In Re: Stelly's Gaming, Inc. d/b/a Stelly's Gaming, Inc. - No. 4903611687
7. In Re: Feliciana Ventures, Inc. d/b/a Amite Plaza Truck Stop - No. 4600510960
8. In Re: J & C Entertainment, L.L.C. d/b/a High Rollers Daiquiri Shop - No. 4600111134
9. In Re: Inya M. Geibel d/b/a O'Aces - No. 5100111489
10. In Re: Dax Unlimited, L.L.C. d/b/a Dax Daiquiris & Spirits - No. 4701112559
11. In Re: Cook & K. Cook d/b/a Cajun Mart Deli - No. 0101211498
12. In Re: Whitey's Pool Hall, Inc. d/b/a Adrian P. Hamann, Jr. - No. 2600606682A
13. In Re: HMR, Inc. d/b/a O'Henry's Food/Spirits #2 - No. 3601203057A
14. In Re: F & P Enterprises, Inc. d/b/a Metry Café - No. 2600100848
15. In Re: James K. Cormier d/b/a Kelly's Country Meat Block - No. 4901211377
16. In Re: 1239 Loop Properties, L.L.C. d/b/a Eagles Truck Stop -No. 1600511610
17. In Re: Darrell's Video d/b/a Darrell's Video - No. 1001600170
18. In Re: T.B. Guillory, Inc. d/b/a T.B. Guillory Gaming - No. 4900612090
19. In Re: Tammy Nolan d/b/a Settlers Restaurant - No. 4908212583
20. In Re: T.B. Guillory, Inc. d/b/a King's 190 Truckstop - No. 4900500884
21. In Re: William Lauve d/b/a Fat Boys Retreat - No. 4500104398
22. In Re: Lee's Quick Stop, Inc. d/b/a 4 Corners Food Express - No. 0100211233
23. In Re: Investors Three d/b/a Jones Deli - No. 1001211204
24. In Re: Linda Duhon Bourque d/b/a Val's Lounge - No. 1001100949A
25. In Re: Fat Harry's Inc. d/b/a Fat Harry's Restaurant - No. 3601202544
26. In Re: 1401 Fairfield Corporation d/b/a Bears - No. 0904211462A
27. In Re: Polito's Bar & Café, L.L.C. - No. 5104212637

Numbers 28-31 were also acted on in globo because they dealt with the same issue. These licensees failed to submit their annual renewal fee and/or tax clearances and were each assessed a \$500.00 penalty. It was moved by Sec. Boyer to approve the proposed settlement in these cases. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board.

- 28. In Re: In Re: CJN, Inc. d/b/a The Boot - No. 3601110700
- 29. In Re: LE7130 Freret, Inc. - No. 3601100231
- 30. In Re: Crisp, Inc. - No. 1701606447
- 31. In Re: Sal L. Diesi, Jr., Inc. d/b/a Diesi Amusements - No. 2801603369A

32. In Re: Hickory Smoke BBQ, Inc. d/b/a Hickory Smoke BBQ - No. 0904210583. Motion by Ms. Morgan to approve the settlement in the amount of \$500.00. That motion was seconded by Vice-Chairman Fleming and unanimously approved by the Board.

33. In Re: Beagan Corporation - No. 3001605639 - Motion by Vice-Chairman Fleming to approve the settlement in the amount of \$2500.00. That motion was seconded by Mr. Kinchen and unanimously approved by the Board.

34. In Re: Certegy Check Services - No. P0186501091 - Motion by Sec. Boyer to approve the settlement in the amount of \$500.00. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

35. In Re: Jeffery Fuller - No. P040003292 (on rehearing) - Motion by Ms. Morgan to approve the proposed decision. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Board acted on the application of Peninsula Gaming Partners, L.L.C. to conduct slot machine gaming at Old Evangeline Downs. Following discussion, it was moved by Sec. Boyer to approve the application with conditions attached as Exhibit A. That motion was seconded by Ms. Richardson and unanimously approved by the Board.

