

OHIO CASINO CONTROL COMMISSION

RESOLUTION 2021-01

**CONSIDERATION OF AINSWORTH GAME TECHNOLOGY, INC.'S AND
AINSWORTH GAME TECHNOLOGY 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 ("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 and key employee from conducting or participating in conducting casino gaming without first being licensed by the Commission;

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

WHEREAS, R.C. 3772.15(B) as well as Ohio Adm.Code 3772-6-02(D) and 3772-5-02(D) require that any gaming-related vendor or key-employee licensee, respectively, 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 ("Vendor Application");

WHEREAS, R.C. 3772.121 and Ohio Adm.Code Chapter 3772-6 authorize the Commission to renew a gaming-related vendor license after the Commission determines that the gaming-related vendor is eligible for licensure and has paid all applicable fees;

WHEREAS, a gaming-related vendor is eligible for licensure 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 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 2 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 being 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 a gaming-related vendor;

WHEREAS, Ohio Adm.Code 3772-7-01(A) requires a licensed gaming-related vendor 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, Ainsworth Game Technology, Inc. ("AGT Inc.") and Ainsworth Game Technology Limited ("AGT Ltd.") (collectively, "Vendors") submitted Vendor Applications to renew their licenses in accordance with R.C. 3772.12(A), 3772.121(A), and Ohio Adm.Code 3772-6-02(A) and (C);

WHEREAS, the Vendors submitted information and materials necessary to demonstrate that they have obtained and maintain 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 2017-19;

WHEREAS, Novomatic AG, Novo Invest GmbH, and Novo Swiss AG (collectively, "Holding Companies") submitted information and documentation as holding companies of the Vendors;

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

- (A) Being at least 21 years of age, as required by R.C. 3772.13(D);

- (B) Submission of a true and complete Key Employee License Application (“Key Application”), as required by R.C. 3772.10(C) and 3772.13(E) and Ohio Adm.Code 3772-5-02(A);
- (C) Submission, on a form provided by the Commission, of 2 sets of fingerprints and a photograph, as required by R.C. 3772.07 and 3772.13(F);
- (D) Payment of the nonrefundable application fee of \$2,000, as required by R.C. 3772.13(F) and 3772.17(E) and Ohio Adm.Code 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 Ohio Adm.Code 3772-5-03(A), if any, as permitted by Ohio Adm.Code 3772-5-03(B);
- (E) Reimbursement of the costs for the background check, including the criminal-records check, as required by R.C. 3772.07 and 3772.13(F);
- (F) Not having been convicted of or pled guilty or no contest to a disqualifying offense, as defined and prohibited by R.C. 3772.07 and 3772.10(C); and
- (G) Otherwise being suitable for licensure, as required by R.C. 3772.10(B) and (C);

WHEREAS, the 8 individuals listed on the attached Exhibit A (“Key Employees”) submitted Key Applications to renew their licenses in accordance with R.C. 3772.13(E) and Ohio Adm.Code 3772-5-02(A) and (C);

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

WHEREAS, the Division has filed a report, dated January 13, 2021, captioned *Investigative Report on the Renewal Applications of Ainsworth Game Technology, Inc. and Ainsworth Game Technology Limited for Gaming-Related Vendor Licenses* (“Report”);

WHEREAS, the Report concludes that the Division’s investigations did not uncover any material derogatory information that adversely impacts the suitability of the Vendors, Holding Companies, or Key Employees and that the Vendors and Key Employees are eligible for licensure;

WHEREAS, based on this conclusion, the Division recommends that the Commission renew the Vendors’ and Key Employees’ licenses; and

WHEREAS, the Commission has reviewed the Report and considered the matter at its public meeting on January 20, 2021.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Vendors and Key Employees are **SUITABLE** and **ELIGIBLE** for licensure.

BE IT FURTHER RESOLVED that AGT Inc.'s and AGT Ltd.'s Vendor 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) The Vendors and the Holding Companies must 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) The Vendors and the Holding Companies must report to the Commission any loans, debt incurred, or any other significant financial matters, in accordance with Ohio Adm.Code 3772-6-04;
- (C) The Vendors shall pay all fees required by the Commission, including the following for each of them:
 - (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 R.C. 3772.15(A) and Ohio Adm.Code 3772-6-03(B), if any; and
 - (2) 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
- (D) AGT Ltd.'s and Novomatic's Compliance Committees shall notify the Commission's Executive Director no later than 30 days from the date in which either Committee conducts any due diligence efforts, takes any action, or makes any recommendations concerning current or future business.

BE IT FURTHER RESOLVED that the renewal Key Applications are **APPROVED** and the Key Employees' licenses are **RENEWED** for a period not to exceed 3 years, effective upon expiration of their previous licenses, subject to continued compliance with R.C. Chapter 3772 and the rules adopted thereunder, including payment of the following fees for each of them:

- (A) The cost of any key-employee background investigation that exceeded application fee set forth by Ohio Adm.Code 3772-5-03(A), as required by R.C. 3772.15(A) and 3772.17(E) and permitted by Ohio Adm.Code 3772-5-03(B); and
- (B) A nonrefundable license fee of \$500, as required by R.C. 3772.17(E) and Ohio Adm.Code 3772-5-03(C).

BE IT FURTHER RESOLVED that Resolution 2021-01 does not in any way affect, negate, or otherwise absolve the Vendors, Holding Companies, or Key Employees from their duties to update information in accordance with Ohio Adm.Code 3772-6-04 and 3772-5-04, as applicable.

BE IT FURTHER RESOLVED that Resolution 2021-01 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 Vendors, Holding Companies, or Key Employees under R.C. Chapter 3772 and the rules adopted thereunder.

Adopted: January 20, 2021

Exhibit A

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Peter Ekberg – Novo Swiss AG

Martina Flitsch – Novomatic AG

Johann Graf – Novomatic AG

Robert Hofians – Novomatic AG

Harald Neumann – Ainsworth Game Technology Limited

Bernd Oswald – Novomatic AG

Ryszard Presch – Novo Swiss AG

Birgit Wimmer – Novo Swiss AG