



**COMMONWEALTH CASINO COMMISSION**  
Commonwealth of the Northern Mariana Islands  
P.O. Box 500237 Saipan, MP 96950



**MINUTES**  
May 11, 2018

**I. PRELIMINARIES:**

**A. Call to Order**

Chairman Juan M. Sablan called the meeting to order at 10:10 am on Friday, May 11, 2018 at the Joeten-Kiyu Public Library (Technology Room) in Susupe, Saipan.

**B. Roll Call**

Commissioners present at the meeting were: Juan M. Sablan (Chairman), Joseph C. Reyes (Vice Chairman), Alvaro A. Santos (Secretary/Treasurer).

Chairman announced that the terms of the Tinian and Rota Commissioners have expired and their replacements have not been appointed.

**C. Adoption of Agenda**

Vice Chairman Reyes moved to adopt the agenda as presented, seconded by Commissioner Santos. The motion was put to a vote and unanimously adopted.

**II. REPORTS:**

**A. Report by the Chairman**

Chairman Sablan reported that the Commission has been meeting with the legislature in an effort to push the speedy action on the pending HB 20-82. The pending HB 20-82 was placed on today's (May 11, 2018) house's scheduled session. He said that the Speaker of the House earlier informed him that the bill will be passed on first and final reading with the changes recommended by the Governor. He noted that the Senate is also in support of the bill. He is hopeful for favorable news after the house's session.

The Chairman further reported that a draft bill on the issue of completion bond requirement was prepared by Counsel Ernest at his instructions, and was submitted to Senator Justo Quitugua and Representative BJ Attao for their consideration.

The Chairman reminded the Director of the need to respond to Senator Justo Quitugua's request for comments on Senate Bill 20-98 which is due today, May 11, 2018. He added that he's seen the inputs on the bill from Commission staff but he has not seen the final product. He asked to review the draft response prior to finalization.

## B. Report by the Executive Director

The Director reported the following:

**House Bill #20-82:** The House of Representatives is scheduled to meet today (May 11, 2018). The House Committee on Gaming's committee report on HB 20-82, HD1, recommended the passage of the bill. This bill will make fundamental changes to the way the Commission operates as the Commission will be classified as an autonomous agency, among other things. With the bill's passage, the Commission will be responsible for its own administrative matters, payroll, human resources and procurement. Additionally, the bill will enable the Commission to have its official statutory enforcement authority. Senator Justo Quitugua, Chairman of Senate Committee on Gaming, is on standby and waiting to have the bill entertained in the Senate. The Commission hopes that passage of the bill will occur sometime in June.

**Senate Committee on Gaming:** Senate Bill 20-98 was introduced which will address the issue of uncollectable gaming credits, where it would be a criminal offense to be non-compliant to the terms and conditions of a credit agreement. The Commission found that there are some problematic issues in the language of the bill in regards to the forwarding of cases to the AG, and in entering into credit agreements. The Commission is preparing its comments on the bill with the inputs from everyone on CCC's concerns.

**Development Planning Advisory Committee (DPAC):** The Office of the Governor reconstituted DPAC with a task to come up with a review of IPI's anticipated request for extension on the construction of IPR. The extension, if approved, would be through Amendment 6 of the CLA. DPAC's objective is to reassess the current phase of completion of the facility based on reports available to them and to determine whether an extension request is valid and reasonable. DPAC's report, however, will only be made available to the Governor.

**Employee Recognition Ceremony and Schedule of Events:** The Director announced that there is a scheduled ceremony in the afternoon for Public Service Recognition Week. The Governor is scheduled to visit several government offices to participate in the presentation of awards to division employees of the year. The Commission is scheduled for 2:15 to 3:15 this afternoon. He added that the plan is to recess the meeting for the award's ceremony. Everyone present at the meeting and all Commission staff are invited to attend the brief ceremony.

