

OHIO CASINO CONTROL COMMISSION

RESOLUTION 2021-30

CONSIDERATION OF JCM AMERICAN CORPORATION'S AND JAPAN CASH MACHINE CO., LTD.'S APPLICATIONS TO RENEW THEIR GAMING-RELATED VENDOR LICENSES

WHEREAS, Article XV, Section 6(C) of the Ohio Constitution created the Ohio Casino Control Commission ("Commission") to ensure the integrity of casino gaming;

WHEREAS, R.C. 3772.09 prohibits any gaming-related vendor or key employee from conducting or participating in conducting casino gaming without first being licensed by the Commission;

WHEREAS, R.C. 3772.10 requires any gaming-related vendor or key employee seeking licensure under R.C. Chapter 3772 to establish their suitability by clear and convincing evidence;

WHEREAS, R.C. 3772.15 as well as Ohio Adm.Code 3772-6-02 and 3772-5-02 require that gaming-related vendor or key-employee licensees, respectively, undergo a complete investigation at least once every 3 years to ensure continued eligibility for licensure;

WHEREAS, R.C. 3772.12 and Ohio Adm.Code 3772-6-02 require a gaming-related vendor seeking renewal of a license 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 an applicant 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 and 3772.12 and Ohio Adm.Code 3772-6-02;
- (B) Payment of the nonrefundable application fee of \$10,000 and all fees necessary to cover the costs of the background investigation in excess of the application fee, if any, as required by R.C. 3772.121 and 3772.17 and Ohio Adm.Code 3772-6-03;
- (C) Submission, on a form provided by the Commission, of two sets of the applicant's fingerprints, as required by R.C. 3772.121, if applicable;
- (D) Reimbursement of the costs for the criminal-records check, as required by R.C. 3772.07 and 3772.17, if applicable;

- (E) 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; and
- (F) Otherwise being suitable for licensure, as required by R.C. 3772.10.

WHEREAS, R.C. 3772.03 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 requires a 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, JCM American Corporation ("JCM American") and Japan Cash Machine Co., Ltd. ("Japan Cash Machine") (collectively, "Vendors") submitted Vendor Applications to renew their licenses and paid the nonrefundable application fees;

WHEREAS, the Vendors submitted information and materials (summaries of which are attached as Exhibit A) necessary to demonstrate that they have obtained and maintain all of the requisite types of insurance and the amounts of each type;

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;
- (B) Submission of a true and complete Key Employee License Application ("Key Application"), as required by R.C. 3772.10 and 3772.13 and Ohio Adm.Code 3772-5-02;
- (C) Submission, on a form provided by the Commission, of two sets of fingerprints and a photograph, as required by R.C. 3772.07 and 3772.13;
- (D) Payment of the nonrefundable application fee of \$2,000 and all fees necessary to cover the cost of the background investigation in excess of

the application fee, if any, as required by R.C. 3772.13 and 3772.17 and Ohio Adm.Code 3772-5-03;

- (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) 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; and
- (G) Otherwise being suitable for licensure, as required by R.C. 3772.10;

WHEREAS, Yojiro Kamihigashi submitted a Key Application to renew his license and his nonrefundable application and criminal-background check fees have been paid;

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 and Yojiro Kamihigashi;

WHEREAS, the Division has filed a report, dated August 11, 2021, captioned *Investigative Report on the Applications of JCM American Corporation & Japan Cash Machine Co., Ltd. to Renew Their 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 or Yojiro Kamihigashi and that the Vendors and Yojiro Kamihigashi are eligible for licensure;

WHEREAS, based on this conclusion, the Division recommends that the Commission renew the Vendors' and Yojiro Kamihigashi's licenses; and

WHEREAS, the Commission has reviewed the Report and considered the matter at its public meeting on August 18, 2021.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Vendors' types and minimum amounts of insurance are **APPROVED**.

BE IT FURTHER RESOLVED that the Vendors and Yojiro Kamihigashi are **SUITABLE** and **ELIGIBLE** for licensure.

BE IT FURTHER RESOLVED that JCM American's and Japan Cash Machine'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 must report to the Commission any changes in management, ownership, stockholdings, or to a voting or proxy agreement, as applicable;

- (B) The Vendors must report to the Commission any loans, debt incurred, or any other significant financial matters;
- (C) The Vendors shall pay all fees required by the Commission, including the following:
 - (1) Any cost of the background investigation that exceeded the application fee; and
 - (2) A nonrefundable license fee of \$15,000 per license; and
- (D) JCM American's and Japan Cash Machine's Joint 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 Yojiro Kamihigashi's Key Application is **APPROVED** and his key-employee license is **RENEWED** for a period not to exceed 3 years, effective upon expiration of his previous license, subject to continued compliance with R.C. Chapter 3772 and the rules adopted thereunder, including payment of the following fees, which are required by R.C. 3772.17 and Ohio Adm.Code 3772-5-03:

- (A) The cost of the background investigation that exceeded application and criminal-background fees; and
- (B) A nonrefundable license fee of \$500.

BE IT FURTHER RESOLVED that Resolution 2021-30 does not in any way affect, negate, or otherwise absolve the Vendors or Yojiro Kamihigashi 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 2021-30 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 or Yojiro Kamihigashi under R.C. Chapter 3772 and the rules adopted thereunder.

Adopted: August 18, 2021

Exhibit A
Resolution 2021-30

JCM American Corporation and Japan Cash Machine Co., Ltd.

Types of Insurance Policies

Commercial General Liability	\$2,000,000
Umbrella Liability	\$1,000,000
Workers Compensation and Employers' Liability	\$1,000,000
Crime Protection	\$4,000,000
Property	\$24,400,000
Comprehensive Policy for Corporate Assets – Osaka Office	
• Buildings	¥1,161,404,000
• Equipment and fixtures	¥477,078,000
• Goods and products	¥507,933,000
Comprehensive Policy for Corporate Assets – Tokyo Office	
• Buildings	¥1,333,105,000
• Equipment and fixtures	¥192,167,000
• Goods and products	¥65,442,000
Liability (includes theft/crime coverage)	¥1,000,000,000
JCM participates in Japan's government-run workers' compensation insurance program	