

California Gambling Control Commission
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**MINUTES OF JANUARY 28, 2010
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Dean Shelton called the meeting to order at 10:01 a.m., and asked everyone to stand for the Pledge of Allegiance.

2. Roll Call of Commissioners.

Roll Call of Commissioners was taken, with Chairman Dean Shelton and Commissioners Stephanie Shimazu, and Alexandra Vuksich present.

By request of Deputy Director Tina Littleton and upon concurrence of the Commissioners Items 9A & 9B and 14 were tabled. These applicants are no longer employed.

3. Applications for Approval for Initial State Gambling Licenses (Pursuant to Business and Professions Code section 19851):

A. Commerce Casino: California Commerce Club, Inc.

Suzanne Papaian Declaration of Trust Dated December 30, 2003
Suzanne Papaian, Trustor, Trustee, and Beneficiary

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission approve the initial applications for endorsement on the Commerce Casino state gambling license. Staff has reviewed the Bureau's report and concurred with their recommendation.

Suzanne Papaian commented on her income and indicated that a business manager handles all her financial affairs.

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

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B. Delta Casino, Downtown and Delta Casino: Delta C, LP,
Fazel Mostashari, Shareholder

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended that the Commission deny Fazel Mostashari's initial state gambling license application.

Ms. Littleton further indicated that staff recommended that the Commission approve Fazel Mostashari's initial state gambling license to be endorsed on both Delta Casino and Delta Casino, downtown's state gambling license.

Commissioner Shimazu inquired as to why the Bureau changed its initial recommendation from approval to denial. She further inquired as to what is so significant from the original submitted report to the supplemental report?

Mr. Robert Burge, Investigative Supervisor with the Bureau of Gambling Control, indicated that it was the Bureau's opinion that if Mr. Moe Mostashari was required to undergo the background investigation as initially recommended that the issues now raised in the supplemental report would have been resolved. Mr. Burge further indicated that the Bureau felt that Mr. Fazel Mostashari on his own was not a suitable applicant.

Chairman Shelton indicated that Mr. Moe Mostashari loaned money to a family member and upon request by the Commission, withdrew any financial interest of the gambling establishment. Chairman Shelton further indicated that the Commission has approved family members loaning money before without the Bureau requesting for background investigations of those family members. Chairman Shelton commented that he felt the Bureau had not given him any facts on which to base a denial.

Ms. Jennifer Henderson, Deputy Attorney General, with the Department of Justice, indicated that the burden is on the applicant to prove his suitability. Ms. Henderson indicated that the Bureau believes that there is difficulty in verifying the true source of the loans made to Mr. Fazel Mostashari; and, that he does not appear to be financially suitable for these loans.. Ms. Henderson opined that the proper avenue and proper setting for all these questions would be an evidentiary hearing.

Discussion ensued as to why the Bureau did not believe that Mr. Fazel Mostashari is suitable for licensure; and, why the Bureau believes Mr. Moe Mostashari would insert influence over the gambling establishment.

Commissioner Vuksich commented that the issues that are being brought up have been discussed in previous meetings and that this applicant has dealt with each one of these conditions. Commissioner Vuksich further indicated that there are at least two other clubs that involve family loans to people who did not rise to the level of investment solvency and the same issues were not brought up by the Bureau. Commissioner Vuksich questioned what is it about this one that is so different that the Bureau is recommending denial.

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Mr. Burge indicated that it is the history of Mr. Moe Mostashari's involvement in this club previous to Mr. Fazel Mostashari.

Mr. Harlan Goodson, on behalf of Mr. Fazel Mostashari, indicated that what is being considered is the suitability of Mr. Fazel Mostashari and not any transactions Mr. Moe Mostashari had or didn't have prior to Mr. Fazel Mostashari's investment in the gambling establishment. Mr. Goodson further indicated that Mr. Fazel Mostashari has done everything that has been asked of him by the Commission.

Based upon the reports, the Commission's staff's work, and the Bureau's findings, Mr. Fazel Mostashari has satisfied and carried his burden. He satisfied the requirements of the Gambling Control Act. Mr. Goodson asked that the Commission support their staff and grant Mr. Fazel Mostashari his license unconditionally; and, alternatively if the Commission decides there is a need to continue this matter then they reserve the right and request an evidentiary hearing.

Discuss ensued regarding the outstanding real estate loan from Lily and Lucy Marcarian in which Mr. Fazel Mostashari is currently making payments towards.

Ms. Jennifer Henderson indicated that it would be best to have an evidentiary hearing to allow Bureau staff to walk the Commissioners through the data and show where the questions and problems are.

Commissioner Shimazu reiterated her question asking if there is information missing which was not provided to the Commission that would clarify the Bureau's basis for Mr. Fazel Mostashari not being suitable.

Mr. Robert Burge indicated that there is possibly something behind the scenes of undue influence. The parties have been allowed to restructure and convolute transactions, they have been given the opportunity to filter these transactions numerous times so that it is less apparent in each transaction.

Chairman Shelton indicated that he appreciated the Bureau's position, but he felt the Bureau was asking the Commission to assume facts that were not stated.

Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

C. Palace Poker Casino, LLC: Palace Poker Casino, LLC

Katherine Bousson, Member Catherine Aganon, Member
Pamela Roberts, Member

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended the Commission approve the initial state gambling license applications. Staff has reviewed the Bureau's report and concurred with their recommendation; and, recommended approval through January 30, 2012 removing all existing conditions.

Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

4. Applications for Approval for Extension of Temporary State Gambling Licenses (Pursuant to Business and Professions Code section 19824(f)):

- A. Casino Royale: Sacramento Grand Casino, LLC
William Blanas, Member James Kouretas, Member
Faye Stearns, Member

Deputy Director Tina Littleton indicated that staff recommended the Commission extend the temporary state gambling license through April 30, 2010, removing condition one, amending condition two, and continuing with conditions three through eight as follows:

Remove Condition Number One:

1. The applicant shall continue to provide written monthly reports on the progress of the financial review being conducted by the independent accounting firm to the Commission and the Bureau by the 15th of each month.

Existing Condition Number Two:

2. The temporary initial license takes effect on August 1, 2009, and expires January 31, 2010. If more time is needed to complete the background process, then the temporary state gambling license can be extended for an appropriate amount of time after consultation with the Bureau.

Amended Condition Number Two

2. The temporary initial license takes effect on February 1, 2010, and expires April 30, 2010. If more time is needed to complete the background process, then the temporary state gambling license can be extended for an appropriate amount of time after consultation with the Bureau.

Continue Conditions Numbered 3 – 8:

3. Issuance of a temporary license does not obligate the Commission to grant a permanent license. Issuance of a temporary license does not create a vested right in the holder to either extension of the temporary license or to a regular license.
4. Issuance of this temporary license does not in any way change the legal requirement that the applicant bears the burden of establishing that s/he is suitable pursuant to Section 19856(a) for a regular license.
5. Issuance of this temporary license does not change the license qualification requirements of the Gambling Control Act, including but not limited to Sections 19856, 19857, 19858, and 19859.
6. The applicant has pending an application for a regular state gambling license. A regular license may or may not be issued, depending upon the results of the

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complete background investigation and upon the conduct of the applicant and its employees during the term of the temporary license.

7. If, during the term of the temporary license, the Executive Director determines that any particular applicant is disqualified for any of the reasons set forth in Business and Professions Code section 19859, the Executive Director shall prepare an order to show cause why that applicant's temporary license should not be cancelled, which shall be considered at the first available noticed Commission meeting. The applicant may address the Commission by way of an oral statement at the noticed Commission meeting and/or may submit documents in support of the temporary licensure not less than five days prior to the meeting. Either in writing not less than five days prior to the meeting or at the meeting itself, the applicant may request an evidentiary hearing.
8. If, during the term of the temporary license, the Executive Director determines that any particular applicant may have violated one or more of the conditions under which the temporary license was issued, the Executive Director shall prepare an order to show cause why that applicant's temporary license should not be cancelled, which shall be considered at the first available noticed Commission meeting. The applicant may address the Commission by way of an oral statement at the noticed Commission meeting and/or may submit documents in support of the temporary licensure not less than five days prior to the meeting. Either in writing not less than five days prior to the meeting or at the meeting itself, the applicant may request an evidentiary hearing.

Upon motion of Commissioner Shimazu, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

- B. Palace Poker Casino, LLC: Palace Poker Casino, LLC
Katherine Bousson, Member Catherine Aganon, Member
Pamela Roberts, Member

No action was taken due to the approval of Item 3C.

5. Applications for Renewal of State Gambling Licenses (Pursuant to Business and Professions Code section 19876):

- A. Cameo Club: Lewis & Lewis, Inc.
David and Margaret Lewis 1999 Family Trust
Margaret Lewis, Trustee, Trustor, Beneficiary
Estate of Natalie Lewis

Deputy Director Tina Littleton indicated that staff recommended that the Commission extend the state gambling license through June 30, 2010.

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

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- B. Club Caribe Casino: S&S Gaming, Inc.
Steven Mehr, Shareholder Scott Mehr, Shareholder
Donald Mehr, Shareholder

Deputy Director Tina Littleton indicated that Staff recommended the Commission extend the state gambling license for two months through March 31, 2010 continuing with the existing condition as follows:

- *The California Gambling Control Commission reserves the right to require S&S Gaming Incorporated's lender (Game Source, LLC) to submit an application as a financial interest holder, if further information reviewed at a later date indicates that it would be in the best interest of the public safety and welfare.*

Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

- C. Kelly's: Albert R. Cianfichi, Sole Proprietor
Estelle Cianfichi, Community Property Interest Holder

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the renewal state gambling license application for the period of February 1, 2010 through June 30, 2010.

Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

6. Requests for Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):

- A. California Grand Casino: Lamar Wilkinson, Sole Proprietor

Licensing Manager Marianne Estes indicated that staff recommended the Commission approve three additional permanent tables for a total of 19 tables.

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

- B. Palace Poker Casino, LLC: Palace Poker Casino, LLC

Licensing Manager Marianne Estes indicated that staff recommended the Commission approve three additional permanent tables for a total of 11.

Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

7. Applications for Initial Key Employee Portable Personal Licenses (Pursuant to Business and Professions Code section 19854(d)):
- A. Andrew Pye
 - B. Jai Saechao

Licensing Manager Marianne Estes indicated that the Bureau of Gambling Control recommended the Commission approve the initial key employee portable personal license applications for the applicants in Items 7A and 7B. Staff has reviewed the Bureau's reports, concurred with their recommendations; and recommended approval through January 31, 2012.

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

8. Applications to Convert Third Party Proposition Player Registrations to Licenses (Pursuant to Business and Professions Code section 19984 and California Code of Regulations, Title 4, section 12218):
- A. BJ Gaming, LLC
Player: Amandeep Shetra
 - B. California Gaming Consultants
Player: Lucas Flaten
 - C. Network Management Group, Inc.
Players: Jordan Cox Nicholas Wong

Licensing Manager Marianne Estes indicated that the Bureau of Gambling Control recommended the Commission approve the applications to convert registrations to licenses for the applicants in Items 8A through 8C. Staff has reviewed the Bureau's reports, concurred with their recommendations; and recommended approval through January 31, 2012.

Upon motion of Commissioner Vuksich, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

9. Cancellations of Regular Third-Party Player Registrations (Pursuant to California Code of Regulations, Title 4, section 12205):
- A. Gaming Management, LLC: Jeremy Jones
 - B. Network Management Group, Inc.: Trina Gutschenritter

This item was tabled; the applicants are no longer employed.

10. Application for Initial Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.5):

Dick Vink Corporation: a California Corporation

Dick Vink, President, Treasurer, Secretary, Manager and Sole Shareholder

Licensing Manager Marianne Estes indicated that the Bureau of Gambling Control recommended the Commission approve the initial finding of suitability application. Staff has reviewed the Bureau's report, concurred with their recommendation; and recommended approval through January 31, 2012.

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

11. Application for Renewal of Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.5):
American Gaming & Electronics, Inc.: a Nevada Corporation*

Licensing Manager Marianne Estes indicated that staff recommended the Commission approve the renewal finding of suitability application for the period of February 1, 2010 through January 31, 2012.

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

12. Application for Tribal-State Compact Gaming Resource Supplier Finding of Suitability – Request to Withdraw (Pursuant to Business and Professions Code section 19869):

Shuffle Master, Inc.: William Warner

Licensing Manager Marianne Estes indicated that staff recommended the Commission approve the request to withdraw without prejudice.

Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

13. Application for Approval for Interim State License for Bingo Manufacturers and Distributors (Penal Code 326.5 and California Code of Regulations, Title 4, section 12492):

Bingo Innovations, Inc.*

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Licensing Manager Marianne Estes indicated that staff recommended the Commission approve application for the period of January 28, 2010 through January 31, 2011 with the conditions as follows:

- (1) *An interim license shall be valid for one year from the date it is issued by the Commission and may be renewed if regulations specifying the criteria for a regular license have not been adopted.*
- (2) *Upon adoption of regulations specifying the criteria for a regular license, the Commission will notify the holder of the interim license of the requirement to submit a regular application package within 30 days of the effective date of the regulations. If a response has not been received within 30 days, the interim license will not be eligible for renewal.*
- (3) *An interim license does not obligate the Commission to issue a regular license nor does it create a vested right in the holder to either a renewal of the interim license or to the granting of a subsequent regular license.*
- (4) *Issuance of an interim license has no bearing on the question of whether the holder will qualify for issuance of any Commission permit, registration, or license. The interim license will be cancelled in the event that the Commission subsequently determines the applicant does not qualify for a regular license.*
- (5) *If, during the term of an interim license, it is determined that the holder is disqualified pursuant to Section 12494, the Executive Director shall prepare an order to show cause why that interim license should not be cancelled. The holder of the interim license shall be given at least 30 days, but not more than 90 days, to respond in writing. After receipt of the holder's response, or if the holder fails to respond in the time specified, the matter shall be set for consideration at a noticed Commission meeting. The holder may address the Commission by way of an oral statement at the Commission meeting and, either in writing not less than ten days prior to the meeting or at the meeting itself, may request an evidentiary hearing.*

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

14. Application for Initial Tribal-State Compact Key Employee Finding of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.3):
Cahuilla Creek Casino - Cahuilla Band of Mission Indians: Robert Hostetter

This item was tabled; the applicant is no longer employed.

15. Commission Consideration and Approval of Wilton Rancheria's Date of Eligibility for Revenue Sharing Trust Fund Quarterly Distribution Payments.

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Deputy Director Richard Ross indicated that staff was proposing inclusion of the Wilton Rancheria Tribe into the Revenue Sharing Trust Fund Distribution. The tribe was recognized by the Federal government in the summer of 2009. The date of recognition being proposed is July 1st, 2010. The specific tribal government has not yet been identified; however, the Commission would retain as trustee that particular payment until such recognition occurs. Mr. Ross further indicated that staff proposes that the Commission establish as its policy a capability to prorate any particular quarterly payment from the date that the tribe is specifically recognized as a federally recognized tribe.

Commissioner Shimazu asked whether the tribe was aware of how and when we decide to start setting aside funds.