### Division Employee of the Year Awardees:

- |                                  |                      |
|----------------------------------|----------------------|
| 1. Executive Division:           | Ruth Ann P. Sakisat  |
| 2. Permit & Licensing:           | Lolaine V. Castro    |
| 3. Enforcement & Investigations: | Joseph D. Pangelinan |
| 4. Compliance Division:          | Leonard Leon         |
| 5. Audit Division:               | Jolene S. Demapan    |

The recipient of the Commission's Leadership Award will also be announced during the ceremony. The Overall Employee of the Year will be decided at a later time. It was decided that this will be done through a democratic approach whereas the five nominees will decide through a secret ballot who the Overall Employee of the Year should be.

**Personnel Matters:** The Director informed the Commission that the positions of Compliance Agent and Permit & Licensing Clerk have been filled. The two new employees will be joining the CCC in a week.

**CCC Financial Updates:** Balance as of April 30, 2018 from FY2016 to FY2018 Funding Sources:

- 1) 7170: \$ 594,729
- 2) 7079A: \$ 1,852,752 (Balance after encumbrances: (\$208,000.00)
- 3) 7171: \$ 550,000 (Appropriated through PL 20-11)
- 4) 1545: \$ 1,090 (From General Fund)

Funds available under 7171 totaled \$962,328; \$550,000 of this amount was appropriated to the CCC in FY2018 Budget Appropriations (P.L. 20-11), and \$412,328 available for appropriations to CCC in FY2019. Due to depleting funds, all travel and training have slowed down.

**Pending Contracts:** Furniture - \$182,497.27, Air-conditioning Units - \$18,608.00, Office Equipment- \$153,000 are the three (3) pending contracts for the second-floor office expansion. An RFP and ITB's were sought to procure these items.

**Office Space:** The second-floor office expansion is still under construction. The projected date of completion is late May or early June 2018. The work pending is the flooring, the stairs, and the connection to CUC power. The landlord was advised of the Commission's urgent need to occupy the additional space. The landlord's construction workers are working seven (7) days a week in order to expedite the completion of the second-floor.

**Self-Exclusion Forms:** The Commission's regulations states that the Executive Director must promulgate forms. The Self-Exclusion form has been included as part of the agenda and will be discussed in detail when the time comes.

- 1. Application for Self-Exclusion Form - Completed and Ready for Adoption
- 2. Interpreter Information and Affirmation Form - Completed and Ready for Adoption

**IPI Gaming Financial Performance:** To be discussed in executive session.

**Announcement:** May is Public Safety Awareness Month and a calendar of events has been dispersed to the Commissioners and staff. The Commission is expected to show a good amount of participation in all scheduled events. One of the events is the Blue Mass on May 15, 2018 at the Mount Carmel Cathedral. All staff are asked to attend and to come in full uniform at 8:00 am. The peace memorial ceremony will be held at 5:00 pm on the same day at the DPS Peace Memorial Monument in front of the DPS compound. All staff and Commissioners are welcomed to join any of the activities.

III. **PUBLIC COMMENTS:** None

IV. **MISCELLANEOUS MATTERS:**

A. Casino Licensee (IPI) Updates:

- 1. Construction Progress - Imperial Pacific Resort & Hotel (Imperial Palace)

Mr. Eric Poon, IPI Construction, presented the Commission with the Imperial Pacific Resort Construction Progress Report which covers up to the period of May 9, 2018. Please see Exhibit 1.

Mr. Poon highlighted the following key issues:

- The current number of workers at the project site is 757, of which 494 are from Pacific Rim. The numbers are slightly lower than the previous months due to separations. Pacific Rim is continuing its hiring efforts for the construction project. There are 186 H2B workers and more are expected to arrive in the coming weeks.

