

NOTICE OF QUARTERLY BUSINESS MEETING

NOTICE IS HEREBY GIVEN that the South Dakota Commission on Gaming will hold its quarterly business meeting on June 16, 2020 beginning at 9:00 AM MST. **Due to the COVID 19 pandemic the commission meeting will be held telephonically. To participate please call:**

1-866-410-8397

When prompted enter in the conference code 3509505829#

When prompted state your name followed by the # sign

AGENDA

Call to Order

Conflicts of Interest Disclosure

QUARTERLY BUSINESS MEETING

Minutes of Quarterly Meeting of March 27, 2019 **PAGES 2 - 5**

Election of Chair and Vice Chair for Fiscal Year 2021

Report Executive Secretary

Revocation of licenses **PAGES 6 - 14**

Remarks by Representative of Gaming Laboratories International

Approval of Contract for Device Testing and Consulting Services **PAGES 15 - 20**

Live Racing Matters **PAGES 21 - 30**

Deadwood Licensing Matters **PAGES 31 - 55**

Policy on Unlicensed Devices on Gaming Floor **PAGE 56 - 57**

Date of Next Meeting

September 16, 2020

Public Comment

Adjournment

SUSAN CHRISTIAN, CIA
Executive Secretary

For access, persons with special needs may call the Commission office (605) 578-3074.



SOUTH DAKOTA COMMISSION ON GAMING

87 Sherman Street • Deadwood, SD 57732
(605) 578-3074 • dor.sd.gov/gaming

UNAPPROVED MINUTES

South Dakota Commission on Gaming Quarterly Business Meeting

MINUTES

March 30, 2020

The South Dakota Commission on Gaming meeting was held by telephone conference call on March 30, 2020. at 9:00 a.m. Commissioner Dennis McFarland, Commissioner Karen Wagner, Commission Karl Fischer, Commissioner Greg Strommen, and Commissioner Mike Wordeman were present. Staff members present for the meeting were Mike Shaw, Commission Attorney; Susan Christian, Executive Secretary; Craig Sparrow, Deputy Executive Secretary; Larry Eliason, Special Assistant; Kathy Fredericksen, Recorder. Other persons participating in the meeting were David Wiest, Deputy Secretary of Revenue; Mike Rodman, Executive Director, Deadwood Gaming Association; Roger Tellinghuisen, Attorney representing DGA; Tony Sieber, General Manager of Gold Dust; Bart Hamm, Owner of AGT, Charlie Hamm, General Manager of AGT, and Mike Trucano, Owner of Iron Horse Inn.

The meeting was called to order by Commissioner McFarland at 9:00 a.m.

Conflicts of Interest Disclosure

No conflicts of interest were disclosed.

On a roll call no conflicts of interest were noted.

Commissioner Wagner	Nay
Commissioner McFarland	Nay
Commission Fischer	Nay
Commission Strommen	Nay

Mike Shaw addressed that during a telephonic meeting there are formalities if you want to speak please identify yourself before speaking to the Commission.

January 22, 2020 Special Meeting

Commissioner Wagner made a motion to adopt the minutes as drafted for the January 22, 2020 special meeting. Commissioner Fischer seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Wagner	Aye
Commissioner McFarland	Aye
Commissioner Fischer	Aye
Commissioner Strommen	Aye

Commissioner Wordeman joined the meeting at 9:15 a.m. and had no conflicts of interest.

Commissioner Strommen disclosed that he was a law partner with Roger Tellinghuisen. If there was anything conflict of interest it would be noted.

No old business to be discussed.

Revenue Deputy Secretary David Wiest

Mr. Wiest was appearing on behalf of Secretary, Jim Terwilliger, and updated the Commission on the Legislative Session.

Executive Secretary Report

Susan Christian, Executive Secretary, addressed that the Commission on Gaming office will be closed until May 1, 2020 with essential staff only and nonessential staff will be tele working. There were new staff changes in February, the Operations Manager is Kelly Hanson and the new Auditor is Monica Waisanen. On March 21, 2020 a memo was sent out to all Managers suggesting procedures on the City of Deadwood ordinance to close casinos.

Deadwood Licensing Matters

Key License Approvals

- ✓ David Rogers
- ✓ Gaylene Septka

Commissioner Wordeman made a motion to approve the Key License approvals as staff recommended. Commissioner Wagner seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Wagner	Aye
Commissioner McFarland	Aye
Commissioner Fischer	Aye
Commissioner Strommen	Aye
Commissioner Wordeman	Aye

Key License Renewals

- ✓ Deborah O'Bryan
- ✓ Thomas Frank

Commissioner Fischer made a motion to approve the Key license renewals as staff recommended. Commissioner Strommen seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Wagner	Aye
Commissioner McFarland	Aye
Commissioner Fischer	Aye
Commissioner Strommen	Aye
Commissioner Wordeman	Aye

Business License Approvals

- ✓ Approval of Takatomo Imai (**10386-DR**) as a Director on the JCM American Corporation Manufacturer license (**0132-MA**).
- ✓ Approval of Michael Domimelli (**11274-DR**) as a Director on the NRT Technology Corporation Manufacturer license (**0125-MA**).
- ✓ Approval of Latchstring Getaways Holding, LLC (**11505-RT**) with Troy Gorans (**11506-OW**), Marc Gorans (**11507-OW**), and Dean Lindblad (**11508-OW**) as members of a new retail license. The license is to be assigned to 27 Deadwood Street (Iron Horse Inn location) effective April 1, 2020 and replacing the existing license.

Commissioner Wagner made a motion to approve the Business license approvals as staff recommended. Commissioner Wordeman seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Wagner	Aye
Commissioner McFarland	Aye
Commissioner Fischer	Aye
Commissioner Strommen	Aye
Commissioner Wordeman	Aye

Mike Rodman, Executive Director, Deadwood Gaming Association

Mike Rodman addressed the voluntary closure by the City of Deadwood ordinance for the Deadwood casinos to close operations by March 25, 2020 at 5:00p.m. This will be an economic impact for the casinos, hotels, and restaurants. There will be loss of gaming tax revenues and income for employees. The Deadwood casinos will be included in the Legislative delegation care pact. They will be sending a proposal to local state Legislator's.

Listed in the proposal will be:

1. Waiving gaming license tax stamp fee that is due July 1, 2020 for all devices in use as of March 25, 2020
2. A staggered schedule for all other licenses and for the following year.
3. Requirement for Business interruption insurance
4. Lowering the Minimum Bankroll requirement for the next 18 months to 40%
5. A Marketing Fund to the industry.

The Deadwood Gaming Association is asking the Commission to address the July licensing requirement to be held after the special Legislative Session. The Minimum Bankroll would be a rule change and are asking if the Commission could start on that change so when the casinos are open then the rule would be in place at that time.

Public Comments

There was no participation for the comment period of the meeting.

With no further business to be discussed Commissioner Fischer made a motion to adjourn the meeting. Commissioner Wagner seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Wagner	Aye
Commissioner McFarland	Aye
Commissioner Fischer	Aye
Commissioner Strommen	Aye
Commissioner Wordeman	Aye

The meeting was adjourned at 9:41 a.m.

Respectfully Submitted,

Kathy Fredericksen

Dennis McFarland, Chairman

Susan Christian, Executive Secretary



SOUTH DAKOTA COMMISSION ON GAMING

445 E. Capital Avenue • Pierre, SD 57501
(605) 773-6051 • dor.sd.gov/gaming

TO: Commissioners
FROM: Susan Christian, Executive Secretary
SUBJECT: Revocation of voluntarily surrendered license
DATE: June 16, 2020

During the month of March 2020 two licensees voluntarily surrendered their gaming licenses after pleading guilty to a Class 6 felony. Each licensee received an Order Suspending Imposition of Sentence.

I am recommending that the Commission take action and revoke the license of Dave Meddings and the license of Kaylee Mcculloch pursuant to:

SDCL 42-7B-75

Cancellation or revocation of voluntarily surrendered license. Any license granted pursuant to the provisions of this chapter which is voluntarily surrendered by the licensee may be cancelled or revoked without a hearing unless the licensee files a written request for a hearing within thirty days after receiving written notice of the revocation or cancellation from the commission.

Source: SL 2015, ch 220,§ 3.

We will then send each licensee written notification of the revocation and advise that the revocation will be effective immediately unless we receive a written request for a hearing with 30 days of receipt of the revocation notice.

COPY

STATE OF SOUTH DAKOTA) IN CIRCUIT COURT
: SS
COUNTY OF LAWRENCE) FOURTH JUDICIAL CIRCUIT

STATE OF SOUTH DAKOTA, * CRI 19-833
Plaintiff, * ORDER SUSPENDING
VS. *
* IMPOSITION OF SENTENCE
*
DAVID BRIAN MEDDINGS, *
Defendant. *

An Indictment was filed in this Court on the 28th day of August, 2019, charging the Defendant with the crime of Count I: Driving Or Physical Control Of A Motor Vehicle While There Was 0.08 Percent Or More By Weight Of Alcohol In Blood (SDCL 32-23-1(1)) Or In The Alternative Count IA: Driving Or Physical Control Of A Motor Vehicle While Under the Influence of an Alcoholic Beverage (SDCL 32-23-1(2)) and a Part II Information was filed in this court on the 16th day of August, 2019.