Deputy Director Ross commented that who represents the tribe has yet to be determined. The Bureau of Indian Affairs is in the process of organizing the formal activities by which the tribal members determine who can select the government structure. Once there is a tribe represented by a government that recognized entity could come to the Commission and ask, challenge, or request some other action on this by the Commission either retroactive or going forward.

Chairman Shelton indicated that the Commission could also consider June 8 for the date of recognition.

Commissioner Shimazu indicated that she didn't have a problem with date, but in fairness she wanted to hear from the tribe.

Commission Vuksich questioned if the tribe could come in and upon request, once a government has been determined, request these funds be released and then click into the regularly quarterly payment system.

Deputy Director Ross indicated that once there is a recognized government, the Commission would then be able to issue a check to that government for any accumulated and retained funds that exist.

Chairman Shelton questioned if the Commission has been using the date the tribe registers or the date the Secretary signs off on it.

Chief Legal Counsel Joe Dhillon indicated there has not been precedence. The date staff is recommending, July 1, is based on the order approved by the judge. In this case, the effective date is the date the order was transmitted to the federal register. The Department of Interior is comfortable with that date; however, they were initially most comfortable with June 8.

Chairman Shelton indicated that the June 8th date would be better because the tribe would have no reason to challenge the June 8th date.

Commissioner Shimazu indicated that she would like input from the tribes before setting policy for prorated payments.

Commissioner Shimazu indicated the July 1st date the staff suggested avoided the prorated determination and by using June 8th the question becomes do they receive the full share for that quarter or a prorated share.

Deputy Director Ross indicated staff proposed prorating because of the concern that the Commission as Trustee of the entire fund could be making payments to tribes for a period of time when the Tribe was not technically federally recognized. The Trustee function is an issue that made this a more challenging question in asking what date a payment should begin.

Commissioner Shimazu commented that in the past we have not used the prorated amount.

Commissioner Shimazu moved to approve the amended staff recommendation as follows:

1. Revenue Sharing Trust Fund quarterly payments to the Tribe be retroactive to June 8, 2009 and computed on a pro rata basis.
2. These funds be reserved until Bureau of Indian Affairs has overseen and certified the results of a Tribal government election, so that an official address for the Tribe is established that can be used for the mailing of distribution payments.

The motion was seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the amended staff recommendation.

CONSENT CALENDAR ITEMS:

16. Applications for Renewal Key Employee Portable Personal Licenses (Pursuant to Business and Professions Code section 19854(d)):
 - A. Jonathan Boone
 - B. Jason Brisby
 - C. Phillip McGuire
 - D. Waldo Miller
 - E. Robert Pipkin
 - F. Joseph Rankin
 - G. Becky Tam
 - H. Randy Watkins
17. Applications for Initial Work Permits (Pursuant to Business and Professions Code section 19912):
 - A. Ceasar's Club: Humberto Gordo
 - B. Merced Poker Room: Cha Steve Chang
 - C. The 101 Casino: Jose Hernandez
18. Application for Renewal Work Permit (Authority Pursuant to Business and Professions Code section 19870):

Poker Flats Casino: Tom Tam

19. Applications for Initial Tribal-State Compact Key Employee Findings of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- A. Agua Caliente Casino – Agua Caliente Band of Cahuilla Indians:
Desmond Brown Jeyson Diaz
- B. Augustine Casino - Augustine Band of Cahuilla Mission Indians:
James Bullard Pamala Trotter
- C. Barona Valley Ranch Resort - Barona Band of Mission Indians:
Matthew Bernarde Josilyn Danna Karen Doering
David Gardner Carlos Hernandez Zoila Hernandez
Nathan Jepson Anna Linkiewicz Christian Sarmiento
Nancy Smith Luis Stephano
- D. Bear River Casino - Bear River Band of the Rohnerville Rancheria:
Elijah Alexander
- E. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
Jeffrey Hart Paul Ryder
- F. Colusa Casino and Bingo – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Allen Burrious
- G. Diamond Mountain Casino – Susanville Indian Reservation:
Laura Roberts
- H. Gold Country Casino – Berry Creek Rancheria of Maidu Indians of California:
Terry Nighswander Nai Youn Saelee
- I. Jackson Rancheria Hotel & Casino – Jackson Rancheria Band of Miwok Indians:
Carmelita Albiani
- J. Pala Casino – Pala Band of Mission Indians:
Tom Nguyen
- K. Pechanga Resort and Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:
Sylvia Ortiz
- L. Red Hawk Casino – Shingle Springs Band of Miwok Indians:
Fernando Mariano,
Jr.
- M. Spotlight 29 Casino - Twenty-Nine Palms Band of Mission Indians:
Sylvia Leon Sharon Marshall Joe Rodriguez
Gabriel Saenz
- N. Tachi Palace Hotel & Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:
Viengxay Khamneungthai Maurice Taylor
- O. Thunder Valley Casino - United Auburn Indian Community of the Auburn Rancheria:
Erik Fechner
- P. Valley View Casino – San Pasqual Band of Diegueno Mission Indians:
Hieu Ha Afshin Khosravi Kayvan Mehrshahi