Vice Chairman Reyes asked what Pacific Rim's part is in the construction as his understanding of the agreement appears that Pacific Rim is only the construction manager. The issue creates confusion because the salaries of the workers are being paid by IPI, he said. Mr. Poon explained that Pacific Rim was hired as a general contractor out of Guam and part of their task is to oversee the entire project which entails scheduling, materials inventory, and scheduling of sub-contractors (electrical, mechanical and interior fit out). He further explained that during the pre-construction phase, Pacific Rim sought the services of experts to assess the building conditions in all aspects prior to the assuming the project. The Chairman asked that the Commission be provided a copy of the preliminary assessment report. He also suggested that a provision on liquidated damages be inserted in order to enforce the timely completion of the facility. The Vice Chair then inquired if a completion date has been identified. Mr. Poon replied that IPI is currently working with the DPAC on the details and a date will be indicated in IPI's extension request. He suggested that since an amendment to the CLA is inevitable, it will be the opportune time to clarify the required number of rooms at the IGF. The Director agreed that ironing out the number of rooms is very important, as the cranes need to be removed immediately upon construction completion.

Mr. Poon assured the Commission that the cranes are certified to be secured in the event of a typhoon. He explained that IPI brought in two different third-party experts from Guam to inspect them and they all passed certification and no safety issues were raised. He noted that IPI holds safety as its priority. The entire job site was shut down for two hours for an OSHA training conducted by Federal OSHA.

The Director inquired on the status of the seismic bracings. Mr. Poon replied that IPI is still waiting for feedback from DPW. He said a copy of the package submitted to DPW was also provided to the Commission. Furthermore, he noted that IPI is still waiting for a final certification and the report from a local mechanical engineer who they acquired to assist in the evaluation of the seismic bracings. Vice Chair Reyes asked if the seismic bracings have been inspected and if a final certification has been issued by a mechanical engineer and DPW. Mr. Poon explained that IPI has been in communication with the local mechanical engineer to speed up the process and get it done, but it does take time as it requires the need to go above the ceilings. He shared that DPW cannot issue their final certification absent the report from the experts as they do not have the in-house expertise to make the determination.

Vice Chair Reyes asked if the delay in receiving a certification is a result of the construction being non-conforming to plans. Mr. Poon responded that no issues have been brought to their attention to indicate a problem. He noted that it's just taking more time than expected for

the local mechanical engineer to inspect the entire building. However, he pointed out that he cannot speak for DPW and would rather just wait for their final report. Chairman Sablan suggested an invitation be extended to DPW for the Commission's monthly meetings.

The Director asked if there are considerations of including seismic bracings in the installation of the hanging dragon. Mr. Poon explained that there is a different and unique method in hanging and bracing of the dragon as it does not involve water pipes. He added IPI has hired a special engineer from overseas to handle the dragon installation. These experts have calculated how many hanging points and the location of each. The plans for the dragon installation have already been documented and are available, he said. The Chairman asked if the calculations were provided in the original design, to which Mr. Poon replied that he will have to confirm and get back to the Commission.

The Vice Chair asked if MK Lee is still involved in any way with the project, and what part a certain Mr. Zhou Jing and Mr. Spike have in the project. He asked for a rundown of the structure of the construction management team. Mr. Poon explained that Mr. Jing is the Resident Project Director and he oversees the project including Pacific Rim. Mr. Hongkai "Spike" Dai is the Assistant VP for Project Development. He added that in the construction structure, the top management placed to represent the owners are: Mr. Jing, Mr. Dai and himself and then below is Pacific Rim as the General Contractor. Pacific Rim oversees all the subcontractors whom they have hired or have inherited from existing contracts.

The Director asked Mr. Poon if he's seen the original design from Paul Steelman, and if he has any knowledge of any deviation from the original design to the current structure. Mr. Poon replied that IPI is in possession of Mr. Steelman's various design packages, and that he is not aware of any deviation from the plan. The Director added that the Commission has had discussions on contacting Mr. Steelman to return to the project site to assess and verify that the plans were followed. Mr. Poon shared that IPI has had communication with Mr. Steelman especially for the interior design projects. N15 was also hired as construction administration, and IPI consults with them regularly on architectural and other matters; there's been no mention of needing a forensic engineer to assess the structure.