On the 15th day of October, 2019, the Defendant appeared along with his counsel, Joseph Kosel, and was arraigned on said Indictment. The Court advised the Defendant of all constitutional and statutory rights pertaining to the charges that had been filed against the Defendant, including, but not limited to:

1. The right not to be compelled in any criminal case to be a witness against himself.
2. The right to a speedy and public trial by an impartial jury in Lawrence County, South Dakota.
3. The right to the assistance of a lawyer and the right to a court appointed attorney if he cannot afford to hire his\her own lawyer.
4. The right to confront and cross-examine the witnesses against him\her.
5. The right to compel witnesses to appear by subpoena on his\her own behalf.
6. That (s)he is presumed to be not guilty of the charge and the burden is on the State to prove the elements of the charge beyond a reasonable doubt.

Filed on: 02/19/2020 LAWRENCE County, South Dakota 40CRI19-000833

7. That a factual basis for a guilty plea must exist.
8. An explanation of the maximum penalties and mandatory penalties.
9. The right to know the nature and cause of the accusation against him\her.
10. The right to plead not guilty and to persist in that plea.
11. That by pleading guilty or nolo contendere (s)he waives his\her right to a trial, the right to confront and cross-examine witnesses against him\her and the right not to be compelled to incriminate himself\herself.

The Defendant pled not guilty to the charge.

On the 31st day of December, 2019, the Defendant appeared along with his counsel, Joseph Kosel, and was arraigned on said Indictment. The Court advised the Defendant of all constitutional and statutory rights pertaining to the charges that had been filed against the Defendant, the Defendant pleaded guilty to the charge of Count I: Driving Or Physical Control Of A Motor Vehicle While There Was 0.08 Percent Or More By Weight Of Alcohol In Blood (SDCL 32-23-1(1)) and admitted to the Part II Information Alleging Class 6 Felony.

It is the determination of the Court that the Defendant has been regularly held to answer for said offense; that said plea was voluntary, knowing and intelligent; that the Defendant was represented by competent counsel; that the Defendant understood the nature of the consequences of the plea at the time said plea was entered; and that a factual basis existed for the plea.

The Court being satisfied that the ends of justice and the best interest of the public as well as the Defendant will be served thereby and the Court receiving a plea of guilty to a crime

that is not punishable by life imprisonment and the Defendant never before having been convicted of a crime which would constitute a felony in this State, this Court exercises its judicial clemency under SDCL 23A-27-13 and with the consent of the Defendant;

IT IS HEREBY ORDERED that on the 11th day of February, 2020 imposition of sentence is suspended pursuant to SDCL 23A-27-13 and the Defendant is placed on supervised probation for a period of three (3) years, upon the following terms and conditions:

- 1) Defendant shall be placed under the supervision of the Chief Court Service Officer of this Judicial Circuit, or his representative thereof, for a period of three (3) years.
- 2) Defendant shall obey all of the conditions placed upon him by the Court Service Officer (said conditions to be attached and incorporated by reference with this Order and to be signed by the Defendant).
- 3) Defendant shall pay costs in the amount of \$106.50 LEOTF + \$85.00 Blood testing fees + \$50.00 DWI Surcharge and a fine in the amount of \$400.00.
- 4) Defendant shall attend and successfully complete intensive outpatient treatment and abide by all recommendations including attending aftercare.
- 5) Defendant shall violate no laws.
- 6) Defendant shall serve 35 days in the Lawrence County Jail to be completed by February 11, 2021. Defendant shall receive credit for time served of 3 days.
- 7) Defendant shall not consume nor possess any mind altering substances including alcoholic beverages or THC while on probation.
- 8) Defendant shall submit to a warrantless search and seizure of her breath, blood, urine, person, place or possessions at the request of any law enforcement officer or court services officer.
- 9) Defendant shall not enter or remain in any establishment where the primary source of income comes from the sale of alcoholic beverages or from gaming unless authorized from his probation officer.

- 10) The Defendant shall attend and successfully complete Moral Reconciliation Therapy if recommended by his probation officer.
- 11) The Defendant shall attend and successfully complete Cognitive Behavioral Interventions For Substance Abuse if recommended.
- 12) Defendant shall serve on the MADD Victim Impact Panel.

IT IS FURTHER ORDERED that the Defendant's privileges to operate a motor vehicle in the State of South Dakota shall be revoked for a period of twelve (12) months conditionally. Defendant is authorized to have a permit upon proof of financial responsibility and participation in the 24/7 or SCRAM program.

IT IS FURTHER ORDERED that any bond posted herein be exonerated.

IT IS FURTHER ORDERED that the Court expressly reserves control and jurisdiction over the Defendant for the period of sentence imposed and that this Court may revoke the suspension at any time and reinstate the sentence without diminishment or credit for any of the time that the Defendant was on probation.

IT IS FURTHER ORDERED that the Court reserved the right to amend any or all of the terms of this Order at any time.

Attest: CAROL LATUSECK, CLERK
Mullaney, Tiffany
Clerk/Deputy



DATE OF OFFENSE: AUGUST 15, 2019

BY THE COURT:
Signed: 2/19/2020 10:22:
[Signature]
Circuit Court Judge

STATE OF SOUTH DAKOTA
Fourth Judicial Circuit Court
I hereby certify that the foregoing instrument is a true and correct copy of the original as the same appears on file in my office on this date:

MAR 06 2020

Carol Latuseck
Lawrence County Clerk of Courts

By: *[Signature]*

NOTICE OF APPEAL

You are hereby notified that you have a right to appeal as provided by SDCL 23A-32-15, which you must exercise within thirty (30) days from the date that this Judgment and Sentence is signed, attested and filed, written Notice of Appeal with the Lawrence County Clerk of Courts, together with proof of service that copies of such Notice of Appeal have been served upon the Attorney General of the State of South Dakota, and the Lawrence County State's Attorney.

COPY

STATE OF SOUTH DAKOTA) IN CIRCUIT COURT
: SS
COUNTY OF LAWRENCE) FOURTH JUDICIAL CIRCUIT

STATE OF SOUTH DAKOTA, * CRI19-540
Plaintiff, * ORDER SUSPENDING
VS. *
* IMPOSITION OF SENTENCE
KAYLEE MARGARET MCCULLOCK, *
Defendant. *

An Indictment was filed in this Court on the 3rd day of July, 2019, charging the Defendant with the crime of Count I: Driving Or Physical Control Of A Motor Vehicle While There Was 0.08 Percent Or More By Weight Of Alcohol In Blood (SDCL 32-23-1(1)) Or In The Alternative Count IA: Driving Or Physical Control Of A Motor Vehicle While Under the Influence of an Alcoholic Beverage (SDCL 32-23-1(2)) and a Part II Information was filed in this court on the 21st day of June, 2019.

On the 19th day of September, 2019, the Defendant appeared along with his counsel, Joseph Kosel, and was arraigned on said Indictment. The Court advised the Defendant of all constitutional and statutory rights pertaining to the charges that had been filed against the Defendant, including, but not limited to:

1. The right not to be compelled in any criminal case to be a witness against herself.
2. The right to a speedy and public trial by an impartial jury in Lawrence County, South Dakota.
3. The right to the assistance of a lawyer and the right to a court appointed attorney if he cannot afford to hire his\her own lawyer.
4. The right to confront and cross-examine the witnesses against him\her.
5. The right to compel witnesses to appear by subpoena on his\her own behalf.
6. That (s)he is presumed to be not guilty of the charge and the burden is on the State to prove the elements of the charge beyond a reasonable doubt.

Filed on: 02/07/2020 LAWRENCE County, South Dakota 40CRI19-000540

7. That a factual basis for a guilty plea must exist.
8. An explanation of the maximum penalties and mandatory penalties.
9. The right to know the nature and cause of the accusation against him\her.
10. The right to plead not guilty and to persist in that plea.
11. That by pleading guilty or nolo contendere (s)he waives his\her right to a trial, the right to confront and cross-examine witnesses against him\her and the right not to be compelled to incriminate himself\herself.

The Defendant pled not guilty to the charges.

On the 9th day of January, 2020, the Defendant appeared along with his counsel, Joseph Kosel, and was arraigned on said Indictment. The Court advised the Defendant of all constitutional and statutory rights pertaining to the charges that had been filed against the Defendant, the Defendant pleaded guilty to the charge of Count IA: Driving Or Physical Control Of A Motor Vehicle While Under the Influence of an Alcoholic Beverage (SDCL 32-23-1(2)) and admitted to the Part II Information alleging Class 6 Felony.