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- Q. Viejas Casino & Turf Club - Viejas Band of Kumeyaay Indians:
Robert Wood, Jr.
20. Applications for Renewal Tribal-State Compact Key Employee Findings of Suitability (Authority Pursuant to the Tribal-State Gaming Compact, section 6.4.4):
- A. Agua Caliente Casino – Agua Caliente Band of Cahuilla Indians:
Juanita Cunningham Robert Redding Judy Sgro
- B. Augustine Casino - Augustine Band of Cahuilla Mission Indians:
Robert Jones, Jr.
- C. Barona Valley Ranch Resort - Barona Band of Mission Indians:
Keith Summers
- D. Bear River Casino - Bear River Band of the Rohnerville Rancheria:
Janice McGinnis Carole Reeves
- E. Blue Lake Casino - Blue Lake Rancheria:
Denice Jensen- Shannon Murphy
Larkins
- F. Cache Creek Casino Resort – Rumsey Indian Rancheria of Wintun Indians:
Douglas Bowers Tuong Nguyen Lai San
- G. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Ronald Brooks Luis Gutierrez James Lisenbery
- H. Chumash Casino – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Jesse Preciado
- I. Colusa Casino and Bingo – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Maria Salazar
- J. Jackson Rancheria Hotel & Casino – Jackson Rancheria Band of Miwuk Indians:
Jessica Enyeart Kristen Mendes
- K. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:
Rick Martinez
- L. Pala Casino – Pala Band of Mission Indians:
Mayura Alegre Carlos Castro Mark Feldthusen
Sherry Fernando Audra Hidalgo Robert Hill
Michael Hines Stacy Hoover Michele Knowles
Candace Loanzon Dean Richards Eugene Rodrigues
Erich Strafeltas Emerito Grime Tomaneng
Joseph Vido Dennis Zamora
- M. Red Earth Casino – Torres-Martinez Band of Cahuilla Mission Indians:
Mario Guzman Scott Vick
- N. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:
Danny Gonsalves
- O. Rolling Hills Casino – Paskenta Band of Nomlaki Indians:
Christopher Payne Jeffrey Realander
- P. Soboba Casino - Soboba Band of Luiseno Indians:

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Dewey Belvin
Tori Rose

Chris Cook

Jeffrey Madden

Q. Spotlight 29 Casino - Twenty-Nine Palms Band of Mission Indians:

Jorge Hurtado

Jon Kounovsky

Felimon Perez

Cecilie Quezada

R. Tachi Palace Hotel & Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:

Joaquin Gonzales

Donna Longacre

Bora Phan

S. Thunder Valley Casino - United Auburn Indian Community of the Auburn Rancheria:

Kesean Caston-Conner

Christopher Rogers

T. Viejas Casino & Turf Club - Viejas Band of Kumeyaay Indians:

Shawn Baldi

Jasen Birdsall

Kathleen Sumrall

U. Win-River Casino – Redding Rancheria:

Amanda Etchison

Darlene Etchison

21. Revenue Sharing Trust Fund Final Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending December 31, 2009 – Quarterly License Revenue Received and Shortfall

Staff recommends the Commission approve **agenda items 16, 17, 18, 19, 20, and 21.**

Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the Commission approved the staff recommendation.

PUBLIC COMMENT

There was no public comment at this time.

ADJOURNMENT

Upon motion of Chairman Shelton, seconded by Commissioner Shimazu and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Shimazu and Vuksich voting yes, the meeting was adjourned at 11:03 am.


CALIFORNIA GAMBLING CONTROL COMMISSION

Address: 2399 Gateway Oaks Drive, Suite 220 • Sacramento, CA 95833-4231
Phone: (916) 263-0700 • FAX: (916) 263-0499



DATE: January 28, 2010

TO: Gambling Control Commission

FROM:  Richard Ross, Deputy Director
Compliance Division

SUBJECT: Revenue Sharing Trust Fund Report of Distribution of Funds to Non-Compact Tribes (Eligible Recipient Indian Tribes) for the Quarter Ended December 31, 2009

All eligible Tribes will receive a total of \$275,000.00, which consists of \$205,151.16 from license fees and interest income and \$69,848.84 from shortfall funds that have been transferred into RSTF from SDF as shown in Exhibit 1. The quarterly amount of the shortfall in payments to all eligible recipient Indian Tribes for the quarter totals \$4,959,267.64. A portion of the interest earned is allocated to previously approved distributions held in RSTF on behalf of one (1) Tribe in the amount of \$7,553.29.

The total amount of quarterly license fee payments and interest received into the RSTF for the quarterly period ended December 31, 2009, is approximately \$14.57 million. License fees approximate \$14.57 million and interest of \$46,077.18 was received in October 2009.

The distribution to the Wilton Rancheria for the quarter ended December 31, 2009 is withheld in the RSTF until the Tribal government is identified. Revisions to prior quarters "RSTF Report of Distribution of Funds" may be necessary to adjust for the Tribes beginning distribution date.

A listing of the amount of revenue received from each Compact Tribe is attached as Exhibit 3. The receipts are equally distributed to seventy-one (71)¹ of the eighty-seven (87) Tribes listed in Exhibit 1 as eligible Non-Compact recipient Tribes (pending receipt of outstanding eligibility certification forms, if any).

