

OHIO CASINO CONTROL COMMISSION

RESOLUTION 2015-34

**CONSIDERATION OF TCS JOHN HUXLEY AMERICA, INC. AND TCS JOHN HUXLEY EUROPE LTD.'S APPLICATIONS TO RENEW THEIR GAMING-RELATED VENDOR LICENSES**

**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 from conducting or participating in conducting casino gaming without first being licensed by the Commission;

**WHEREAS**, R.C. 3772.15(B) and Ohio Adm. Code 3772-6-02(D) require that gaming-related vendor licensees undergo complete investigations at least once every three years to ensure continued eligibility for licensure;

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

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

**WHEREAS**, R.C. 3772.121 and Ohio Adm. Code Chapter 3772-6 authorize the Commission to issue gaming-related vendor licenses to applicants, including renewal 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 renewal upon meeting the following criteria:

- (A) Submission of a true and complete Vendor Application, as required by R.C. 3772.10(C) and 3772.12(A) and Ohio Adm. Code 3772-6-02(A);
- (B) Payment of the nonrefundable renewal application fee of \$10,000.00, as required by R.C. 3772.15(A) and 3772.17(D) and Ohio Adm. Code 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 Ohio Adm. Code 3772-6-03(A), if any, as permitted by Ohio Adm. Code 3772-6-03(B);

- (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 by R.C. 3772.07 and required by R.C. 3772.07 and 3772.10(C)(1); and
- (F) Otherwise is suitable for licensure, as required by R.C. 3772.10(B) and (C);

**WHEREAS**, R.C. 3772.03(D)(5) mandates that the Commission adopt rules prescribing the minimum amount of insurance that must be maintained by, among others, gaming-related vendors;

**WHEREAS**, Ohio Adm. Code 3772-7-01(A) requires, among others, gaming-related vendor licensees to obtain and maintain the following types of insurance in minimum amounts determined by the Commission:

- (A) Liability;
- (B) Casualty;
- (C) Fire;
- (D) Theft;
- (E) Worker's compensation; and
- (F) Any other type of insurance the Commission deems necessary to ensure the licensee is adequately insured;

**WHEREAS**, on or about August 17, 2015, TCS John Huxley America, Inc. ("TCS America") and TCS John Huxley Europe Ltd. ("TCS Europe") submitted Vendor Applications in accordance with R.C. 3772.12(A) and Ohio Adm. Code 3772-6-02(A);

**WHEREAS**, TCS America and TCS Europe paid the nonrefundable application fees, as required by R.C. 3772.15(A) and 3772.17(D) and Ohio Adm. Code 3772-6-03(A);

**WHEREAS**, TCS America and TCS Europe submitted information and materials necessary to demonstrate that they have obtained and maintain all of the requisite types of insurance and the amounts of each type, as required by R.C.

3772.03(D)(5) and Ohio Adm. Code 3772-7-01(A) and as reflected in the Commission's adoption of Resolution 2012-64;

**WHEREAS**, Victoria Holdings Ltd. ("Victoria Holdings") and Pata-Pata AB ("Pata-Pata") submitted information and documentation as holding companies of TCS America and TCS Europe, as required by R.C. 3772.11(B);

**WHEREAS**, the Commission's Division of Licensing and Investigations reviewed the Vendor Applications and other materials and information and conducted thorough suitability investigations of TCS America, TCS Europe, Victoria Holdings, and Pata-Pata;

**WHEREAS**, the Division of Licensing and Investigations has filed a report, dated October 8, 2015, captioned *Investigative Report on the Applications of TCS John Huxley America, Inc. and TCS John Huxley Europe Ltd. for Gaming-Related Vendor Licenses* ("Licensing Report");

**WHEREAS**, the Licensing Report concludes that based upon the investigation, no derogatory or other negative information that adversely impacts upon the suitability of TCS America, TCS Europe, Victoria Holdings, or Pata-Pata was uncovered and that TCS America and TCS Europe are eligible, qualified, and suitable to be approved for renewal licenses;

**WHEREAS**, the Commission's Division of Licensing and Investigations recommends that the Commission renew TCS America's and TCS Europe's gaming-related vendor licenses, subject to the following conditions:

- (A) TCS America, TCS Europe, Victoria Holdings, and Pata-Pata shall report any changes in their management, ownership, or stockholdings to the Commission, in accordance with Ohio Adm. Code 3772-6-04;
- (B) TCS America, TCS Europe, Victoria Holdings, and Pata-Pata shall report any loans, debt incurred, or any other significant financial matters to the Commission, in accordance with Ohio Adm. Code 3772-6-04;
- (C) TCS America and TCS Europe 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 Ohio Adm. Code 3772-6-03(A), as required by R.C. 3772.15(A) and 3772.17(D) and permitted by Ohio Adm. Code 3772-6-03(B), if any; and
  - (2) The nonrefundable license fees of \$15,000.00, as required by R.C. 3772.121(A)(2) and 3772.17(D) and Ohio Adm. Code 3772-6-03(C); and

- (D) TCS America and TCS Europe's Compliance Committee shall notify the Commission's Executive Director 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 reviewed the Licensing Report and considered the matter at its public meeting on October 21, 2015.

**NOW, THEREFORE, BE IT RESOLVED**, by the Commission that TCS America and TCS Europe's Vendor Applications are **APPROVED** and their gaming-related vendor licenses are **RENEWED** for a period not to exceed three years, effective upon expiration of the previous license, subject to continued compliance with R.C. Chapter 3772 and the rules adopted thereunder and the following conditions:

- (A) TCS America, TCS Europe, Victoria Holdings, and Pata-Pata shall report any changes in their management, ownership, or stockholdings to the Commission, in accordance with Ohio Adm. Code 3772-6-04;
- (B) TCS America, TCS Europe, Victoria Holdings, and Pata-Pata shall report any loans, debt incurred, or any other significant financial matters to the Commission, in accordance with Ohio Adm. Code 3772-6-04;
- (C) TCS America and TCS Europe 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 Ohio Adm. Code 3772-6-03(A), as required by R.C. 3772.15(A) and 3772.17(D) and permitted by Ohio Adm. Code 3772-6-03(B), if any; and
  - (2) The nonrefundable license fees of \$15,000.00, as required by R.C. 3772.121(A)(2) and 3772.17(D) and Ohio Adm. Code 3772-6-03(C); and
- (D) TCS America and TCS Europe's Compliance Committee shall notify the Commission's Executive Director 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 Resolution 2015-34 does not in any way affect, negate, or otherwise absolve TCS America, TCS Europe, Victoria Holdings, or Pata-Pata from their duties to update information in accordance with Ohio Adm. Code 3772-6-04 and Ohio Adm. Code 3772-5-04, as applicable.

**BE IT FURTHER RESOLVED**, that Resolution 2015-34 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 TCS America, TCS Europe, Victoria Holdings, or Pata-Pata under R.C. Chapter 3772 and the rules adopted thereunder.

Adopted: October 21, 2015