It is the determination of the Court that the Defendant has been regularly held to answer for said offense; that said plea was voluntary, knowing and intelligent; that the Defendant was represented by competent counsel; that the Defendant understood the nature of the consequences of the plea at the time said plea was entered; and that a factual basis existed for the plea.

The Court being satisfied that the ends of justice and the best interest of the public as well as the Defendant will be served thereby and the Court receiving a plea of guilty to a crime that is not punishable by life imprisonment and the Defendant

never before having been convicted of a crime which would constitute a felony in this State, this Court exercises its judicial clemency under SDCL 23A-27-13 and with the consent of the Defendant;

IT IS HEREBY ORDERED that imposition of sentence is suspended pursuant to SDCL 23A-27-13 and the Defendant is placed on supervised probation for a period of two (2) years, upon the following terms and conditions:

- 1) Defendant shall be placed under the supervision of the Chief Court Service Officer of this Judicial Circuit, or her representative thereof, for a period of two (2) years.
- 2) Defendant shall obey all of the conditions placed upon her by the Court Service Officer (said conditions to be attached and incorporated by reference with this Order and to be signed by the Defendant).
- 3) Defendant shall pay costs in the amount of \$106.50 LEOTF and pay costs of \$85.00 Blood Tests + \$50.00 DWI Surcharge.
- 4) Defendant shall undergo an alcohol/substance abuse evaluation and abide by all recommendations.
- 5) Defendant shall violate no laws.
- 5) Defendant shall serve 20 days in the Lawrence County Jail with WREM to begin by February 13, 2020.
- 6) Defendant shall not consume nor possess any alcoholic beverages or mind altering substances including THC while on probation.
- 7) Defendant shall submit to a warrantless search and seizure of her breath, blood, urine, person, place or possessions at the request of any law enforcement officer or court services officer.
- 8) Defendant shall follow through with her aftercare, plus attend any counseling deemed appropriate by probation officer.
- 9) The Defendant shall attend and successfully complete Moral Reconciliation Therapy if recommended by Court Services.

- 10) The Defendant shall attend and successfully complete Cognitive Behavioral Interventions For Substance Abuse if recommended by Court Services.
- 11) Defendant shall report all prescribed medications to her probation officer.
- 12) Defendant shall not enter or remain in any establishment where the primary source of income comes from the sale of alcoholic beverages or from gaming except for employment purposes.
- 13) Defendant shall maintain full time employment or be enrolled in a higher educational program.
- 14) Defendant shall participate in the 24/7 Program, SCRAM Program or 3 time weekly UAS at the discretion of her probation officer.

IT IS FURTHER ORDERED that the Defendant's privileges to operate a motor vehicle in the State of South Dakota shall be revoked for a period of twelve (12) months.

IT IS FURTHER ORDERED that any bond posted herein be exonerated.

IT IS FURTHER ORDERED that the Court expressly reserves control and jurisdiction over the Defendant for the period of sentence imposed and that this Court may revoke the suspension at any time and reinstate the sentence without diminishment or credit for any of the time that the Defendant was on probation.

IT IS FURTHER ORDERED that the Court reserved the right to amend any or all of the terms of this Order at any time.

Attest: CAROL LATUSECK, CLERK
Hammond, Chelsee
Clerk/Deputy



BY THE COURT:

Signed: 2/7/2020 9:16:30 AM

Michelle Corner

Circuit Court Judge

DATE OF OFFENSE: JUNE 19, 2019

STATE OF SOUTH DAKOTA
Fourth Judicial Circuit Court
I hereby certify that the foregoing instrument
is a true and correct copy of the original as the
same appears on file in my office on this date:

MAR 05 2020

Carol Latuseck
Lawrence County Clerk of Courts

Filed on: 02/07/2020 LAWRENCE County, South Dakota 40CRI19-000540

By: *Louisa [Signature]*



GLI

World Headquarters
600 Airport Road
Lakewood, NJ 08701
Phone: (732) 942-3999
Fax: (732) 942-0043
www.gaminglabs.com

April 21, 2020

Susan Christian, Executive Secretary
South Dakota Commission on Gaming
87 Sherman Street
Deadwood, SD 57732

RE: Consulting contract between State of South Dakota and Gaming
Laboratories International, LLC

Dear Ms. Christian:

Attached please find the agreement signed on behalf
of Gaming Laboratories International, LLC.

Please return an original fully signed copy to my attention to the
below address:

James R. Maida, President
Gaming Laboratories International, LLC
600 Airport Road
Lakewood, NJ 08701

If you have any questions, please do not hesitate to contact me
at Contracts@gaminglabs.com

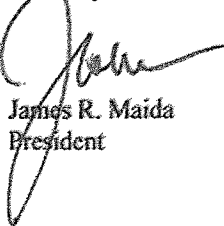
Worldwide Locations

World Headquarters
Lakewood, New Jersey

U.S. Regional Offices
Colorado
Nevada

International Offices
GLI Africa®
GLI® Asia
GLI Australia® Pty Ltd
GLI Austria GmbH
GLI Europe® BV
GLI Italy

Sincerely,



James R. Maida
President



SOUTH DAKOTA COMMISSION ON GAMING

87 Sherman Street • Deadwood, SD 57732
(605) 578-3074 • dor.sd.gov/gaming

**STATE OF SOUTH DAKOTA
CONSULTING CONTRACT**

AGREEMENT made and entered into this 16th day of June 2020, by and between South Dakota Commission on Gaming, a state agency of 445 East Capitol Avenue, Pierre, SD 57501 (the "State") and Gaming Laboratories International LLC, 600 Airport Road, Lakewood, New Jersey, 08701, (the "Consultant").

The State hereby enters into this Agreement for services with Consultant in consideration of and pursuant to the terms and conditions set forth herein.

1. The Consultant will perform the following services:

The Consultant will advise, review and draft regulations and test gaming devices as requested by the Commission on Gaming staff for the following fees:

- (1) Professional consulting fees no charge for the first ten (10) hours of consulting during the contract period and then \$150.00 per hour after the first ten (10) hours**
- (2) Regular device testing time \$150.00 per hour**
- (3) Telephone consulting free of charge**
- (4) Random Number Generator testing minimum of \$5,000.00 per RNG**

2. The consultant's services under this Agreement shall commence on July 1, 2020 and end on June 30, 2021 unless sooner terminated pursuant to the terms hereof.

3. The Consultant will not use State equipment, supplies or facilities The Consultant's Employer Identification Number is 26-1938391.

4. The State will make payment for services upon satisfactory completion of the services The TOTAL CONTRACT AMOUNT is an amount not to exceed \$35,000.00 The state will not pay Consultant's travel expense as a separate item Payment will be made pursuant to itemized invoices.

5. The Consultant agrees to indemnify and hold the State of South Dakota, its officers, agents and employees, harmless from and against any and all actions, suits, damages, liability or other proceedings that may arise as the result of performing services hereunder This section does not

require the consultant to be responsible for or defend against claims or damages arising solely from errors or omissions of the States, its officers, agents or employees.

6. The Consultant, at all times during the term of this Agreement, shall obtain and maintain in force insurance coverage of the types and with the limits as follows:

A. Professional Liability Insurance or Miscellaneous Professional Liability Insurance:

The Consultant agrees to procure and maintain professional liability insurance or miscellaneous professional liability insurance with a limit of not less than \$1,000,000.00.

B. Automobile Liability Insurance:

The Consultant should maintain business automobile liability insurance or equivalent form with a limit of not less than \$500,000.00 for each accident. Such insurance should include coverage for owned, hired and non-owned vehicles.

C. Worker's Compensation Insurance:

The Consultant shall procure and maintain worker's compensation and employers' liability insurance as required by South Dakota Law.

Before beginning work under this Agreement, the Consultant shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required by this Agreement and which provide that such insurance may be canceled, except upon 30 days' prior written Notice to the State. The Consultant shall furnish copies of insurance policies if requested by the State.

7. While performing services hereunder, the Consultant is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

8. Consultant agrees to report to the State any event encountered in the course of performance of this Agreement which results in injury to the person or property of third parties, or which may otherwise subject Consultant or the State to liability. Consultant shall report any such event to the State immediately upon discovery.

Consultant's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Consultant's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications.)

Reporting to the State under this section shall not excuse or satisfy any obligation of Consultant to report any event to law enforcement or other entities under the requirements of any applicable law.

9. This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event the Consultant breaches any of the terms or conditions hereof, this Agreement may be terminated by the State at any time with or without notice. If termination for such a default is effected by the State, any payments due to Consultant at the time of termination may be adjusted to cover any additional costs to the State because of Consultant's default. Upon termination the State may take over the work and may award another party an agreement to complete the work under this Agreement. If after the State terminates for a default by Consultant it is determined that Consultant was not at fault, then the Consultant shall be paid for eligible services rendered and expenses incurred up to the date of termination.

10. This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State. Termination for any of these reasons is not default by the State nor does it give rise to a claim against the State.

11. This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as part hereof, and be signed by an authorized representative of each of the parties hereto.