The Director mentioned that in previous discussions with Pacific Rim, there was mention of lack of materials. However, it was later discovered that the materials were there but were marked in Chinese and could not be properly identified. The Director asked if this issue was resolved and if it was one of the reasons in the delay of the project. Mr. Poon explained that after the discovery by Pacific Rim, a translator was hired to assist in identifying the different materials. He added that although they do not have a hundred percent of the materials needed for the project, he is confident that they have enough materials on hand to continue moving forward.

## 2. IPI Personnel - Resident Employment Objectives & CLA Annual Plan

Bertha Leon Guerrero, VP of Human Resources, presented HR Dashboard for April 2018 and reported the following highlights. Please see Exhibit 2.

- As of April 2018, the total headcount is 1,468 active employees with a percentage breakdown of 44% US and 56% non-US. Also indicated in the report are the categories of hires and the movements for the month, such as separations, promotions, transfers and others. There is also a breakdown of the different trainings held, and the total

participants for each training. For the Title 31 AML training, there were 170 participants for April which were mostly for the purpose of recertification, as required annually.

- There are different trainings offered by NMC, such as the Microsoft Excel usage, to include advanced level. The Career Talks with NMC through the internship program was a success. All three interns have successfully completed their internship and have been offered full-time positions with IPI. Out of the three, only one accepted a position. IPI also participated in the career fair on May 4<sup>th</sup>.

Vice Chairman Reyes asked if there is only one HR team handling gaming and non-gaming employees, including construction. Ms. Leon Guerrero clarified that there is in fact one HR team, and that there are divisions within HR that handle certain matters. She added that in regards to the construction department, the number of workers under the H2B program are not included in the overall count of the employees. She explained that the reason for that is that it would affect the percentage of the US to Non-US ratio, and that these workers are only employed on a temporary basis. Ms. Leon Guerrero also mentioned that IPI will definitely be affected by the cap and lottery method being imposed by USCIS.

Commissioner Santos raised concern about the new hires and separations reported in the dashboard. He shared that he noticed a pattern in which the number of employees separated each month is higher than those that are hired. He asked Ms. Leon Guerrero what the common reasons are for separation. Ms. Leon Guerrero replied that one of the challenges IPI is facing is the retention of its CWs. Most CW's are reluctant to continue employment simply because of the uncertainty of their contract renewal. She further noted that the CWs have been accepting job offers at other casinos in the Philippines or elsewhere.

Commissioner Santos asked how they are making up for the loss of manpower, to which Ms. Leon Guerrero replied that they have been making do with their current numbers. Vice Chairman Reyes asked if there have been any separations due to drug issues. Ms. Leon Guerrero confirmed that they've had about three or four workers under the H2B program that had to be repatriated for drug testing reasons.

Chairman Sablan mentioned his concern on the very minimal number of NMC students interested in the internship program at IPI. He suggested IPI find new ways to entice the students to take part in the OJT program, as the gaming industry will continue to grow and will be a permanent industry on the island. Ms. Leon Guerrero said that while she agrees, it is not an easy task to recruit or much even retain employees.

Vice Chairman Reyes asked if the construction workers are considered employees of IPI or Pacific Rim, and who is listed as the head of construction. Ms. Leon Guerrero clarified that the numbers indicated in her report are that of IPI under the supervision of Mr. Eric Poon. Mr. Poon added that personnel issues with regards to the construction project are indeed his responsibility but the construction project is a joint effort between both IPI and Pacific Rim.

The Director asked Ms. Leon Guerrero what her role is in the selection of the Casino Key Employees, as well as the establishment of position descriptions, pay level and immigration status of that particular category of employees. Ms. Leon Guerrero responded that she is not involved in any way with position descriptions and pay determination but she is however involved in the processing of documents in reference to immigration status. The Director mentioned that the Commission will be reaching out to IPI HR to discuss issues on expiration,

non-renewal and denial of CWs as some issues were brought to his attention. He asked Ms. Leon Guerrero if IPI HR department is on top of these issues. Ms. Leon Guerrero replied that she and the HR team will be available to offer assistance if needed.