At the end of the calendar quarter, the amount of outstanding license fee payments due into the RSTF from three (3) Tribes was \$519,072.06. If the total license fee payments due at the end of this quarter had been paid into the RSTF, each recipient Tribe would have received \$7,310.87 in additional RSTF money with this quarter's distribution in lieu of an equal amount of SDF transferred shortfall funds. Total outstanding and due license fee payments for the quarter ended December 31, 2009, are summarized in the following Table 1:

Table 1		
Indian Gaming Revenue Sharing Trust Fund License Fee Payment Aging Schedule as of December 31, 2009		
Period(s) in Arrears²	Number of Tribes	Amount of License Fees Due
One (1) Quarter (Section 4.3.2.3)	1	\$32,400.00
Exceeds 30 days after the calendar quarter (Section 4.3.2.2)	2	486,672.06
Totals	3	\$519,072.06

A fund condition statement for the RSTF through December 31, 2009, for the fiscal year 2009-10 is attached as Exhibit 2.

¹ Distribution to California Valley Miwok Tribe is withheld pending resolution of Tribal leadership dispute. Distribution to Wilton Rancheria is withheld pending approval by the Commission and identification of the Tribal government.

² Periods in Arrears are categorized according to the applicable Compact provisions of either 4.3.2.2 or 4.3.2.3.

Exhibit 1

Revenue Sharing Trust Fund Distribution

Total Amount of Distribution for the Quarter Ended December 31, 2009

	Recipient Indian Tribe	Quarterly Distribution from Revenue Received	Quarterly Shortfall	Total Potential Quarterly Distribution	Distributions Inception to December 31, 2009
1	Alturas Indian Rancheria	205,151.16	69,848.84	\$275,000.00	\$8,938,385.42
2	Augustine Band ²	.00	.00	.00	1,238,385.42
3	Bear River Band of the Rohnerville Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
4	Benton Paiute Reservation	205,151.16	69,848.84	275,000.00	8,938,385.42
5	Big Lagoon Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
6	Big Pine Reservation	205,151.16	69,848.84	275,000.00	8,938,385.42
7	Big Sandy Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
8	Big Valley Band of Pomo Indians	205,151.16	69,848.84	275,000.00	1,650,000.00
9	Bishop Paiute Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
10	Blue Lake Rancheria ²	.00	.00	.00	1,788,385.42
11	Bridgeport Paiute Indian Colony	205,151.16	69,848.84	275,000.00	8,938,385.42
12	Buena Vista Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
13	Cahto Indian Tribe of Laytonville Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
14	Cahuilla Band of Mission Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
15	California Valley Miwok Tribe ¹	205,151.16	69,848.84	275,000.00	8,938,385.42
16	Campo Band of Mission Indians ²	.00	.00	.00	538,034.21
17	Cedarville Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
18	Chemehuevi Indian Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
19	Cher-Ae Heights Indian Community	205,151.16	69,848.84	275,000.00	8,938,385.42
20	Chicken Ranch Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
21	Cloverdale Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
22	Cold Springs Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
23	Colorado River Indian Tribes	205,151.16	69,848.84	275,000.00	8,938,385.42
24	Cortina Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
25	Coyote Valley Band of Pomo Indians	205,151.16	69,848.84	275,000.00	4,950,000.00
26	Death Valley Timbi-Sha Shoshone Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
27	Dry Creek Rancheria ²	.00	.00	.00	1,513,385.42
28	Elem Indian Colony	205,151.16	69,848.84	275,000.00	8,938,385.42
29	Elk Valley Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
30	Enterprise Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
31	Ewiiapaayp Band of Kumeyaay Indians	205,151.16	69,848.84	275,000.00	8,938,385.42

Exhibit 1

Revenue Sharing Trust Fund Distribution

Total Amount of Distribution for the Quarter Ended December 31, 2009

	Recipient Indian Tribe	Quarterly Distribution from Revenue Received	Quarterly Shortfall	Total Potential Quarterly Distribution	Distributions Inception to December 31, 2009
32	Federated Indians of Graton Rancheria	205,151.16	69,848.84	275,000.00	8,517,594.03
33	Fort Bidwell Indian Community	205,151.16	69,848.84	275,000.00	8,938,385.42
34	Fort Independence Reservation	205,151.16	69,848.84	275,000.00	8,938,385.42
35	Fort Mojave Indian Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
36	Greenville Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
37	Grindstone Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
38	Guidiville Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
39	Habematolel Pomo of Upper Lake	205,151.16	69,848.84	275,000.00	8,938,385.42
40	Hoopa Valley Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
41	Hopland Band of Pomo Indians ²	.00	.00	.00	441,306.53
42	Inaja-Cosmit Mission Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
43	lone Band of Miwok Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
44	Jamul Indian Village	205,151.16	69,848.84	275,000.00	8,938,385.42
45	Karuk Tribe of California	205,151.16	69,848.84	275,000.00	8,938,385.42
46	La Jolla Band of Mission Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
47	La Posta Band of Mission Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
48	Lone Pine Reservation	205,151.16	69,848.84	275,000.00	8,938,385.42
49	Los Coyotes Band of Cahuilla Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
50	Lower Lake Rancheria	205,151.16	69,848.84	275,000.00	8,517,594.03
51	Lytton Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
52	Manchester Point Arena Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
53	Manzanita Mission Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
54	Mechoopda Indian Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
55	Mesa Grande Mission Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
56	Middletown Rancheria ²	.00	.00	.00	482,578.08
57	Northfork Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
58	Pala Band of Mission Indians ²	.00	.00	.00	482,578.08
59	Paskenta Band of Nomelaki Indians ²	.00	.00	.00	688,385.42
60	Pauma Band of Mission Indians ²	.00	.00	.00	482,578.08
61	Picayune Rancheria ²	.00	.00	.00	1,513,385.42