12. This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit court, Sixth Judicial Circuit, Hughes County, South Dakota.

13. The Consultant will comply with all federal, state and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this Agreement, and will be solely responsible for obtaining current information on such requirements.

14. The Consultant may not use subcontractors to perform the services described herein without the express prior written consent of the State. The Consultant will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage for the benefit of the State in a manner consistent with this Agreement. The Consultant will cause its subcontractors, agents, and employees to comply with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance.

15. Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to Susan Christian, Executive Secretary, South Dakota Commission on Gaming on behalf of the State, and by James R. Maida, President, Gaming Laboratories International, on behalf of the Consultant, or such authorized

designees as either party may from time to time designate in writing Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.

16. In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

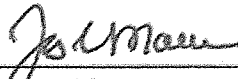
17. All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of the Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.

In Witness whereof, the parties signify their agreement effective the date above first written by the signatures affixed below.

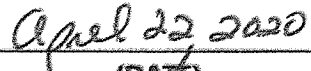
STATE

CONSULTANT

BY: _____
Susan Christian
Executive Secretary
South Dakota Commission on Gaming

BY:  _____
James R. Maida
President
Gaming Laboratories International, LLC

(DATE)

 _____
(DATE)

BY: _____
Jim Terwilliger
Secretary
Department of Revenue and Regulation

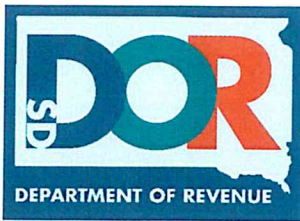
(DATE)

State Agency Coding (MSA Center) 0293000633

State Agency MSA Company for which contract will be paid 52041300

Object/sub object MSA account to which voucher will be coded _____

Name and phone number of contact person in State Agency who can provide additional information regarding this contract: Susan Christian Acting Executive Secretary



SOUTH DAKOTA COMMISSION ON GAMING

445 E. Capitol Avenue • Pierre, SD 57501
(605) 773-6051 • dor.sd.gov/gaming

TO: Commissioners

FROM: Susan Christian, Executive Secretary

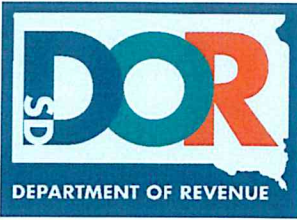
SUBJECT: Proposed Allocations to Verendrye Benevolent Association

DATE: June 16, 2020

I have prepared the following resolutions as my recommendations for the allocation of funds to the Verendrye Benevolent Association for the 2020 season based on the amount of money that was in the funds as May 31, 2020.

I have also included in my recommendations that the Commission require the track to post a bond in an amount based on the amount required for the 2018 racing season to guarantee payments of purses and to vendors. I am also requesting that as we have done in prior years, that an amount of the estimated tax liability be withheld until such time as all taxes to the Commission have been paid. The amount to be withheld is based on the 2018 race season.

The Resolution on the Jockey Longevity Bonus is the same method we have used for several years.



SOUTH DAKOTA COMMISSION ON GAMING

87 Sherman Street • Deadwood, SD 57732
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RESOLUTION NUMBER 06-16-20-01

The South Dakota Commission on Gaming hereby makes the following allocations for purse supplements and racing operations for the 2020 live horse racing season pending the COVID-19 pandemic and the social distancing recommended at said time:

To the Verendrye Benevolent Association:

\$ 37,500.00 from the South Dakota bred racing fund for purses for races that are restricted to South Dakota bred horses including stakes races;

\$ 5,000.00 per racing day from the South Dakota bred fund, not to exceed a maximum of \$ 10,000.00 for point money for South Dakota bred horses that compete in races that are not restricted to South Dakota bred horses and on which pari mutuel wagers are accepted at the Stanley County Fairgrounds

\$ 116,536.00 from Special Racing Revolving Fund for racing operations
\$ 75,000.00 from Special Racing Revolving Fund for purses

None of the allocated funds above may be used as purse supplements to any race in which less than five (5) qualified horses have been entered under the supervision of a state steward.

Track management is authorized to make adjustments in the above categories with prior approval of the executive Secretary of the Commission.

These funds shall be made available to the race tracks upon approval of vouchers by the Executive Secretary and the purpose for which these funds are used shall be subject to an audit by the Commission's audit staff after the financial reports required by ARSD 20:04:20:10 have been furnished to the Commission. Any funds that are disbursed to the corporation or association that are not used as specified above are required to be returned to the South Dakota Commission on Gaming and made available for 2021 race season's allocation.

The Executive secretary is authorized to withhold \$ 2,500.00 from the distribution of the \$116,536.00 allocated to the Verendrye Benevolent Association for operations as a guarantee payment of taxes and fees to the Commission until such time as the association has paid in full all taxes and fees due the Commission for the 2020 racing season.

May 26, 2020

Susan Christian, CIA
Executive Secretary
SD Commission on Gaming
445 E. Capitol Ave.
Pierre, SD 57501

RE: Proposed Budget of Allocated Funds

Dear Susan,

The Verendrye Benevolent Association is requesting funds to conduct a live horse racing event at the Stanley County Fairgrounds in Fort Pierre, SD. I have included a proposed budget which explains the utilization of allocated funds. I would like to note that \$25,000 in requested funds would be utilized to purchase the required bond. I would also like to state that any unused funding would remain in the segregated individual accounts where state allocated funds were deposited. Furthermore, we of the VBA official request that all emergency funds obtained from the passing and signage of Senate Bill 128 (2019) be allocated in their entirety to fulfill this funding request. These emergency funds are contained in the South Dakota Bred Fund in the amount of \$27,400 and in the Revolving Fund in the amount of \$92,600.

Sincerely,



Shane Kramme
VBA General Manager

Verendrye Benevolent Association

Funding Request Totals

Track Operations (derived from Revolving Acct.) - \$116,536
SD Bred Races (Specific) (derived from SD Bred Acct.) - \$37,500
SD Bred Points (derived from SD Bred Acct.) - \$10,000
Funds to Conduct 'Open' races (derived from the Revolving Acct.) - \$75,000
Jockey Bonus Incentive (derived from Revolving Acct.) - \$2,000

Total Funding Request = \$241,036

Verendrye Benevolent Association
Track Operations Budget

Required Bond - \$25,000
Stanley County Fairgrounds Lease (15 days) - \$7,000
Jockey Insurance (2 days) - \$27,140
Exercise Rider Insurance (9 days) - \$2,700
General Liability Insurance (Liquor Liability Included) - \$1,150
Events Cancellation Insurance - \$611.00
Track Managers (2) - \$5,000
Horsemen's Bookkeeper - \$4,000
Accounts Manager - \$4,000
Racing Secretary - \$3,000
Track Maintenance Supervisor - \$2,000
Track Veterinarian - \$1,500
Tote, Timer, and Camera - \$5,850
Track Announcer - \$800
Money Room & Pari-mutuel Managers - \$2,000
Starter & Gate Crew (10 workers) - \$5,000
Outriders (3) - \$1,500
Jockroom Custodian & Clerk of Scales - \$600
Pari-mutuel Labor (8 workers) - \$2,400

Back gate security (9 days) - \$1,350
Money Room security- \$425
Entrance security - \$600
Total Security Expense = \$2,375

Track Steward - \$400
Repairs - \$1,100
Track Setup - \$1,000
Programs & Overnight Production - \$2,400
Condition Book Production - \$400
Ambulance Stand-by - \$1,500
Cleanup & Trash Removal - \$1,200
Internet & Copier (phone) - \$1,150
Utilities - \$750
Program Sales & Admissions Labor - \$600
Equibase Services - \$110
Entry Bookkeeping Services - \$900
Taxes (withheld) - \$1,400

Total Track Operations Budget Request = \$116,536

The Verendrye Benevolent Association would like to formally request that \$37,500 be drawn from the SD Bred Fund. These funds would be placed in the VBA 'Horsemen's Account' and utilized as guaranteed purse structure to conduct specific SD Bred races. These races include the SD Bred Futurity, SD Bred Derby or SD Bred Maturity, with all before mentioned races occurring in the Quarter Horse Division.

Total Request Amount = \$37,500

The Verendrye Benevolent Association would like to formally request that \$10,000 be drawn from the SD Bred Fund. These funds would be placed in the VBA 'SD Bred Points Account' and distributed through the SD Bred Points System.

Total request amount = \$10,000

The Verendrye Benevolent Association would like to formally request that \$75,000 be drawn from the Revolving Fund. These funds would be placed in the VBA Horsemen's Account and utilized as purse structure to conduct 10-12 open races.

