

OHIO CASINO CONTROL COMMISSION

RESOLUTION 2012-22

WHEREAS, Article XV, Section (6)(C)(4) of the Ohio Constitution created the Ohio Casino Control Commission (“Commission”) to ensure the integrity of casino gaming by, among other things, licensing and regulating all gaming authorized by Article XV, Section (6)(C) of the Ohio Constitution;

WHEREAS, R.C. 3772.09(A) prohibits, among others, any gaming-related vendor or key employee thereof from conducting or participating in conducting casino gaming without first being licensed by the Commission;

WHEREAS, R.C. 3772.10(B) requires, among others, gaming-related vendors and key employees thereof seeking licensure under R.C. Chapter 3772 to establish their suitability by clear and convincing evidence;

WHEREAS, R.C. 3772.12(A) and A.C. 3772-6-02(A) require any gaming-related vendor seeking licensure to submit, under oath, a Gaming-Related Vendor License Application;

WHEREAS, R.C. 3772.121 and A.C. 3772-6 authorize the Commission to issue gaming-related vendor licenses to applicants after the Commission determines that the applicants are eligible for licensure and have paid all applicable fees;

WHEREAS, a gaming-related vendor license applicant is eligible for licensure upon meeting the following criteria:

- (A) Submission of a true and complete Gaming-Related Vendor License Application, as required by R.C. 3772.10(C) and 3772.12(A) and A.C. 3772-6-02(A);
- (B) Payment of the nonrefundable application fee of \$10,000.00, as required by R.C. 3772.17(C) and A.C. 3772-6-03(A), and all fees necessary to cover the costs of the background investigation in excess of the application fee set forth by A.C. 3772-6-03(A), if any;
- (C) Submission, on a form provided by the Commission, of two sets of the applicant’s fingerprints, as required by R.C. 3772.121(A)(3), if applicable;
- (D) Reimbursement of the costs for the criminal records check, as required by R.C. 3772.07 and 3772.121(A)(2), if applicable;
- (E) Not having been convicted of or pled guilty or no contest to a disqualifying offense, as defined and required by R.C. 3772.07; and
- (F) Otherwise is suitable for licensure, as required by R.C. 3772.10(B) and (C);

WHEREAS, R.C. 3772.13(B) and A.C. 3772-5-02(A) require any gaming-related vendor key employee seeking licensure to submit a Key Employee License Application;

WHEREAS, R.C. 3772.13 and A.C. 3772-5 authorize the Commission to issue key employee licenses to applicants after the Commission determines that the applicants are eligible for licensure and have paid all applicable fees;

WHEREAS, a key employee license applicant is eligible for licensure upon meeting the following criteria:

- (A) Being at least 21 years of age, as required by R.C. 3772.13(C);
- (B) Submission of a true and complete Key Employee License Application, as required by R.C. 3772.10(C) and 3772.131(D) and A.C. 3772-6-02(A);
- (C) Submission, on a form provided by the Commission, of two sets of the applicant's fingerprints and a photograph, as required by R.C. 3772.13(E);
- (D) Payment of the nonrefundable application fee of \$2,000.00, as required by R.C. 3772.13(E) and 3772.17(D) and A.C. 3772-5-03(A), and all fees necessary to cover the cost of the background investigation in excess of the application fee set forth by A.C. 3772-5-03(A), if any;
- (E) Reimbursement of the costs for the background check, including the criminal records check, as required by R.C. 3772.07 and 3772.13(E);
- (F) Not having been convicted of or pled guilty or no contest to a disqualifying offense, as defined and required by R.C. 3772.07; and
- (G) Otherwise is suitable for licensure, as required by R.C. 3772.10(B) and (C);

WHEREAS, on or about November 28, 2011, WMS Gaming Inc. ("WMS Gaming") submitted an application for licensure as a gaming-related vendor to the Commission in accordance with R.C. 3772.12(A) and A.C. 3772-6-02(A);

WHEREAS, WMS Gaming paid the nonrefundable application fee, as required by R.C. 3772.17(C) and A.C. 3772-6-03(A);

WHEREAS, the owners, officers, directors, and key employees of WMS Gaming, who appear on the attached list marked Exhibit A, ("key employees") submitted their applications for licensure as key employees to the Commission in accordance with R.C. 3772.13(B) and A.C. 3772-5-02(A);

WHEREAS, with respect to the WMS Gaming key employees, the nonrefundable application fees have been paid, as required by R.C. 3772.13(E) and 3772.17(D) and

A.C. 3772-5-03(A), and the Commission has been reimbursed for the costs of the criminal records checks, in accordance with and as required by R.C. 3772.07 and 3772.13(E);

WHEREAS, WMS Industries, Inc. (“WMS Industries”), the ultimate parent company, submitted the required information and documentation as a holding company of WMS Gaming to the Commission;

WHEREAS, the owners, officer, directors and key employees of WMS Industries, who appear on Exhibit A, (“key employees”) submitted their applications for licensure as key employees to the Commission;

WHEREAS, with respect to the WMS Industries key employees, the nonrefundable application fees have been paid, as required by R.C. 3772.13(E) and 3772.17(D) and A.C. 3772-5-03(A), and the Commission has been reimbursed for the costs of the criminal records checks, in accordance with and as required by R.C. 3772.07 and 3772.13(E);