The Director brought to IPI's attention rumors of unfair hiring practices within IPI. He specifically mentioned the position of Head of Security which he heard was filled by a non-US worker over a US worker who possessed the right credentials for the position. He asked Ms. Leon Guerrero to look into this issue and update the Commission.

### 3. Responsible Gaming Program

Mr. Timothy Lai, IPI VP of Investigations reported the following:

- The Responsible Gaming Program is now in progress after receiving approval from the Commission on the messages for display on both the slot machines and the table games monitors. Out of the 76 tables at the casino, 64 table monitors have the uploaded messages. The remaining 12 tables did not have the necessary hardware to display the messages so pamphlets were placed at those table games area.
- The responsible gaming message were uploaded on all 241 slot machines. Pamphlets are being distributed at the customer service counter and cage counters. The message reads: ***“Imperial Pacific International CNMI LLC encourages gaming responsibly. If you have a gaming problem, please ask about our responsible gaming program, or call the National Council on Problem Gaming (NCPG) at 1 800 522 4700. You must be 21 to gamble.”***
- Mr. Chuck McDonald is working with the NCPG Executive Director to schedule a training session for IPI employees on the ability to identify problem gamblers. A proposal is currently being put together for Mr. Keith Whyte's visit and the training he'll be providing.
- The Learning and Development team and Mr. Lai met with the heads of the Substance Abuse and Rehabilitation Center to discuss their partnership in the program as a referral point. There are also plans to schedule a training session with the Counselor in regards to the local 24-hour hotline (1-670-323-4673) which as of this time, is only dedicated to substance abuse. The projected time frame to initiate the problem gambling hotline is July 2018 as well as the arrival of the counselor.

Chairman Sablan requested for some Commission staff to be included in the training. The Director asked if IPI has received any calls as a result of the newly established program and if calls are tracked. Mr. Lai replied that there are plans to produce statistics return which will be submitted to CCC for information purposes.

**Vice Chairman Reyes made a motion to recess until 2:00 pm, seconded by Commissioner Santos. The Motion was put to a vote an unanimously approved. Recess at 11:47 am.**

**Chairman Sablan called the meeting back to order at 2:07 pm on Friday, May 11, 2018 at the Joeten-Kiyu Public Library (Technology Room). All three Commissioners were present.**

#### 4. Compliance Committee

Mr. McDonald reported the following:

- The IPI Compliance team kicked off the working group with the Commission in an effort to propose changes to the MICS and the Regulations that would better fit the casino operations. With three years in operation, a lot have been identified that need revisions due to shortcomings with the regulations and the need to streamline operations. IPI's proposed changes to both documents will be forwarded to the Commission in the next two weeks.
- A new chip buy-in procedure has been implemented which now requires that buy-ins under ten thousand dollars must be done at the tables. The change was initiated recently with a two-week implementation trial period, after which time the Internal Control Exception Reports (ICERS) will be issued from that point forward. The change was prompted by the IPI's Compliance Committee to better track chips and to prevent missed CTRs. This change is supported by Wendell Long, IPI's Compliance Committee Independent Member.

Commissioner Santos asked what type of functions does the Actemize software provide. Mr. McDonald explained that the software assists in performing KYC duties and tracking suspicious activities. He added that it is a very expensive high-tech software used by a number of major banks as well as the Caesar's Palace. The Director asked if the Actimize or the IGT system can be used to track buy-ins at both the cage and the table. Mr. McDonald explained that buy-ins can be best tracked from the table as opposed to the cage where you won't know where the patron goes. He added that the Compliance, along with Table Games and Surveillance teams, have a joint effort in controlling the current tracking procedure.