Total request amount = \$75,000



SOUTH DAKOTA COMMISSION ON GAMING

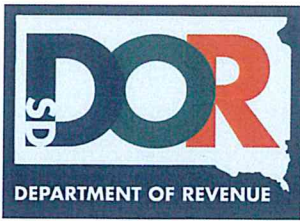
445 E. Capital Avenue • Pierre, SD 57501
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RESOLUTION NUMBER 06-16-20-02

Section 1. The executive Secretary is authorized to reimburse the Verendrye Benevolent Association from the special racing revolving fund for longevity payments to licensed jockeys who participate in races in South Dakota for the 2020 season according to the following criteria:

Section 2. Any jockey who has filed with the Commission staff proof of having been given a physical examination within the last year and has earned a jockey fee in at least four races per day or has been available to ride in races throughout each racing day (unless excused by the stewards in their sole discretion for a period of time not to exceed 1 racing day) at the Fort Pierre Race track shall be eligible to receive a longevity payment of Five Hundred Dollars (\$500.00) to be paid at the time of jockey fees for the last racing day at the fort Pierre Race Track.

Section 3. A list of jockeys who are eligible to receive longevity payments shall be provided to the Horsemen's Bookkeeper by the Presiding Steward.



SOUTH DAKOTA COMMISSION ON GAMING

445 E. Capital Avenue • Pierre, SD 57501
(605) 773-6051 • dor.sd.gov/gaming

TO: Commissioners
FROM: Susan Christian, Executive Secretary
SUBJECT: Track Bond and Insurance
DATE: June 16, 2020

I recommend that the Commission require as a condition of any horse track's license that the corporation or association which holds the license obtain an insurance policy or policies with limits of \$1 million naming the South Dakota Commission on Gaming and its agents and employees as additional insured. The policy or policies shall include general liability, liquor liability, jockey insurance and horse racing activities.

I also recommend that the track be required to obtain a bond or letter of credit to be used if necessary, to pay purses, salaries, wages and payments to vendors for good and services provided to the corporation or association in conducting its racing operations in the following amount:

Verendrye Benevolent Association \$ 25,000.00

**South Dakota Commission on Gaming
Licensing
June 16, 2020**

Key License

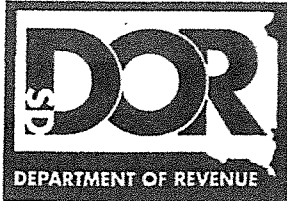
- ✓ Barbara Brunner
- ✓ David Linder
- ✓ Jacob Britton

Business License

- ✓ Recommend approval of Midnight Star, LLC for an operator and 2 retail licenses (**11633-OP, 11634 & 11635-RT's**) with these listed members;
 - Michael Muntefering, Drew Muntefering, Justin Anderson, Blake Thiesse, Todd Thiesse, Von Denning & Seth DenningThese licensees are to be assigned to 677 Main Street effective July 1, 2020.
- ✓ Recommend approval of Lamar Feed & Grain, LLC as the owner of a Property Owners license (**11636-PO**) for the Midnight Star building at 677 Main Street, Deadwood.
- ✓ Recommend approval of SRK Development, LLC as the owner of a retail license (**11623-RT**) with these listed members;
 - Steven Slowey, Stephen Slowey, Tim Karli and Tim Rutjes
- ✓ Recommend approval of Ainsworth Gaming Technology, Inc as an owner of manufacture license (**11549-MA**) with the following individuals as Directors:
 - Graeme Campbell 11550-DR
 - Daniel Gladstone 11551-DR
 - Colin Henson 11552-DR
 - Harald Neumann 11553-DR
 - Michael Yates 11554-DR

Business License Renewals

- ✓ See Attached list



SOUTH DAKOTA COMMISSION ON GAMING
87 Sherman Street • Deadwood, SD 57732
(605) 578-3074 • dor.sd.gov/gaming

March 30, 2020

MEMORANDUM

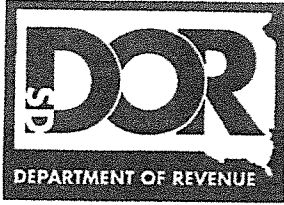
DATE: Monday, March 30, 2020
TO: South Dakota Commission on Gaming
FROM: Russell Belina
SUBJECT: Barbara Brunner

The applicant is currently working at the Deadwood Gulch Resort and is training to be the manager there. The applicant is seeking her Key licensure because she is planning on taking over as General Manager once Suanne Hayes retires. Barbara has had a Support License with the South Dakota Commission on Gaming since August of 2001 and has worked previously at the Buffalo Bodega and at Tin Lizzies. No administrative action has ever been taken against her license.

Concerns: None

Recommendations: It is recommended that the applicant be approved for a Key Employee license. No derogatory information was discovered during this background investigation that would prevent the applicant from obtaining a license.

Russ Belina
Enforcement Agent



SOUTH DAKOTA COMMISSION ON GAMING

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MEMORANDUM

DATE: 05/20/2020
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: David Jeremy Linder/11667-20-KY

David Linder is seeking a key license for his employment with The Lodge at Deadwood. David has had a support license since 2016. David has had one complaint against his license for leaving a mobile imprest bank unsecured. No other derogatory action has been taken against his license.

Area of Concern: None

Recommendations: It is recommended that the applicant be approved for a Key Employee License. No derogatory information was discovered during this background investigation that would prevent the applicant from obtaining a license.

Brandon Snyder
Special Agent-SDCG



SOUTH DAKOTA COMMISSION ON GAMING

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MEMORANDUM

DATE: 05/28/2020
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Jacob Adam Britton/11597-20-KY

The applicant is seeking a key license for his employment at the Saloon #10. Jacob has had a support license since 2016 with no negative action taken against his license.

Area of Concern: None

Recommendations: It is recommended that the applicant be approved for a Key Employee License. No derogatory information was discovered during this background investigation that would prevent the applicant from obtaining a license.

Brandon Snyder
Special Agent-SDCG



SOUTH DAKOTA COMMISSION ON GAMING

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MEMORANDUM

DATE: 05/29/2020
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Lamar Feed & Grain, LLC/Midnight Star, LLC
(11636-PO) (11633-OP)

Lamar Feed & Grain LLC, is a real estate holding company. Lamar Feed & Grain owns the Midnight Star Property. Midnight Star LLC is the operator of the Midnight Star property. Midnight Star intends to open a casino in the lower floor of the building and a sports bar on the second floor. The casino will operate table games and slot machines that will be routed by AGT.

Area of Concern: NONE

Recommendations: It is recommended that the applicant be approved for a Gaming Property Owner/Operator license. No derogatory information was discovered during this background investigation that would prevent the applicant from obtaining a license. The applicant has never had a gaming license.

Brandon Snyder
Special Agent-SDCG



SOUTH DAKOTA COMMISSION ON GAMING

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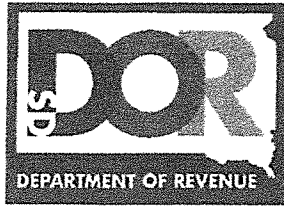
(605) 578-3074 • dor.sd.gov/gaming

DATE: 5/28/20
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Michael Muntefering / 11600-OW

The applicant is seeking licensure because of his ownership in Lamar Grain and Feed, LLC which owns the Midnight Star building at 677 Mainstreet in Deadwood. The applicant also has a 22.22% ownership interest in Midnight Star, LLC which will operate the property. The applicant has never had a gaming license nor been employed in the gaming industry before.

Area of Concern: None

Recommendation: It is recommended that the applicant be approved as an Owner. Nothing derogatory was found in the applicant's background. Investigation.



SOUTH DAKOTA COMMISSION ON GAMING

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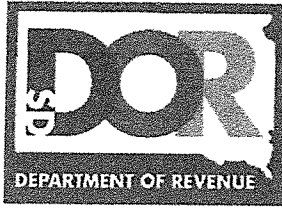
(605) 578-3074 • dor.sd.gov/gaming

DATE: 5/28/20
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Drew Muntefering / 11601-OW

The applicant is seeking licensure because of his ownership in Lamar Grain and Feed, LLC which owns the Midnight Star building at 677 Mainstreet in Deadwood. The applicant also has a 7.4% ownership interest in Midnight Star, LLC which will operate the property. The applicant has never had a gaming license nor been employed in the gaming industry before.

Area of Concern: None

Recommendation: It is recommended that the applicant be approved as an Owner. Nothing derogatory was found in the applicant's background. Investigation.



SOUTH DAKOTA COMMISSION ON GAMING

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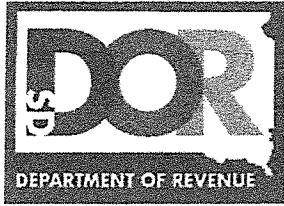
(605) 578-3074 • dor.sd.gov/gaming

DATE: 5/28/20
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Justin Anderson / 11602-OW

The applicant is seeking licensure because of his ownership in Lamar Grain and Feed, LLC which owns the Midnight Star building at 677 Mainstreet in Deadwood. The applicant also has a 7.4% ownership interest in Midnight Star, LLC which will operate the property. The applicant has never had a gaming license nor been employed in the gaming industry before.

Area of Concern: None

Recommendation: It is recommended that the applicant be approved as an Owner. Nothing derogatory was found in the applicant's background. Investigation.



SOUTH DAKOTA COMMISSION ON GAMING

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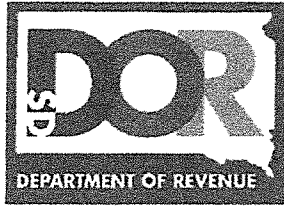
(605) 578-3074 • dor.sd.gov/gaming

DATE: 5/28/20
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Blake Thiesse / 11616-OW

The applicant is seeking licensure because of his ownership in Lamar Grain and Feed, LLC which owns the Midnight Star building at 677 Mainstreet in Deadwood. The applicant also has a 7.4% ownership interest in Midnight Star, LLC which will operate the property. The applicant has never had a gaming license nor been employed in the gaming industry before.

Area of Concern: None

Recommendation: It is recommended that the applicant be approved as an Owner. Nothing derogatory was found in the applicant's background. Investigation.



SOUTH DAKOTA COMMISSION ON GAMING

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DATE: 5/28/20
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Todd Thiesse / 11603-OW

The applicant is seeking licensure because of his ownership in Lamar Grain and Feed, LLC which owns the Midnight Star building at 677 Mainstreet in Deadwood. The applicant also has a 22.22% ownership interest in Midnight Star, LLC which will operate the property. The applicant has never had a gaming license nor been employed in the gaming industry before.

Area of Concern: None

Recommendation: It is recommended that the applicant be approved as an Owner. Nothing derogatory was found in the applicant's background. Investigation.



SOUTH DAKOTA COMMISSION ON GAMING

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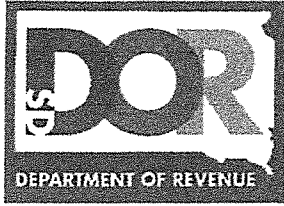
(605) 578-3074 • dor.sd.gov/gaming

DATE: 5/28/20
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Von & Suzanne Denning / 11605 & 11606-OW

The applicant is seeking licensure because of their ownership in Lamar Grain and Feed, LLC which owns the Midnight Star building at 677 Mainstreet in Deadwood. The applicants also have a 14.81% ownership interest in Midnight Star, LLC which will operate the property. The applicant has never had a gaming license nor been employed in the gaming industry before.

Area of Concern: None

Recommendation: It is recommended that the applicants be approved as an Owner. Nothing derogatory was found in the applicant's background. Investigation.



SOUTH DAKOTA COMMISSION ON GAMING

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DATE: 5/28/20
TO: South Dakota Commission on Gaming
FROM: Brandon Snyder
SUBJECT: Seth Denning / 11604-OW

The applicant is seeking licensure because of his ownership in Lamar Grain and Feed, LLC which owns the Midnight Star building at 677 Mainstreet in Deadwood. The applicant also has a 14.81% ownership interest in Midnight Star, LLC which will operate the property. The applicant has never had a gaming license nor been employed in the gaming industry before.

Area of Concern: None

Recommendation: It is recommended that the applicant be approved as an Owner. Nothing derogatory was found in the applicant's background. Investigation.



SOUTH DAKOTA COMMISSION ON GAMING
87 Sherman Street • Deadwood, SD 57732
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MEMORANDUM

DATE: June 2, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: SRK Development, LLC. 11623-RT

Name of Gaming Business:

SRK Development, LLC. was founded in 2015 by Steven Slowey and registered with the South Dakota Secretary of State. SRK is an organization that is made up of Steven Slowey, Stephen Slowey, Tim Rutjes and Tim Karli. The organization purpose is to builds hotels.

This organization or group of individuals have never held a gaming license before.

Concerns: None

Recommendations: As a result of this background investigation it is recommended that SRK Development, LLC. be approved for a retail license.



SOUTH DAKOTA COMMISSION ON GAMING
87 Sherman Street • Deadwood, SD 57732
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MEMORANDUM

DATE: June 2, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Steven Slowey

License # 11624-OW

Name of Gaming Business:

SRK Development, LLC. was founded in 2015 by Steven Slowey and registered with the South Dakota Secretary of State. SRK is an organization that is made up of Steven Slowey, Stephen Slowey, Tim Rutjes and Tim Karli. The organization purpose is to builds hotels.

This organization or group of individuals have never held a gaming license before.

Concerns: None

Recommendations: As a result of this background investigation it is recommended that Steven Slowey be approved for an Owners License.



SOUTH DAKOTA COMMISSION ON GAMING
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MEMORANDUM

DATE: June 10, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Tim Rutjes

License # 11625-OW

Name of Gaming Business:

SRK Development, LLC. was founded in 2015 by Steven Slowey and registered with the South Dakota Secretary of State. SRK is an organization that is made up of Steven Slowey, Stephen Slowey, Tim Rutjes and Tim Karli. The organization purpose is to builds hotels.

This organization or group of individuals have never held a gaming license before.

Concerns: None

Recommendations: As a result of this background investigation it is recommended that Tim Rutjes be approved for an Owners License.



SOUTH DAKOTA COMMISSION ON GAMING
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MEMORANDUM

DATE: June 10, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Tim Karli

License # 11626-OW

Name of Gaming Business:

SRK Development, LLC. was founded in 2015 by Steven Slowey and registered with the South Dakota Secretary of State. SRK is an organization that is made up of Steven Slowey, Stephen Slowey, Tim Rutjes and Tim Karli. The organization purpose is to builds hotels.

This organization or group of individuals have never held a gaming license before.

Concerns: None

Recommendations: As a result of this background investigation it is recommended that Tim Karli be approved for an Owners License.



SOUTH DAKOTA COMMISSION ON GAMING
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MEMORANDUM

DATE: June 10, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Stephen Slowey

License # 11627-OW

Name of Gaming Business:

SRK Development, LLC. was founded in 2015 by Steven Slowey and registered with the South Dakota Secretary of State. SRK is an organization that is made up of Steven Slowey, Stephen Slowey, Tim Rutjes and Tim Karli. The organization purpose is to builds hotels.

This organization or group of individuals have never held a gaming license before.

Concerns: None

Recommendations: As a result of this background investigation it is recommended that Stephen Slowey be approved for an Owners License.



SOUTH DAKOTA COMMISSION ON GAMING
87 Sherman Street • Deadwood, SD 57732
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MEMORANDUM

DATE: April 4, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Ainsworth Game Technology, Inc. 11549-MA

Name of Gaming Business:

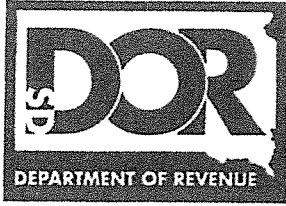
Ainsworth Game Technology, Inc. was founded in 1995 by Len Ainsworth — who also founded Aristocrat Leisure Limited, one of the largest manufacturers of slot machines in the world. Ainsworth Game Technology has corporate offices in Sydney and a Latin American branch in South Florida. Ainsworth is the fifth-largest gaming manufacturer in the U.S., Ainsworth had revenue of \$234 million in fiscal 2019. The company has 200+ unique game titles with some 600 total employees worldwide. Ainsworth is licensed in more than 266 jurisdictions.

On September 30, 2016 Ainsworth expanded its North American headquarters in Las Vegas With a \$40 million 291,000-square-foot facility — which broke ground in October 2014 — includes office, warehouse and manufacturing space.

In 2018 Novomatic an Austrian slot machine manufacturer acquired a 52 percent stake in Ainsworth Game Technology. Novomatic employs 25,000 workers and has installed 260,000 machines at 2,100 venues in 45 different countries. The firm also provides sports betting systems and lottery terminals.

Concerns: None

Recommendations: As a result of this background investigation it is recommended that Ainsworth Game Technology, Inc. be approved for a Manufacturer / Distributor License



SOUTH DAKOTA COMMISSION ON GAMING

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MEMORANDUM

DATE: April 3, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Graeme Campbell 11550 -DR

Name of Gaming Business associated with:

The applicant is seeking licensure because of his association with Ainsworth Gaming Tech Inc. which manufactures slot machines. Graeme is the Chairman of the Board of Directors for Ainsworth Gaming, who is seeking licensure so they can conduct business in South Dakota. Graeme has been on the Board of Directors since 2007.

Past Employment:

Since 1987 the applicant sat on more than 20 Board of Directors for companies in Australia. The applicant has been on the Board of Directors with Ainsworth Game Technology Limited since 2007. The applicant has held the Chairman's position since 2016.

Mr. Campbell is licensed by more than 25 gaming jurisdictions. Some of those states are Arizona, Washington, Minnesota, Michigan, Nevada, Kansas, Iowa, Pennsylvania, New Jersey, Mississippi, Missouri, Illinois and Colorado. No licensing issues were noted.

Concerns: None

Recommendations: As a result of this background investigation it is Recommended that Graeme Campbell be approved as an associated person with Ainsworth Gaming.