Mr. Jack Capella, attorney representing Metro Riverboat Associates, filed a withdrawal of any motions to recuse the Louisiana Gaming Control Board and Hearing Officer, in any pending matters. That motion was accepted by the Board. After receiving a status of the petition to transfer interest between licensees in Belle of Orleans, L.L.C. d/b/a Bally's Casino, it was moved by Ms. Richardson to conduct a special meeting upon completion of the report by state police. That motion was seconded by Ms. Morgan and approved by a 5 to 4 vote. Voting for the motion were: Sec. Boyer, Ms. Lastrapes, Ms. Morgan, Mr.

Richardson and Chairman Crain. Voting against the motion were: Vice-Chairman Fleming, Gen. Cadoria, Mr. Kinchen and Mr. Simoneaux.

Mr. Wade Duty, Executive Director of the Casino Association of Louisiana addressed the Board with respect to the Vendor Fair that the Casino Association is conducting in Bossier City in February.

Following the public comments, it was moved by Gen. Cadoria to adjourn the meeting. That motion was seconded by Sec. Boyer and unanimously approved by the Board.

The meeting was adjourned.

APPENDIX A

STATEMENT OF CONDITIONS TO SLOT MACHINE GAMING LICENSE OF THE OLD EVANGELINE DOWNS, L.L.C.

THE OLD EVANGELINE DOWNS, L.L.C. hereby expressly accepts, agrees and stipulates to the following mandatory and voluntary conditions to its license to conduct slot machine gaming, to be issued by the Louisiana Gaming Control Board "Board" pursuant to provisions of La. R.S. 27:351, et seq. and administrative rules promulgated pursuant thereto. More particularly, THE OLD EVANGELINE DOWNS, L.L.C. agrees as follows:

GENERAL CONDITIONS

1. To at all times comply with all provisions of the Louisiana Gaming Control Law, "LGCL," the Pari-Mutuel Live Racing Facility Economic Redevelopment and Gaming Control Act, hereinafter "Racetrack Gaming Act," and all administrative rules in effect or later promulgated by the Board.
2. To indemnify and hold harmless the Board, the State of Louisiana, and their agents and employees against any and all claims for personal injury or property damage arising out of or in connection with negligence, errors and omissions in the following: (1) The approval of an application; (2) The approval of support facility plans, designs and specifications; (3) The granting of a License; (4) The issuance of emergency orders; and (5) The denial, suspension or revocation of a License. Pursuant to this condition, THE OLD EVANGELINE DOWNS, L.L.C. further agrees to sign a separate indemnification agreement implementing this condition. The indemnification agreement shall be signed no later than 10 working days following acceptance of the conditions by the Board and THE OLD EVANGELINE DOWNS, L.L.C.

3. To maintain copies of the License and Conditions at the offices of the gaming operator, and any Louisiana State Police Gaming Division, ("Division,") office in-house at THE OLD EVANGELINE DOWNS, L.L.C. The License and Conditions shall be produced for examination and inspection upon demand of any agent or representative of the Board or the Division.
4. To submit to and successfully complete a preoperative inspection by the Division prior to commencing gaming operations at the approved facility in St. Landry Parish, Louisiana.
5. To obtain all fire marshal certifications prior to conducting the preoperative inspection and submit these to the Board for review.
6. To obtain Board approval of the internal controls submitted to the Division prior to commencing gaming operations at the approved facility and to continually operate under a Board approved system of internal controls.
7. To assume responsibility for all acts or omissions of any contractor that results in a violation of the LGCL, the Racetrack Gaming Act, any rule promulgated pursuant to the LGCL as well as the Racetrack Gaming Act, any order of the Board, and any portion of THE OLD EVANGELINE DOWNS, L.L.C.'s system of internal controls.
8. To make all on-line slot monitoring and accounting system(s) meet Board approval prior to commencement of gaming operations and maintain approved systems during the term of the license.
9. To allow inspection by authorized agents and representatives of the Board, including but not limited to the Division, at any time and of any premises under control of THE OLD EVANGELINE DOWNS, L.L.C. or affiliated companies and particularly any portion of the slot machine support facilities, administrative offices, surveillance rooms and account rooms.
10. To report immediately in writing to the Board any failure to comply with these conditions or any provisions of the LGCL, the Racetrack Gaming Act or rules of the Board along with an explanation of the reasons therefore.
11. To comply with all Board rules regarding advertisements as well as promotions and to discontinue use of a particular advertisement or promotion which the Board determines offensive or contrary to the integrity of gaming regulations.

