

OHIO CASINO CONTROL COMMISSION

RESOLUTION 2018-31

CONSIDERATION OF TCS JOHN HUXLEY AMERICA, INC.'S AND TCS JOHN HUXLEY EUROPE LIMITED'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 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 any gaming-related vendor from conducting or participating in conducting casino gaming without first being licensed by the Commission;

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

WHEREAS, R.C. 3772.15(B) and Ohio Adm.Code 3772-6-02(D), as applicable, require that gaming-related vendor licensees undergo complete investigations at least once every 3 years to ensure continued eligibility for licensure;

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 ("Application");

WHEREAS, R.C. 3772.121 and Ohio Adm.Code Chapter 3772-6 authorize the Commission to issue a gaming-related vendor license to an applicant, including renewal applicants, after the Commission determines that the applicant is eligible for licensure and the applicant has 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 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, as required by R.C. 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 3772.17(D), 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); 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 gaming-related vendors;

WHEREAS, Ohio Adm.Code 3772-7-01(A) requires 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) Property;
- (D) Crime;
- (E) Worker's compensation; and
- (F) Any other type of insurance the Commission deems necessary to ensure the licensee is adequately insured;

WHEREAS, on July 13, 2018, TCS John Huxley America, Inc. ("TCS America") and TCS John Huxley Europe Limited ("TCS Europe") (collectively, "Applicants") submitted Applications in accordance with R.C. 3772.12(A) and Ohio Adm.Code 3772-6-02(A);

WHEREAS, the Applicants paid the nonrefundable renewal application fees, as required by R.C. 3772.17(D) and Ohio Adm.Code 3772-6-03(A);

WHEREAS, the Applicants 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 Resolutions 2012-64 and 2015-34;

WHEREAS, Pata-Pata Aktiebolag and Victoria Holdings Limited (collectively, "Holding Companies") submitted information and documentation as holding companies of the Applicants;

WHEREAS, the Commission’s Division of Licensing and Investigations (“Division”) reviewed the Applications and other materials and information and conducted thorough suitability investigations of the Applicants and the Holding Companies;

WHEREAS, the Division has filed a report, dated September 12, 2018, captioned *Investigative Report on the Renewal Applications of TCS John Huxley America, Inc. and TCS John Huxley Europe Limited for Gaming-Related Vendor Licenses* (“Report”);

WHEREAS, the Report concludes that based upon the investigation, no material derogatory information that adversely impacts the suitability of the Applicants or the Holding Companies was uncovered and that the Applicants are eligible to be approved for renewal licenses;

WHEREAS, the Division recommends that the Commission renew TCS America’s and TCS Europe’s gaming-related vendor licenses, subject to the conditions specified in the Report;

WHEREAS, the Commission has reviewed the Report and considered the matter at its public meeting on September 19, 2018.

NOW, THEREFORE, BE IT RESOLVED, by the Commission that TCS America and TCS Europe are **SUITABLE** and **ELIGIBLE** for licensure.

BE IT FURTHER RESOLVED, that TCS America’s and TCS Europe’s Applications are **APPROVED** and their gaming-related vendor licenses are **RENEWED** for a period not to exceed 3 years, effective upon expiration of the previous licenses, subject to continued compliance with R.C. Chapter 3772 and the rules adopted thereunder and the following conditions:

- (A) TCS America, TCS Europe, and the Holding Companies shall report to the Commission any changes in management, ownership, stockholdings, or to a voting or proxy agreement, as applicable, in accordance with Ohio Adm.Code 3772-6-04;
- (B) TCS America, TCS Europe, and the Holding Companies shall report to the Commission any loans, debt incurred, or any other significant financial matters, 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. 3772.17(D) and permitted by Ohio Adm.Code 3772-6-03(B), if any; and
 - (2) A nonrefundable license fee of \$15,000 per gaming-related vendor license, 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 the date in which the Committee conducts any due diligence efforts, takes any action, or makes any recommendations concerning current or future business.

BE IT FURTHER RESOLVED, that Resolution 2018-31 does not in any way affect, negate, or otherwise absolve the Applicants or the Holding Companies from their duties to update information in accordance with Ohio Adm.Code 3772-6-04, as applicable.

BE IT FURTHER RESOLVED, that Resolution 2018-31 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 the Applicants or the Holding Companies under R.C. Chapter 3772 and the rules adopted thereunder.

Adopted: September 19, 2018