SOUTH DAKOTA COMMISSION ON GAMING

87 Sherman Street • Deadwood, SD 57732
(605) 578-3074 • dor.sd.gov/gaming

MEMORANDUM

DATE: April 3, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Daniel Gladstone 11551-DE

Name of Gaming Business associated with:

The applicant is seeking licensure because of his association with Ainsworth Gaming Tech Inc. which manufactures slot machines. Daniel sits on the Board of Directors for Ainsworth Gaming, who is seeking licensure so they can conduct business in South Dakota.

Past Employment:

From 1987 to 1994 the applicant was employed by IGT Australia Pty Ltd. The applicant worked as the General Manager of the sales department. For 2 year (1994-1996) the applicant worked for Pacific Gaming in New South Wales in Australia. From 1996 to 2006 the applicant was employed by Konami Australia Pty Ltd. The applicant was a Director in the sales and marketing division. In 2007 the applicant joined Ainsworth Game Technology Limited and served as the Chief Executive Officer until 2019 when he moved to a non-executive director.

Mr. Gladstone is licensed by more than 25 gaming jurisdictions. Some of those states are Arizona, Washington, Minnesota, Michigan, Nevada, Kansas, Iowa, Pennsylvania, New Jersey, Mississippi, Missouri, Illinois and Colorado. No licensing issues were noted.

Concerns: None

Recommendations: As a result of this background investigation it is Recommended that Daniel Gladstone Comstock be approved as a Director with Ainsworth Gaming.



SOUTH DAKOTA COMMISSION ON GAMING

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MEMORANDUM

DATE: April 3, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Colin Henson 11552-DR

Name of Gaming Business associated with:

The applicant is seeking licensure because of his association with Ainsworth Gaming Tech Inc. which manufactures slot machines. Colin sits on the Board of Directors for Ainsworth Gaming, who is seeking licensure so they can conduct business in South Dakota.

Past Employment:

From 2005 to 2008 the applicant was the Chairman of the Board for Bishop Technology Limited. From 2007 to 2008 the applicant was the Chairman of the Board for Permodrive Limited. From 2007 to 2009 the applicant was the Chairman of the Board for Redcape Property Fund Limited. From 2009 to 2011 the applicant was the Chairman of the Board for BHA Holdings Limited. From 2012 to 2015 the applicant worked as a consultant and adviser to the Board for CompOps Limited. In 2014 began working with Madison Cross Corporate Advisory Pty. The applicant is working as the Lead Associate in mergers and acquisitions, corporate reconstruction and capital raising.

Mr. Henson is licensed by more than 20 gaming jurisdictions. Some of those states are Arizona, Washington, Minnesota, Michigan, Nevada, Kansas, Pennsylvania, New Jersey, Mississippi, Missouri and Colorado. No licensing issues were noted.

Concerns: None

Recommendations: As a result of this background investigation it is Recommended that Colin Henson be approved as a Director with Ainsworth Gaming.



SOUTH DAKOTA COMMISSION ON GAMING

87 Sherman Street • Deadwood, SD 57732
(605) 578-3074 • dor.sd.gov/gaming

MEMORANDUM

DATE: April 3, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Harald Neumann 11553-122

Name of Gaming Business associated with:

The applicant is seeking licensure because of his association with Ainsworth Gaming Tech Inc. which manufactures slot machines. Harald sits on the Board of Directors for Ainsworth Gaming, who is seeking licensure so they can conduct business in South Dakota.

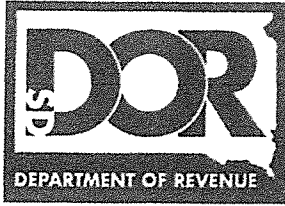
Past Employment:

From 1993 to present the applicant has been employed as a regional, general manager or a member of a Board of Directors of companies such as: Novamatic, Ainsworth Game Technology, Lowen Entertainment, GiGames S.L., HTM Hotel and Tourism, Admiral Casinos and Entertainment, G4S Security Services all of these companies are in Austria. In 2017 the applicant joined Ainsworth Game Technology Limited and is serving as a non-executive director.

Mr. Neumann is licensed by more than 20 gaming jurisdictions. Some of those states are Arizona, Washington, Minnesota, Michigan, Nevada, Kansas, Iowa, Pennsylvania, New Jersey, Mississippi, Missouri, Illinois and Colorado. No licensing issues were noted.

Concerns: None

Recommendations: As a result of this background investigation it is Recommended that Harald Neumann be approved as a Director with Ainsworth Gaming.



SOUTH DAKOTA COMMISSION ON GAMING

87 Sherman Street • Deadwood, SD 57732
(605) 578-3074 • dor.sd.gov/gaming

MEMORANDUM

DATE: April 3, 2020
TO: South Dakota Commission on Gaming
FROM: Mark Heltzel
SUBJECT: Michael Yates 11554-DR

Name of Gaming Business associated with:

The applicant is seeking licensure because of his association with Ainsworth Gaming Tech Inc. which manufactures slot machines. Michael sits on the Board of Directors for Ainsworth Gaming, who is seeking licensure so they can conduct business in South Dakota.

Past Employment:

Since 2007 the applicant has been self-employed working as an attorney.

Mr. Yates is licensed by more than 20 gaming jurisdictions. Some of those states are Arizona, Washington, Minnesota, Michigan, Nevada, Kansas, Pennsylvania, New Jersey, Mississippi, Missouri and Colorado. No licensing issues were noted.

Concerns: None

Recommendations: As a result of this background investigation it is Recommended that Michael Yates be approved as a Director with Ainsworth Gaming.

BUSINESS LICENSE RENEWAL – 2020-2021

OPERATOR, ROUTE OPERATOR & RETAIL LICENSES

AGT- ACES FULL INC	11022-OP	FIRST GOLD INC	0120-OP
	11159-RO		0011-RO
MR. WU'S 1	11575-RT	HORSESHOE 1	0079-RT
MR. WU'S 2	11576-RT	BLACKJACK 2	0081-RT
MR. WU'S 3	11576-RT	FIRST GOLD 3	0208-RT
		FIRST GOLD 4	0567-RT
BLACK DIAMOND CAPITAL LLC	0231-OP	FIRST GOLD 5	0568-RT
GOLD DUST 1	0588-RT	FIRST GOLD 6	0569-RT
GOLD DUST 2	0589-RT	FIRST GOLD 7	0570-RT
GOLD DUST 3	0590-RT	FIRST GOLD 8	0571-RT
GOLD DUST 4	0591-RT	FIRST GOLD 9	0572-RT
GOLD DUST 5	0592-RT	FIRST GOLD 10	0573-RT
GOLD DUST 6	0593-RT	FIRST GOLD 11	0584-RT
GOLD DUST 7	0594-RT		
GOLD DUST 13 (777)	0610-RT	GR DWD LLC	0187-OP
GOLD DUST 14 (777)	0611-RT	MINERAL PALACE 1	0299-RT
GOLD DUST 15 (777)	0612-RT	MINERAL PALACE 2	0300-RT
		MINERAL PALACE 3	0301-RT
BLUE SKY GAMING INC	0199-OP	MINERAL PALACE 4	0540-RT
TIN LIZZIE 1	0313-RT	MINERAL PALACE 5	0541-RT
TIN LIZZIE 2	0314-RT	MINERAL PALACE 6	0542-RT
TIN LIZZIE 3	0315-RT	MINERAL PALACE 7	0543-RT
TIN LIZZIE 4	0524-RT	MINERAL PALACE 8	0544-RT
TIN LIZZIE 5	0525-RT	MINERAL PALACE 9	0545-RT
TIN LIZZIE 7	0604-RT	MINERAL PALACE 10	0546-RT
TIN LIZZIE 8	0605-RT	MINERAL PALACE 11	0547-RT
TIN LIZZIE 9	0606-RT	MINERAL PALACE 12	0548-RT
TIN LIZZIE 10	0607-RT		
TIN LIZZIE 12	0609-RT	SALOON GAMBLING INC	0103-OP
TIN LIZZIE 13	0613-RT	SALOON GAMBLING INC 1	0011-RT
		SALOON GAMBLING INC 2	0063-RT
BY DEVELOPMENT INC	0196-OP	SALOON GAMBLING INC 3	0393-RT
CADILLAC JACKS 1	0302-RT		
CADILLAC JACKS 2	0303-RT	SUPER G INVESTMENT CO	0114-OP
CADILLAC JACKS 3	0304-RT		0004-RO
CADILLAC JACKS 4	0526-RT	SILVERADO 1	0058-RT
CADILLAC JACKS 5	0527-RT	SILVERADO 2	0134-RT
CADILLAC JACKS 6	0528-RT	SILVERADO 3	10862-RT
CADILLAC JACKS 7	0529-RT	SILVERADO 4	10863-RT
CADILLAC JACKS 8	0530-RT	SILVERADO 5	10864-RT
CADILLAC JACKS 9 (SHS4)	0597-RT	SILVERADO 6	0147-RT
CADILLAC JACKS 10	10860-RT	SILVERADO 7	10865-RT
		FRANKLIN 1	10866-RT
DEALS PUBLICATIONS	0197-OP	FRANKLIN 2	10867-RT
CELEBRITY 1	11567-RT	FRANKLIN 3	10868-RT
CELEBRITY 2	11568-RT	FRANKLIN 4	10869-RT
		FRANKLIN 5	10870-RT
DEADWOOD GAMING RESORTS	0213-OP	FRANKLIN 6	10871-RT
DWD GULCH RESORT 1	0444-RT		
DWD GULCH RESORT 2	0445-RT	ZCN LLC	11382-OP
DWD GULCH RESORT 3	0446-RT	DEADWOOD MT GRAND 1	11383-RT
DWD GULCH RESORT 5	0598-RT	DEADWOOD MT GRAND 2	11384-RT
DWD GULCH RESORT 6	0599-RT	DEADWOOD MT GRAND 3	11385-RT
DWD GULCH RESORT 7	0600-RT	DEADWOOD MT GRAND 4	11386-RT
DWD GULCH RESORT-CTR	0601-RT	DEADWOOD MT GRAND 5	11387-RT
		DEADWOOD MT GRAND 6	11388-RT
		DEADWOOD MT GRAND 7	11389-RT

THE LODGE AT DWD -DWD RESORTS LLC	0217-OP
THE LODGE AT DEADWOOD 1	0469-RT
THE LODGE AT DEADWOOD 2	0470-RT
THE LODGE AT DEADWOOD 3	0471-RT
THE LODGE AT DEADWOOD 4	0533-RT
THE LODGE AT DEADWOOD 5	0534-RT
THE LODGE AT DEADWOOD 6	0535-RT
THE LODGE AT DEADWOOD 7	0536-RT
THE LODGE AT DEADWOOD 8	0537-RT
THE LODGE AT DEADWOOD 9	0538-RT
THE LODGE AT DEADWOOD 10	0539-RT

OPERATOR, ROUTE OPERATOR & UNASSIGNED LICENSES

AGT-MICHAEL TRUCANO	0230-OP
AGT-MICHAEL TRUCANO	10858-RO
MICHAEL TRUCANO-OLD IRON HORSE INN	0583-RT
DGS LLC	0233-OP
PEGGY MAHER	0129-OP
SHARON GOULD	10355-OP
1911 HOLDINGS	10020-OP
TIM & MONICA CONRAD	0108-OP
BRANCH HOUSE PROPERTIES	0585-RT
DAKAM MOHAMED DAKAM	0264-RT
CHRIS GOULD	0440-RT

OTHER ASSIGNED LICENSES

MIDWEST MOTELS OF DWD	11330-OP
BODEGA 1 – MIDWEST MOTELS OF DWD	11331-RT
BODEGA 2 – MIDWEST MOTELS OF DWD	11332-RT
BODEGA 3 – MIDWEST MOTELS OF DWD	11333-RT

BULLOCK 1 –BULLOCK HOSPITALITY	0531-RT
BULLOCK 2 –BULLOCK HOSPITALITY	0532-RT

DEADWOOD STATION 1 - WILLY’S WILD WEST	0595-RT
DEADWOOD STATION 2 - WILLY’S WILD WEST	0602-RT

GOLD COUNTRY INN-WILLY’S WILD WEST INC	0596-RT
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HICKOKS 1-NMD VENTURE LLC	0518-RT
HICKOKS 2-NMD VENTURE LLC	0519-RT
HICKOKS 3-NMD VENTURE LLC	0520-RT

IRON HORSE INN – LATCHSTRING GETAWAYS	11505-RT
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MARTIN MASON BLDG 1	0317-RT
MARTIN MASON BLDG 2	0318-RT

MUSTANG SALLY 1 – T KEEHN	0220-RT
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OYSTER BAY	0106-RT
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SUPER 8 1 – GOLD RUN LLC	11110-RT
SUPER 8 2 – GOLD RUN LLC	11111-RT
SUPER 8 3 – GOLD RUN LLC	11112-RT

VFW	0017-RT
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WOODEN NICKEL CASINO	0316-RT
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DEADWOOD PARKING LOTS LLC	0003-PO
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OPTIMA LLC-DBA TRUE BY HILTON	0005-PO
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WWW LLC	0002-PO
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DISTRIBUTORS

UNIVERSAL GAMING RESOURCES LLC	0121-DS
DYNAMIC GAMING SOLUTIONS SD LLC	11328-DS

MANUFACTURERS

AGS, LLC	0130-MA
ARISTOCRAT TECHNOLOGIES INC	0108-MA
ARUZE GAMING INC	0133-MA
EVERI GAMES INC (MULTIMEDIA)	0131-MA
HARMS VENDING	0129-MA
IGT	0101-MA
INCREDIBLE TECHNOLOGIES INC	10735-MA
INTERBLOCK D.D.	0124-MA
IVERSON GAMING SYSTEM INC	0123-MA
JCM AMERICAN CORP	0132-MA
KONAMI GAMING INC	0128-MA
NRT TECHNOLOGY CORP	0125-MA
PATRIOT GAMING & ELECTRONIC INC	10044-MA
SG GAMING INC	0114-MA
TABLE TRAC INC	0127-MA

ASSOCIATED EQUIPMENT MANUFACTURER

AVALON GAMING INC	10877-AE
COUNTR GMBH	11376-AE
GAMING PARTNERS INTERNATIONAL USA	10983-AE
GAMING & ENTERTAINMENT TOUCH TECH	11146-AE
M3 TECHNOLOGY SOLUTIONS LLC	11293-AE



PO Box 354
Deadwood, SD 57732
605.717.0044

June 9, 2020

Susan Christian, Executive Secretary
South Dakota Commission on Gaming
87 Sherman Street
Deadwood, SD 57732

Dear Susan:

As you are aware, the Deadwood City Commission's closure of the gaming industry on March 25th thru May 6th, 2020, resulted in a loss of gaming revenue to casino operators of approximately \$10 million dollars and several million more in lost hotel, food and beverage revenues. Operators continued to incur most of the expenses without the income, creating extreme financial hardships that continue today. Many operators simply do not have the available resources to relicense all of their currently licensed devices at this time, but hope to be able to as business returns over the summer months.

The Deadwood gaming industry is formally requesting the relaxing of SDCG 20:18:12.01:05, unlicensed games or devices; to allow unlicensed gaming devices to remain in public areas for a period ending on September 30th, 2020 as the industry grapples with the economic effects of the COVID-19 pandemic. The machines would either be disabled by turning them off or other measures taken to prevent play. We would also like to minimize the costs involved in the man hours necessary for removing devices, reprogramming software, and storage of those devices. We would also be able to easily audit these devices if they remained in the public areas.

In the meantime, Governor Noem is currently developing small business COVID relief funding that we hope Deadwood operators will be able to take advantage of during this period. In informal surveys of the operators, we believe that the relicensing could be down somewhere between 20-25%, which according to March's device numbers could impact licensing between 550-700 devices. With the ability to quickly relicense these devices as cash flow permits, it would be the industry's hope that we would be able to minimize the negative financial impact that COVID-19 will have on the relicensing income for Deadwood and the State of South Dakota.

Thank you,
Mike Rodman
Executive Director

SDCG STATEMENT OF SPECIAL POLICY RELATING TO DEVICES REMAINING ON GAMING FLOOR THAT WERE NOT RELICENSED FOR FY2021

In light of a request from the gaming industry to allow gaming devices to remain on the gaming floor when such devices are not relicensed with a license stamp fee per SDCL 42-7B-23 on July 1, 2020. Due to the economic downturn caused by the shutdown of casinos during the COVID-19 pandemic, and in recognition of industry's belief that such devices may be licensed sometime during FY2021 as funds become available, and also recognizing that no statutory provision or administrative rule directly addresses this situation, the South Dakota Commission on Gaming adopts this temporary policy to be in effect for the time period of July 1 through December 31, 2020.

Any gaming device that was properly licensed in FY 2020 and is unlicensed effective July 1, 2020 may remain on the gaming floor provided:

1. The Slot Management system is physically disconnected from the slot machine.
 - In most cases this is accomplished by physically disconnecting the network connection.
2. The slot machine needs to be unplugged from power.
3. The slot machine needs to be inspected and sealed by Commission staff with the Commissions evidence tape/seals.
 - Commission staff will need to be present when the seal is broken.
4. For table games, all detachable fixtures such as drop boxes & sleeves, chip racks, and other similar removable items shall be removed. Any nondetachable chip racks or devices capable of being locked shall be locked and sealed. The table game must be inspected and sealed by Commission staff with the Commission's evidence tape/seals before it can remain in a public area.
5. The Casino must place a sign on the machine or table stating it is out of service and unavailable for play.
6. Before any slot machine or table gaming may be reactivated and placed into play, the licensee must advise the executive secretary in writing of the licensee's intention and pay taxes applicable to the game. After the reinspection and unsealing of a gaming device previously sealed, the game may be exposed for play.

After December 31, 2020 all machines that do not bear the proper license stamp will be required to be removed from the floor.