

**Minutes
Legal Committee
South Carolina Education Lottery Commission
July 21, 2005
11:00 a.m.**

A meeting of the Legal Committee of the South Carolina Education Lottery was held on Thursday, July 21, 2005, at 11:00 a.m. The meeting originated from the 4th Floor Conference Room at 1333 Main Street, Columbia, South Carolina.

The following committee members participated via telephone:

Timothy Madden, Chair
Marvin Quattlebaum

Commissioner Moffatt Burriss, Chair of the Administrative/Audit/Operations Committee, also attended. Staff present included Ernie Passailaigue, Tony Cooper, Bethany Parler, Hogan Brown, Carl Stent and Faris Keller.

The meeting was called to order by Chairman Madden for the purpose of discussing matters relating to the Palmetto Cash 5 drawing on Friday, June 24, 2005. The Chair recognized Hogan Brown to give an overview of the events surrounding that evening's draw. The second number drawn and announced by the draw talent was "27" but the number "37" was certified by the external auditor and entered into the central gaming system. The error was discovered on Monday morning when players began to call in. Both numbers are being paid as winners. An internal review process was begun. Tickets may be redeemed for a six-month period beginning with the date of the draw.

Staff was asked if there were legal or other matters that would be more appropriate for discussion in executive session. The Chair indicated that, while it is not a common practice for the Committee to go into executive session, he would entertain a motion to do so since receiving legal advice in open session would violate attorney-client privilege is a matter recognized by statute as appropriate for executive session.

Motion Adopted

Commissioner Quattlebaum moved to go into executive session as authorized in §30-4-70(a)(2) and (3) for the specific purpose of receiving legal advice and discussing security procedures relating to the Palmetto Cash 5 draw of June 24, 2005 and to receive information on other matters covered by the attorney-client privilege. Without objection, the motion was adopted. Upon adoption of the motion to go into executive session, all staff was dismissed with the exception of Bethany Parler, Hogan Brown, Carl Stent and Faris Keller.

As provided in the Freedom of Information Act, the Chair announced that, pursuant to the adopted motion, the Committee proceeded to executive session to discuss security matters and

receive legal advice or discuss other matters covered by attorney-client privilege as authorized in Section 30-4-70(a)(2) and (3).

Return to Open Session

Upon the conclusion of the executive session, the Chair announced that the Committee was back in open session. No action was taken during the executive session and no business was discussed other than that which was authorized by the motion.

Motions Adopted

Commissioner Quattlebaum moved to direct staff to continue with the investigative process under the direction of legal counsel. The motion carried without objection.

Approved:

_____/s/_____
Timothy Madden, Chairman

Date

As required by Section 30-4-80, notification for this meeting was posted at the meeting location, the Education Lottery web site, and sent via facsimile transmission pursuant to requests made by media outlets and other organizations. The notification included the time, date, place and agenda of the meeting.