Exhibit 1

Revenue Sharing Trust Fund Distribution

Total Amount of Distribution for the Quarter Ended December 31, 2009

	Recipient Indian Tribe	Quarterly Distribution from Revenue Received	Quarterly Shortfall	Total Potential Quarterly Distribution	Distributions Inception to December 31, 2009
62	Pinoleville Reservation	205,151.16	69,848.84	275,000.00	8,938,385.42
63	Pit River Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
64	Potter Valley Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
65	Quartz Valley Indian Community	205,151.16	69,848.84	275,000.00	8,938,385.42
66	Quechan Tribe of Fort Yuma ²	.00	.00	.00	7,838,385.42
67	Ramona Mission Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
68	Redwood Valley Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
69	Resighini Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
70	Rincon Band of Mission Indians ²	.00	.00	.00	441,306.53
71	Round Valley Indian Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
72	San Pasqual Mission Indians ²	.00	.00	.00	482,578.08
73	Santa Rosa Band of Cahuilla Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
74	ipay Nation of Santa Ysabel	205,151.16	69,848.84	275,000.00	8,938,385.42
75	Scotts Valley Band of Pomo Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
76	Sherwood Valley Pomo Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
77	Shingle Springs Rancheria ²	.00	.00	.00	7,563,385.42
78	Smith River Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
79	Stewarts Point Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
80	Susanville Indian Rancheria	205,151.16	69,848.84	275,000.00	8,938,385.42
81	Wiyot Tribe	205,151.16	69,848.84	275,000.00	8,938,385.42
82	Torres Martinez Cahuilla Indians	205,151.16	69,848.84	275,000.00	8,938,385.42
83	Tuolumne Band of Me-Wuk Indians ²	.00	.00	.00	482,578.08
84	United Auburn Indian Community ²	.00	.00	.00	1,513,385.42
85	Washoe Tribe of Nevada & California	205,151.16	69,848.84	275,000.00	8,938,385.42
86	Wilton Rancheria ³	205,151.16	69,848.84	275,000.00	275,000.00
87	Yurok Tribe of the Yurok Reservation	205,151.16	69,848.84	275,000.00	8,938,385.42
	Total	\$14,565,732.36	\$4,959,267.64	\$19,525,000.00	\$641,334,246.81

¹ Distribution to California Valley Miwok Tribe is withheld pending resolution of Tribal leadership dispute.

² No longer an eligible Non-Compact recipient Tribe, however previously received RSTF distributions.

³ Distribution to Wilton Rancheria is withheld pending identification of Tribal government. Additional reserves may be accrued pending decision of Tribal recognition date.

EXHIBIT 2

CALIFORNIA GAMBLING CONTROL COMMISSION
 0366 - INDIAN GAMING REVENUE SHARING TRUST FUND
 FUND CONDITION STATEMENT
 For the Six Months ended December 31, 2009
 Cash Basis

BEGINNING BALANCE	\$ 31,302,329.28
REVENUES AND TRANSFERS	
Revenues:	
150300 Income from surplus money investments	175,683.52
216900 License fees held in trust	24,875,420.90
Transfer from the SDF to the RSTF for shortfall per Item 0855-111-0367, Budget Act of 2009	33,700,000.00
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Totals, Revenues	\$ 58,751,104.42
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Totals, Resources	\$ 90,053,433.70
EXPENDITURES	
Disbursements:	
Distribution	\$ 37,950,000.00
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Totals, Expenditures	\$ 37,950,000.00
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FUND BALANCE, prior to distribution	\$ 52,103,433.70
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Pending distribution	18,975,000.00
Previously approved disbursements held on behalf of the California Valley MiWok Tribe pending resolution of Tribal leadership dispute	5,463,001.99
Disbursement held on behalf of the Wilton Rancheria pending identification of Tribal government	275,000.00
Interest due to Tribes ¹	332,758.22
Assembly Bill No. 673 (Chapter 210, Statutes of 2003) and Government Code Section 12012.90 reserve pending resolution	275,000.00
	<hr/>
FUND BALANCE, after distribution ²	\$ 26,782,673.49
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Footnotes:

¹ Accrued interest on previously held distributions in the amount of \$332,758.22 as of Quarter Ending December 31, 2009 for California Valley Miwok Tribe pending distribution.

² The fund balance represents the cash basis balance as identified by the Commission since inception of the Fund. This balance may not agree with the State Controller's fund balance, which is reported on an accrual basis. Additional reconciling items may exist that have not been identified.