12. To submit quarterly to the Board a sworn certificate or list of all persons having an interest in THE OLD EVANGELINE DOWNS, L.L.C. If THE OLD EVANGELINE DOWNS, L.L.C. or its gaming operator is a publicly traded company, those holding less than five percent (5%) ownership of either or both may be excluded from this reporting.
13. To submit quarterly a list of all consultants, contractors, agents, and junket representatives.
14. To submit quarterly to the Board a sworn report of the number of minorities, females and Louisiana residents employed, their general job classification and total salaries.

15. To submit the information described in conditions (12), (13), and (14) as part of the quarterly report submissions required by the Board rules no later than 5:00 p.m. on the 20th day of April, July, October and January. All submissions are to be delivered to the Board, c/o Attorney General's Gaming Division, One Canal Place, 365 Canal Street, Suite 2730, New Orleans, Louisiana 70130.
16. To appoint a compliance representative as a liaison between the licensee and the Board and the Attorney General's Gaming Division.
17. To comply with any and all orders, directives and policy decisions of the Board and the Division.
18. To comply with such other general or specific conditions as may be later required by the Board and duly requested.

SPECIFIC ECONOMIC AND PROCUREMENT CONDITIONS

In addition to the general conditions above, THE OLD EVANGELINE DOWNS, L.L.C. agrees also to specific economic and procurement conditions or goals as follows:

1. To submit plans of the facility to the Board for review and approval including placement of slot machines in the designated gaming area. The plans and specifications must satisfy the requirements of size and design as provided in the Racetrack Gaming Act. The plans and specifications must comply also with all applicable fire and ADA regulations, including but not limited to, fire and safety codes or such other applicable requirements as are imposed on gaming of similar design and size by federal, state, or local laws.
2. To provide a Work-In-Progress report to the Board once a month on the construction of the gaming facility. These reports shall be delivered to the Louisiana Gaming Control Board, c/o the Louisiana State Police Casino Gaming Division, 7919 Independence Blvd., Box 14 Baton Rouge, Louisiana 70896.
3. To submit to the Board a narrative on the status of all work that has been completed up to the date of the Work-In-Progress report, a Progress Payment report listing all payments made to date on the project, to whom such payments were made and for what goods or services rendered. These reports shall be delivered to the Louisiana Gaming Control Board, c/o the Louisiana State Police Casino Gaming Division, 7919 Independence Blvd., Box 14, Baton Rouge, Louisiana 70896. All contracts shall only be let by THE OLD EVANGELINE DOWNS, L.L.C. All reports shall be signed and verified by an officer of THE OLD EVANGELINE DOWNS, L.L.C.
4. To provide the Board on or before February 18, 2003, a list of all persons and entities paid any sum of money to date by or on behalf of THE OLD EVANGELINE DOWNS, L.L.C. in connection with this project. This list shall contain the names, addresses, social security numbers, and tax I.D. numbers (if applicable) of all such persons and entities. This report shall be signed and verified by an officer of THE OLD EVANGELINE DOWNS, L.L.C.
5. To provide the Board on or before February 18, 2003, a list of all persons and entities with whom any agreements have been made to pay any sum in connection with this project. Copies of the agreements must be attached to the list. This list shall include the names, addresses, social security numbers, and tax I.D. numbers of all such persons and entities.

This report shall be signed and verified by an officer of THE OLD EVANGELINE DOWNS, L.L.C.