The Director asked Mr. McDonald to touch on the issue on what was reported by the Bureau of Environmental Health (BEH). Mr. McDonald reported that he received an email from the Executive Director which explained findings of a casino vendor operating without a sanitary permit. The allegation was that IPI was operating the kitchen, when in fact it was a third party vendor which provided lunch services to the staff, specifically the construction workers. He announced that after BEH's discovery and the notification from the Director, the contract with this vendor was immediately terminated. Commissioner Santos recommended that IPI takes the initiative to perform checks on these type of vendors before entering into a contract with them. IPI should make it a point to ensure that their vendors are cleared with BEH and Sanitation, he said. Mr. McDonald confirmed that the vendor was up to standards when the business license was provided and the contract was awarded, but it seemed that they slacked majorly in their sanitation practices. He further added that they check all the permits of the establishments that take part in the employee meal program.

**Vice Chairman Reyes made a motion to recess for the Public Service Recognition Week ceremony at 2:24 pm, seconded by Commissioner Santos. The Motion was put to a vote and unanimously approved. Recess was called at 2:24 pm.**

**Chairman Sablan called the meeting back to order at 3:00 pm on Friday, May 11, 2018 at the Joeten-Kiyu Public Library (Technology Room). All three Commissioners were present.**

## 5. Other Miscellaneous Matters

### B. Other Matters:

## V. OLD BUSINESS:

### A. House Bill 20-82: Update

Chairman Sablan announced that HB 20-82, HD1 was passed unanimously in the House. He mentioned that HB 20-50 which sought to increase the fine to five million dollars also passed but the amount was changed to eight hundred thousand dollars (\$800,000) USD. The Director added that this particular bill was not initiated by the Commission.

The Director commented that when HB 20-82, HD1 becomes law, the Commission should expect to have everything in place when it comes to establishing the regulations on HR, Procurement and Enforcement. He added that if passed, the Commission's Div. of Enforcement and Investigations would have to go through a formalized academy before they are armed. He noted that he has high confidence that the Chief and his team can develop the necessary guidelines and policies on enforcement and the use of firearms.

Vice Chairman inquired if IPI has an active shooter policy and procedures in place. Mr. McDonald replied that IPI does have one. Chief Cabrera informed the Commission that some of the stakeholders in government met with IPI Security and Surveillance, and their facilities management to discuss the development of an emergency response plan for every possible scenario. IPI started their initial process in the development, spearheaded by Derek Hocog. The draft plan will be shared with all the other government stakeholders such as the Commission, DPS, Public Health, Homeland Security and DFEMS.

### B. CCC Application for Self-Exclusion Form & Interpreter Information and Affirmation

The Director reported that the Division of Enforcement and Investigations have looked at the Self-Exclusion programs in other jurisdictions in order to come up with the Commission's self-exclusion form. The Chief added that a lot of the information in the form as required in the CCC Regulations. He explained that the form is divided into sections, such as the instructions, notices to the applicant, personal information and the guidelines for self-exclusion which would all be explained to the applicant. The applicant would also have to sign a waiver and release form, and acknowledgement. The last part of the form includes a certification of witnesses, which is primarily for casino personnel, and certification by the casino licensee, which in turn acts as notification to the casino. Additionally, the casino will be provided with the individual's bio-data, a photo, and a copy of the notification. Chief Cabrera added that there is an interpreter information and affirmation form that can be made available for applicants who do not speak English.

## VI. NEW BUSINESS:

### A. Appointment of Rota Commission Member from Senatorial District #1 (Rota)

*\* Mayor Efraim M. Atalig's May 2, 2018 appointment of Diego M. Songao to the CCC*

Chairman Sablan announced that Mr. Diego M. Songao has yet to be confirmed by the Rota Delegation as the Commissioner representing the First Senatorial District.

**B. Approval of Regular Casino Key Employee License (2 Years):**

*\*Lam, Kei In ("Blake") - IPI Director of Table Games*

Commissioner Santos suggested that for future meetings, applicants for a Casino Key Employee license should attend the Commission meeting or a photo of the person should be provided to the Commissioners so they know who they are approving.