WHEREAS, Spectrum Gaming Group (“Spectrum”) has been appointed by the Commission as its agent to assist the Commission in the conduct of suitability investigations;

WHEREAS, Spectrum reviewed the submitted gaming-related vendor application, materials and information, and conducted thorough suitability investigations of WMS Gaming and its key employees and WMS Industries and its key employees;

WHEREAS, Spectrum has filed a report with the Commission dated April 10, 2012, captioned *In the Matter of the Application of WMS Gaming, Inc. for a Gaming-Related Vendor License* (“Report”);

WHEREAS, Spectrum’s Report concludes that based upon its investigation no derogatory information that adversely impacts upon the suitability of WMS Gaming, WMS Industries, or the key employees of either was uncovered and that WMS Gaming is qualified to be approved as a gaming-related vendor subject to certain conditions;

WHEREAS, the Commission’s Division of Licensing and Investigation has reviewed the Spectrum Report, the WMS Gaming, WMS Industries and key employee license applications, and the certifications of the following institutional investors: BlackRock, Inc.; Janus Capital Management; Kornitzer Capital Management, Inc.; T. Rowe Price;

WHEREAS, the Commission’s Division of Licensing and Investigation has prepared a report to the members of the Commission dated April 11, 2012, captioned *Report of the Division of Licensing and Investigation on the Application of WMS Gaming Inc.* (“Licensing Report”) recommending that the Commission grant a gaming-related vendor license to WMS Gaming subject to the following conditions:

- (A) WMS Gaming and WMS Industries shall report any changes in their management, ownership, or stockholdings to the Commission in accordance with A.C. 3772-6-04;
- (B) WMS Gaming and WMS Industries shall report any loans, debt incurred, or any other significant financial matters to the Commission in accordance with A.C. 3772-6-04;
- (C) WMS Gaming shall pay all fees required by the Commission, including the following:
 - (1) The cost of the background investigation that exceeded the application fee set forth by A.C. 3772-6-03(A), as required by R.C. 3772.17(C) and A.C. 3772-6-03(B); and
 - (2) A nonrefundable license fee of \$15,000.00, as required by R.C. 3772.121(A)(2) and 3772.17(C) and A.C. 3772-6-03(C); and
- (D) WMS Industries' Gaming Compliance Committee shall notify the Executive Director of the Commission no later than 30 days from when the Compliance Committee conducts any due diligence efforts, takes any action or makes any recommendations concerning current or future business;

WHEREAS, the Commission has considered the Spectrum Report and the Licensing Report and heard from representatives of WMS Gaming at its public meeting on April 18, 2012.

NOW, THEREFORE, BE IT RESOLVED, by the Commission that WMS Gaming's application for licensure is **APPROVED** and WMS Gaming is hereby **LICENSED** for a period not to exceed three years, effective today, as a gaming-related vendor subject to continued compliance with R.C. Chapter 3772 and the rules adopted thereunder and the following conditions:

- (A) WMS Gaming and WMS Industries shall report any changes in their management, ownership, or stockholdings to the Commission in accordance with A.C. 3772-6-04;
- (B) WMS Gaming and WMS Industries shall report any loans, debt incurred, or any other significant financial matters to the Commission in accordance with A.C. 3772-6-04;
- (C) WMS Gaming shall pay all fees required by the Commission, including the following:
 - (1) The cost of the background investigation that exceeded the application fee set forth by A.C. 3772-6-03(A), as required by R.C. 3772.17(C) and A.C. 3772-6-03(B); and

- (2) A nonrefundable license fee of \$15,000.00, as required by R.C. 3772.121(A)(2) and 3772.17(C) and A.C. 3772-6-03(C); and
- (D) WMS Industries' Gaming Compliance Committee shall notify the Executive Director of the Commission no later than 30 days from when the Compliance Committee conducts any due diligence efforts, takes any action or makes any recommendations concerning current or future business.

BE IT FURTHER RESOLVED, that the Key Employee License Applications of the natural persons contained on Exhibit A are **APPROVED** and those persons are hereby **LICENSED** for a period not to exceed three years, effective today, as key employees, subject to continued compliance with R.C. Chapter 3772 and the rules adopted thereunder and the payment of all fees required by the Commission, including the following:

- (A) The cost of any key employee background investigation that exceeded the application fee set forth by A.C. 3772-5-03(A), as required by R.C. 3772.17(D) and A.C. 3772-5-03(B); and
- (B) A nonrefundable license fee of \$500.00 per key employee license, as required by R.C. 3772.17(D) and A.C. 3772-5-03(C).

BE IT FURTHER RESOLVED, that Resolution 2012-22 does not in any way affect, negate, or otherwise absolve WMS Gaming, WMS Industries, or the key employees of either from their duties to update information in accordance with A.C. 3772-6-04 and A.C. 3772-5-04.

BE IT FURTHER RESOLVED, that Resolution 2012-22 does not restrict or limit the Commission's future exercise of authority and discretion with respect to imposing additional conditions or taking further action upon WMS Gaming, WMS Industries, or the key employees of either under R.C. Chapter 3772 and the rules adopted thereunder.

Adopted: