

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. – July 20, 2022
JO ANN DAVIDSON HEARING ROOM
100 E. BROAD STREET, 20TH FLOOR
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission (Commission) was called to order at 10:10 a.m. by Chair June Taylor. Commissioners Sheetal Bajoria, McKinley Brown, Will Lucas, Lynn Slaby, and John Steinhauer were also in attendance. The minutes of the June 15, 2022, meeting were approved following a motion by Chair Taylor and seconded by Commissioner Slaby.

Next Chair Taylor announced that with the conclusion of Speaker Jo Ann Davidson's final term, the position of Vice Chair is vacant. Pursuant to Ohio Revised Code 3772.02(E), the Commission members shall select one member from a different party than the chairperson to serve as vice-chairperson. Chair Taylor moved to elect Commissioner John Steinhauer as the Vice Chair of the Commission. The motion was seconded by Commissioner Lucas. Commissioner Steinhauer abstained from voting on the motion. The motion was approved by Chair Taylor and Commissioners Bajoria, Brown, Lucas, and Slaby.

Executive Director Matthew Schuler began his report congratulating newly elected Vice Chair Steinhauer on his new position. Then, Mr. Schuler had Rick Anthony, Deputy Executive Director, provide a budget report update. Mr. Anthony reviewed FY22, and reported it had been a good year, with it being a record-breaking year for tax revenue. Casino tax revenue came in above estimates by 21% for the year. Some leveling-out of tax revenue is now being seen in July, so tax revenue estimates were modified for FY23 to reflect historical FY22 actuals with a 5% reduction. Casino gaming employee (CGE) fees came in dramatically above estimates, due to a high number of CGE applications being received than originally estimated. The Commission experienced a 650% increase in fantasy contest fees than originally anticipated for the year, with an additional \$26,000 in revenue received. Additionally, the window opening for sports gaming applications, resulted an additional \$1.4 million in fees being received in June.

Mr. Anthony noted that expenses were down across the board for the year. Wages and benefits were down by 2.5% due to vacancies that were not filled earlier in the year. Now that new employees are being brought on for sports gaming, the Commission will come very close to estimates for the year. Supplies and maintenance costs were below estimates, but this category will be re-adjusted for equipment needed for new hires. Equipment costs were lower for the year than originally anticipated, because IT staff were able to refresh hard drives for Enforcement Division computers versus buying new.

Next, Mr. Schuler provided a sports gaming update. Mr. Schuler announced that July 15th marked the window closure for Type A, B, and C Proprietors, first designated Mobile Management Services Providers (MMSPs), Management Services Providers (MSPs), and suppliers to submit applications to the Commission. A current list of sports gaming proprietors, services providers, and supplier applicants can be found on the Commission's website. A look up for host applicants or licensees is available through

the state's eLicense portal. Mr. Schuler reported that July 15th also marked the next application submission opening for Type-C sports gaming hosts and second designated MMSPs. Mr. Schuler reiterated the sports gaming application process requires a thorough review and vetting of applicants. The submission of an application is only the first step of a multi-faceted process, and in no way, shape, or form should applicants anticipate a rubber stamp approval.

Mr. Schuler noted that when crafting the sports gaming law, pursuant to Ohio Revised Code 3775.041(A), the General Assembly required the Commission give preference to applicants that are professional sports organizations, casino operators, and video lottery sales agents equally, when issuing Type A and B sports gaming proprietor licenses. Now that the Commission has received its first sports gaming applications, a thorough review of the applicants' suitability and economic development contributions must be reviewed. Mr. Schuler reviewed the licensing suitability and economic development factors that the Commission must consider. Suitability factors include the reputation, experience, and financial integrity of the applicant, the past and present compliance of the applicant with gambling-related licensing requirements in other jurisdictions, criminal history, and whether awarding a license to the applicant would undermine the public's confidence in the sports gaming industry in this state. Mr. Schuler noted that when applicants equally pass suitability factors, the Commission must then consider economic development contributions. Economic development factors the Commission must consider for each applicant include the applicant's presence in Ohio, the length of time the applicant has been doing business in the state, the total taxable income the applicant pays or will pay to its employees in this state, and the applicant's current or intended statewide economic involvement and intended contributions including tourism in Ohio. Mr. Schuler stressed that only when the Commission's Licensing & Investigations Division is satisfied an applicant has met these licensing standards will a license approval recommendation be made.

Mr. Schuler ended his report with introducing a newly added staff member, Preeti Mehta, as an Investigator for the Licensing & Investigations Division. Next, Mr. Schuler reintroduced staff member Craig Hammon, who has returned to the Commission as an intern to the Legal Division.

Anna Marin Russell, Director of Licensing & Investigations and Senior Legal Counsel, presented to the Commission for consideration five key-employee license applications. The Licensing & Investigations Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2022-28, granting or renewing, as applicable, key-employee licenses to: Baptiste de Cartier de Marchienne, Cartamundi Group; JoAnne Epps, Gaming and Leisure Properties, Inc.; Paul Finch, Everi Holdings, Inc.; Marco Boroli, B&D Holding S.p.A.; and Paolo Boroli, De Agostini S.p.A. A motion to approve the Resolution was made by Commissioner Bajoria. The motion was seconded by Commissioner Brown and approved.

Berena Seifert, Manager of Skill Games, presented for consideration five new and three renewal skill-based amusement machine-related license applications. The Skill Games Division completed background investigations of the applicants, which did not uncover any material derogatory information, and

recommended approval of proposed Resolution 2022-29, granting or renewing, as applicable, skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Vice Chair Steinhauer. The motion was seconded by Commissioner Slaby and approved.

Craig Donahue, Director of Regulatory Compliance, presented to the Commission for consideration the independent testing laboratory certification approvals for BMM North America Inc. (BMM) and Gaming Laboratories International, LLC (GLI) for sports gaming. Pursuant to OhioAdm. Code 3775-15-01, independent testing laboratories must be certified by the Commission to scientifically test and technically evaluate sports gaming equipment. To qualify for sports gaming testing certification, a test lab must be certified to test casino gaming equipment by the Commission and submit a sports gaming lab certification investigation. Mr. Donahue explained that both BMM and GLI are currently certified by the Commission as casino gaming testing laboratories and appear to have the experience and training to conduct testing for sports gaming equipment. The Regulatory Compliance Division completed an investigation to assess BMM's and GLI's capability to provide information and services to the Commission for sports gaming equipment testing. After doing so, the Regulatory Compliance Division concluded BMM and GLI have met the requirements for certification and recommended approval of proposed Resolutions 2022-30 and 2022-31, granting BMM and GLI independent testing laboratory certifications for sports gaming. Commissioner Brown made a motion to adopt Resolution 2020-30; the motion was seconded by Commissioner Bajoria and approved. Commissioner Slaby made a motion to adopt Resolution 2020-31; the motion was seconded by Vice Chair Steinhauer and approved.

Andromeda Morrison, General Counsel and Director of Skill Games, presented to the Commission for consideration one casino gaming final order:

A final order regarding the denial of casino gaming employee license applications (case nos. #2022-LIC-016 — -019 & -021 — -027). Chair Taylor moved to deny the casino gaming employee license applications for the cases listed in the final order. The motion was seconded by Commissioner Brown and approved.

Next, Ms. Morrison presented for consideration three skill games final orders:

A final order regarding the denial of skill-based amusement machine license applications (case nos. # 2022-SLIC-032 — -034, -052, -053 & -062). Chair Taylor moved to deny the skill-based amusement machine license applications for the cases listed in the final order. The motion was seconded by Commissioner Lucas and approved.

A final order regarding the revocation of skill-based amusement machine license applications (case nos. # 2022-SLIC-038, -041, -047 & -048). Chair Taylor moved to deny the skill-based amusement machine license applications for the cases listed in the final order. The motion was seconded by Commissioner Brown and approved.

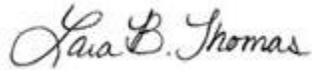
A final order regarding Michael Moneypenny and M&M Marketing & Leasing, LLC (case nos. #2021-SLIC-087 — -089). Chair Taylor moved to approve and adopt the report and recommendation without

modifications to deny the skill-based amusement machine license applications for Michael Money Penny and M&M Marketing & Leasing, LLC. Commissioner Steinhauer recused himself from discussing or voting on the matter. The motion was seconded by Commissioner Slaby and approved.

In other business, Chair Taylor announced that the next Commission meeting would be held on August 3rd.

There being no further business before the Commission, the meeting was adjourned.

Signed,

A handwritten signature in cursive script that reads "Lara B. Thomas".

Lara B. Thomas

Commission Secretary

Approved: August 3, 2022