Exhibit 3**Revenue Sharing Trust Fund****Amount of Revenue from Each Compact Tribe Received by the Commission for the Quarter Ending December 31, 2009**

	Compact Tribe	Revenue Received Fiscal Year to Date	Revenue Received Inception to Date
1	Agua Caliente Band of Cahuilla Indians	\$1,000,000.00	\$8,327,953.20
2	Alturas Indian Rancheria	0.00	375,000.00
3	Augustine Band of Mission Indians	0.00	562,500.00
4	Barona Band of Mission Indians	368,175.00	7,088,125.27
5	Bear River Band of the Rohnerville Rancheria	0.00	0.00
6	Berry Creek Rancheria	32,400.00	807,070.68
7	Big Sandy Rancheria	0.00	0.00 ¹
8	Big Valley Rancheria	0.00	500,000.00
9	Bishop Paiute Tribe	0.00	0.00
10	Blue Lake Rancheria	50,000.00	566,250.00
11	Buena Vista Rancheria	0.00	0.00 ¹
12	Cabazon Band of Mission Indians	688,375.00	9,664,129.55
13	Cahto Indian Tribe of the Laytonville Rancheria	0.00	0.00
14	Cahuilla Band of Mission Indians	0.00	125,000.00
15	Campo Band of Diegueno Mission Indians	0.00	500,000.00
16	Chemehuevi Indian Tribe	0.00	0.00 ¹
17	Cher-Ae Heights Indian Community	0.00	0.00
18	Chicken Ranch Rancheria	0.00	0.00
19	Colusa Rancheria	533,750.00	937,500.00
20	Dry Creek Rancheria	667,500.00	12,850,746.58
21	Elem Indian Colony	0.00	0.00
22	Elk Valley Rancheria	0.00	62,500.00
23	Ewiiapaayp Band of Kumeyaay Indians	0.00	2,437,433.22
24	Hoopa Valley Tribe	0.00	0.00
25	Hopland Band of Pomo Indians	163,350.00	3,164,116.24
26	Jackson Rancheria	511,500.00	7,575,316.36
27	Jamul Indian Village	0.00	0.00
28	La Jolla Band of Luiseno Indians	0.00	0.00
29	Manchester Point Arena Rancheria	0.00	0.00
30	Manzanita Band of Mission Indians	0.00	0.00
31	Middletown Rancheria	100,000.00	437,500.00
32	Mooretown Rancheria	178,532.88	1,581,146.26
33	Morongo Band of Mission Indians	1,000,000.00	3,462,104.14
34	Pala Band of Mission Indians	1,000,000.00	23,375,896.37
35	Paskenta Band of Nomlaki Indians	33,750.00	562,500.00
36	Pauma/Yuima Band of Mission Indians	1,048,630.14	4,105,482.31
37	Pechanga Band of Luiseno Mission	1,000,000.00	5,506,120.11

Exhibit 3**Revenue Sharing Trust Fund****Amount of Revenue from Each Compact Tribe Received by the Commission for the Quarter Ending December 31, 2009**

	Compact Tribe	Revenue Received Fiscal Year to Date	Revenue Received Inception to Date
38	Picayune Rancheria	1,352,500.00	19,470,219.18
39	Pit River Tribe	0.00	0.00
40	Quechan Indian Nation	0.00	0.00
41	Redding Rancheria	123,750.00	1,310,147.64
42	Resighini Rancheria	0.00	0.00
43	Rincon Band of Mission Indians	1,853,732.88	14,036,979.46
44	Robinson Rancheria	0.00	337,500.00
45	Rumsey Rancheria	1,000,000.00	14,137,524.18
46	San Manuel Band of Mission Indians	1,000,000.00	10,298,240.41
47	San Pasqual Band of Diegueno Indians	1,175,200.00	12,237,981.91
48	Santa Rosa Indian Community	1,272,150.00	24,491,501.51
49	Santa Ynez Band of Chumash Indians	657,750.00	12,663,039.04
50	Sherwood Valley Rancheria	0.00	0.00
51	Shingle Springs Rancheria	2,300,000.00	4,645,892.05
52	Smith River Rancheria	0.00	0.00
53	Soboba Band of Mission Indians	432,525.00	7,751,455.59
54	Susanville Indian Rancheria	0.00	0.00
55	Sycuan Band of Mission Indians	1,169,925.00	22,523,460.21
56	Table Mountain Rancheria	584,625.00	11,255,232.53
57	Tule River Reservation	513,450.00	7,518,174.04
58	Tuolumne Rancheria	374,600.00	1,974,147.81
59	Twenty-Nine Palms Band of Mission Indians	689,250.00	13,269,478.77
60	United Auburn Indian Community	1,000,000.00	15,950,312.20
61	Viejas Band of Mission Indians	1,000,000.00	12,694,230.34
	Totals	\$24,875,420.90	\$301,139,907.15
	Interest	175,683.52	8,586,754.15
	Grand Totals	\$25,051,104.42	\$309,726,661.31

Footnotes:

1. Prepayment receipts were returned to payor Tribes for the return of unused putative gaming device licenses issued by Sides Accountancy Corporation. Licenses in equal number were issued by the Commission on September 5, 2002 resulting in \$2,137,500 in prepayment fees to the Fund.