6. To provide to the Board monthly reports beginning on or before February 18, 2003, which shall consist of a list of all persons and entities paid any sums by or on behalf of THE OLD EVANGELINE DOWNS, L.L.C. in connection with the project in the previous month. This list shall include the names, addresses, social security numbers, and tax I.D. numbers of all such persons and entities, a description of the services rendered by the person or entity, any amounts paid or to be paid and a copy of any agreements relevant thereto. Those persons or entities reported in the Work-In-Progress Reports required hereinabove shall be excepted. These reports shall be signed and verified by an officer of THE OLD EVANGELINE DOWNS, L.L.C.
7. To maintain a policy or policies of general liability insurance, insuring all non-employee guests, patrons, etc. against personal injury and damage to property which they may sustain in connection with or arising out of their presence at the casino and various related facilities in the amount of \$1,000,000 per occurrence for bodily injury and property damage and \$1,000,000 per occurrence for personal injury.
8. THE OLD EVANGELINE DOWNS, L.L.C. agrees to achieve and adhere to hiring goals of at least eighty percent (80%) of Louisiana residents.
9. THE OLD EVANGELINE DOWNS, L.L.C. agrees to ensure that all employees of the slot machine gaming facility are permitted as required by the Division.
10. THE OLD EVANGELINE DOWNS, L.L.C. agrees that any change to design, construction or financing of the project from that submitted for obtaining licensing must be approved by the Board on Petition for Modification filed by the licensee with the Board.
11. THE OLD EVANGELINE DOWNS, L.L.C. agrees that if the initial source of financing is changed to one other than that which is submitted to the Board to obtain licensing, the new source of financing must be suitable to the Board or the license held by THE OLD EVANGELINE DOWNS, L.L.C. will be null and void.

Any provisions or conditions shall be modified or superseded by applicable subsequent statutory or regulatory provisions. Failure to comply with any provision or condition shall constitute grounds for administrative action by the Board.

STATE OF _____

PARISH OF _____

**ACKNOWLEDGMENT OF CONDITIONS TO LICENSE TO CONDUCT
SLOT MACHINE GAMING**

BEFORE ME, the undersigned notary public, duly commissioned and qualified within and for the State and Parish aforesaid, and in the presence of the subscribing witnesses, personally came and appeared:

THE OLD EVANGELINE DOWNS, L.L.C.

appearing herein, through and represented by Michael S. Luzich, who after being sworn and deposed, stated that he does hereby, for and on behalf of **THE OLD EVANGELINE DOWNS, L.L.C.**, accept and agree to and is bound by these conditions to its license to conduct slot machine gaming.

Name: Michael S. Luzich, President
On Behalf of THE OLD EVANGELINE DOWNS, L.L.C.

Sworn to and Subscribed before me, Notary, this ____ day of _____, 2003, at Baton Rouge, Louisiana.

Notary Public

Approved By:
The Louisiana Gaming Control Board

Hillary J. Crain, Chairman
By Authority and on Behalf of the Board

INDEMNITY AND HOLD HARMLESS AGREEMENT

STATE OF _____

PARISH OF _____

BEFORE ME, the undersigned Notary Public, in the presence of the undersigned competent witnesses, on this _____ day of _____, 2003,

PERSONALLY CAME AND APPEARED, THE OLD EVANGELINE DOWNS, L.L.C. represented herein by Michael S. Luzich.

WHEREAS, THE OLD EVANGELINE DOWNS, L.L.C. indemnifies and holds harmless the Louisiana Gaming Control Board, the State of Louisiana, and their agents and employees against any and all claims for personal injury or property damage arising out of or in connection with negligence, errors and omissions in the following:

- 1) The approval of an application;
- 2) The approval of slot machines or support facility plans, designs and specifications;
- 3) The granting of a License;
- 4) The issuance of emergency orders; and
- 5) The denial, suspension or revocation of a License.

NOW THEREFORE, THE OLD EVANGELINE DOWNS, L.L.C. holds harmless the Louisiana Gaming Control Board, its employees and agents harmless and protected from all legal, contractual or other claims or liable for personal injury or property damage which may now or hereafter be incurred or asserted against them.

THIS DONE AND SIGNED by Appearer in the presence of the undersigned witnesses, on this _____ day of _____, 2003.

WITNESSES

THE OLD EVANGELINE DOWNS, L.L.C.

BY: MICHAEL S. LUZICH, PRESIDENT

NOTARY PUBLIC

Approved By:
THE LOUISIANA GAMING CONTROL BOARD

HILLARY J. CRAIN, CHAIRMAN
BY AUTHORITY AND ON BEHALF OF THE BOARD

