

OHIO CASINO CONTROL COMMISSION

RESOLUTION 2020-41

CONSIDERATION OF SG GAMING, INC.'S APPLICATION TO RENEW ITS GAMING-RELATED VENDOR LICENSE

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 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(B)-(D) require that gaming-related vendor licensees undergo a complete investigation 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 a renewal applicant, 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, SG Gaming, Inc., submitted an Application in accordance with R.C. 3772.12(A) and Ohio Adm.Code 3772-6-02(A);

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

WHEREAS, SG Gaming submitted information and materials necessary to demonstrate that it has obtained and maintains 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 2017-17;

WHEREAS, Scientific Games Corporation submitted information and documentation as the holding company of SG Gaming;

WHEREAS, the Commission's Division of Licensing and Investigations ("Division") reviewed the Application and other materials and information and conducted thorough suitability investigations of SG Gaming and Scientific Games Corporation;

WHEREAS, the Division has filed a report, dated November 11, 2020, captioned *Investigative Report on the Renewal Application of SG Gaming, Inc., for a Gaming-Related Vendor License* (“Report”);

WHEREAS, the Report concludes that based upon the investigation, no material derogatory information that adversely impacts the suitability of SG Gaming or Scientific Games Corporation was uncovered and that SG Gaming is eligible for renewal;

WHEREAS, the Division recommends that the Commission renew SG Gaming’s gaming-related vendor license; and

WHEREAS, the Commission has reviewed the Report and considered the matter at its public meeting on November 18, 2020.

NOW, THEREFORE, BE IT RESOLVED by the Commission that SG Gaming is **SUITABLE** and **ELIGIBLE** for licensure.

BE IT FURTHER RESOLVED that SG Gaming’s Application is **APPROVED** and its gaming-related vendor license is **RENEWED** for a period not to exceed 3 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:

- (1) SG Gaming and Scientific Games Corporation shall report to the Commission any changes to their management, ownership, stockholdings, or voting or proxy agreement, as applicable, in accordance with Ohio Adm.Code 3772-6-04;
- (2) SG Gaming and Scientific Games Corporation shall report to the Commission any loans, debt incurred, or any other significant financial matters, in accordance with Ohio Adm.Code 3772-6-04;
- (3) SG Gaming shall pay all fees required by the Commission, including the following:
 - (A) 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
 - (B) A nonrefundable license fee of \$15,000, as required by R.C. 3772.121(A)(2) and 3772.17(D) and Ohio Adm.Code 3772-6-03(C); and
- (4) Scientific Games Corporation’s Compliance Committee shall notify the Commission’s Executive Director no later than 30 days from when 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 2020-41 does not in any way affect, negate, or otherwise absolve SG Gaming or Scientific Games Corporation from their duties to update information in accordance with Ohio Adm.Code 3772-6-04.

BE IT FURTHER RESOLVED that Resolution 2020-41 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 SG Gaming or Scientific Games Corporation under R.C. Chapter 3772 and the rules adopted thereunder.

Adopted: November 18, 2020