**Vice Chairman Reyes moved for the approval of item B., seconded by Commissioner Santos. The motion was put to a vote and unanimously approved.**

**C. Notification of Provisional Casino Key Employee License:**

*\*Lai, Ka Cheong ("Timothy") - IPI VP of Investigations: Issued: 04/25/18 Exp: 04/24/19*

The Director asked if Mr. Lai is carrying two roles in the company, which is the VP of Investigations and Acting Chief of Security. Mr. Lai confirmed that he is in fact performing both functions. He explained that he was first offered the position of VP of Investigations, and after coming on board, he was asked to assist Mr. Derek Hocog in the Security department due to his years of experience in Macau in the casino security.

The Director expressed grave concern with this practice. He reminded IPI of the need to inform the Commission of any changes of employees positions as it relates to promotions or transfers, especially with key employees. This is also necessary so that the Commission can reflect these changes in its record and licenses issued.

**D. Notification of Provisional Casino Service Provider License - Extension:**

*\* Actimize Ltd. Software & Technology Platform: Issued 05/08/18 Exp: 08/08/18*

**E. Notification of Provisional Casino Vendor License:**

1. All Rosy Limited: Furniture Suppliers - Issued 05/07/18; Exp. 05/06/19
2. Million Hope New-Tech Building Supplies (Hui Zhou), Ltd. Issued 04/18/18; Exp. 04/17/19

**F. Notification of Provisional Casino Vendor License - Extension:**

1. Phoenix Services, Inc. - Issued 05/01/18 Exp. 08/01/18
2. Saipan Stevedore Company, Inc. - Issued 05/01/18 Exp. 08/01/18
3. USA Fanter Corp., Ltd. - Issued 05/01/18 Exp. 08/01/18

**G. Non-Gaming Vendors Request for Application Withdrawal. Casino Regulations - Section 175-10.1-425 Withdrawal:**

1. YWA Human Resource CNMI, Corporation
2. Herman B. Cabrera & Associates

The Director discussed that the process for withdrawal, as stated in the regulations, requires the approval of the Commission. However, he feels that this process should be changed, and recommended that he and the Chairman be able to make that determination. The Chairman added that the applicant provided reasons for requesting the withdrawal. Counsel Ernest also added that this prevents applicants from knowingly putting false

information on the application and then making the choice to withdraw it if there is any finding by the Commission. Vice Chairman Reyes asked if this types of cases, where an applicant withdraws and no longer holds a license, will prevent the vendor from collecting payments from IPI. The Director explained that they would still be entitled to those collectables if the service they provided was performed while the license was still active.

Vice Chairman Reyes moved for the approval of the request for withdrawal for items 1 and 2, seconded by Commissioner Santos. The motion was put to a vote and unanimously approved.

Vice Chairman Reyes moved to enter into executive session to discuss the items listed below. The motion was seconded by Commissioner Santos and was put to a roll call vote with all voting yes. Executive session began at 3:55 pm.

**VII. EXECUTIVE SESSION:**

- A. Report by the Legal Counsel
- B. Report by the CCC Audit Division
- C. IPI Financial Matters

Vice Chairman Reyes moved to exit the executive session, seconded by Commissioner Santos. The motion was put to a vote and unanimously approved.

Chairman called the meeting back to order at 5:13 pm.

**VIII. ADJOURNMENT**

Vice Chairman Reyes moved to adjourn the meeting, seconded by Commissioner Santos. The motion was put to a vote and unanimously approved. The meeting was adjourned at 5:13 pm on Friday, May 11, 2018.

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

Elicia San Nicolas  
Executive Secretary

And

\_\_\_\_\_ Date: \_\_\_\_\_

Ruth Ann P. Sakisat  
Executive Assistant to the Commission

APPROVED AND ADOPTED ON: \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_ Date: \_\_\_\_\_

Alvaro A. Santos  
Commission Secretary