New Jersey Casino Control Commission
Resolution
No. 22-07-27-01

RESOLUTION OF THE NEW JERSEY CASINO CONTROL COMMISSION CONCERNING THE PLENARY QUALIFICATION OF OCR INVESTMENT, LLC AS A HOLDING COMPANY OF AC OCEAN WALK LLC d/b/a OCEAN CASINO RESORT

WHEREAS, OCR Investment, LLC ("OCR Investment") filed PRN 1762101 dated June 25, 2021, seeking, among other things, interim casino authorization ("ICA") pursuant to *N.J.S.A.* 5:12-95.12 et seq., and ultimately plenary qualification in connection with OCR Investment obtaining a significant indirect interest in, and becoming a holding company of, casino licensee AC Ocean Walk LLC ("AC Ocean") d/b/a Ocean Casino Resort f/k/a Ocean Resort Casino, pursuant to a Framework and Investment Agreement ("Investment Agreement") dated March 24, 2021, amended and restated on November 24, 2021; and

WHEREAS, on June 21, 2018, the New Jersey Casino Control Commission ("Commission") granted plenary casino licensure to AC Ocean subject to various license conditions, and qualified its then holding companies, entity qualifiers, financial sources and natural person qualifiers (Commission Resolution No. 18-06-21-00); and

WHEREAS, on May 6, 2020, in connection with the plenary qualification of Luxor Capital Group, LP ("Luxor") as a holding company of AC Ocean, the

Commission qualified and/or continued the qualification of the following entities in accordance with *N.J.S.A.* 5:12-85.1c: Luxor, TEN RE, AC Beachfront, and ACOWMGR, as holding companies of AC Ocean; Luxor Capital Partners Offshore, Ltd, Luxor Capital Partners Offshore Master Fund, LP, Ocean 1, Inc., Ocean 1, LLC, Luxor Wavefront, LP, Ocean 2, Inc, Luxor Capital Partners, LP, Thebes Partners, LP, Thebes B Onshore, LLC and Luxor Venture Partners, LP as entity qualifiers of AC Ocean; and Luxor Wavefront, LP, Luxor Capital Partners, LP, Luxor Venture Partners, LP, Ocean 1, LLC, Ocean 2, Inc., and Thebes B Onshore, LLC as financial sources of AC Ocean, and further granted plenary qualification to Luxor as a holding company of AC Ocean subject to the imposition of certain specified conditions (Commission Resolution No. 20-05-06-13); and

WHEREAS, on December 9, 2020, the Commission found Ocean 2, LLC qualified as an entity qualifier of AC Ocean in connection with Ocean 2, Inc.'s contribution of its interest in TEN RE to Ocean 2, LLC (Commission Resolution No. 20-12-09-10); and

WHEREAS, the Director of the Division of Gaming Enforcement ("Division") by Order 2222 dated September 9, 2021 determined the following: (1) that the following entities are holding companies of casino licensee AC Ocean and were required to qualify in connection with the ICA application of OCR Investment pursuant to *N.J.S.A.* 5:12-85.1b(5): (a) OCR Investment; (b) OCR

Special Trust; (c) Christopher P. Ilitch; (d) Pioneer Fiduciary Company, LLC ("PFC"); and (e) Pioneer Purpose Trust; (2) that the following entities remain designated as holding companies of casino licensee AC Ocean: (a) Luxor Capital Group, LP ("Luxor"); (b) New TEN RE, LLC ("New TEN RE"); (b) Ocean Casino Resort Holdings, LLC ("OCRH"); (c) AC Beachfront LLC ("AC Beachfront") and (d) ACOWMGR, LLC ("ACOWMGR"); (3) that the following affiliates of Luxor remain designated as entity qualifiers of AC Ocean pursuant to *N.J.S.A.* 5:12-85.1: (a) Luxor Capital Partners Offshore, Ltd; (b) Luxor Capital Partners Offshore Master Fund, LP; (c) Ocean 1, Inc.; (d) Ocean 1, LLC; (e) Luxor Waterfront, LP; (f) Ocean 2, Inc.; (g) Ocean 2, LLC; (h) Luxor Capital Partners, LP; (i) Thebes Partners, LP; (j) Thebes B Onshore, LLC; and (k) Luxor Venture Partners, LP; and (4) that the following entities remain designated as financial sources of AC Ocean: (a) Luxor Wavefront, LP; (b) Luxor Capital Partners, LP; (c) Luxor Venture Partners, LP; (d) Ocean 1, LLC; (e) Ocean 2, Inc.; and (f) Thebes B Onshore, LLC; and

WHEREAS, the Director of the Division by Order 2222 dated September 9, 2021 designated the following individuals as natural person qualifiers of OCR Investment and required to qualify in connection with the ICA application of OCR Investment: (1) Bruce Dall as President, OCR Investment; (2) Clay Geittmann as Director and President, PFC; (3) Christopher Ilitch as Successor Manager, Pioneer Voting Committee, LLC and Pioneer Protector, LLC, et al; (4) Marian Ilitch

as Grantor and Business Manager, OCR Special Trust; as Grantor, Pioneer Purpose Trust; as Manager, Pioneer Voting Committee, LLC and as Manager, Pioneer Protector, LLC; (5) William Murtha as ICA Trustee; (6) John Policicchio as Vice President, Treasurer, and Secretary, OCR Investment and (7) Joel Revill as Director, PFC; and

WHEREAS, on September 15, 2021 in connection with a restructuring of the ownership interests in AC Ocean to facilitate the Investment Agreement, the Commission qualified Ocean Casino Resort Holdings LLC ("OCRH") and New TEN RE as new holding companies of AC Ocean (Commission Resolution No. 21-09-15-16); and

WHEREAS, on September 21, 2021 the Commission approved a Management Agreement pursuant to *N.J.S.A.* 5:12-82c between OCRM, LLC ("OCRM") and AC Ocean (Commission Resolution No. 21-09-21-01), and in accordance with *N.J.S.A.* 5:12-82c(7), determined that OCRM was required to obtain a casino service industry enterprise license (Commission Resolution No. 21-09-21-02); and

WHEREAS, on October 13, 2021, the Commission granted the motion of AC Ocean to intervene in the Petition (PRN 1762101) of OCR Investment for ICA (Commission Order No. 21-10-13-11B); and

WHEREAS, on October 14, 2021, the Commission granted ICA to OCR Investment pursuant to *N.J.S.A.* 5:12-95.12 et seq., subject to certain specified conditions, to permit it to acquire a significant indirect ownership interest in AC Ocean pending plenary qualification (Commission Resolution No. 21-10-13-11); and

WHEREAS, on November 9, 2021, the Commission granted temporary casino key employee licenses to Bruce Dall and John Policicchio with waivers of the residency requirement pursuant to *N.J.S.A.* 5:12-89b(4) and -89e and *N.J.A.C.* 19:41A-5.3 in connection with their positions as President of OCRM and Vice President, Secretary and Treasurer of OCRM, respectively, (Commission Resolution No. 21-11-09-11); and

WHEREAS, by letter of Division Deputy Director Louis Rogacki dated November 23, 2021, certain conditions imposed by the Commission on May 6, 2020 in Commission Resolution No. 20-05-06-13 in connection with the plenary qualification of Luxor were modified, specifically, Conditions 1, 9, 10 and 15 as specified therein; and

WHEREAS, by letter of Division Deputy Director Louis Rogacki dated June 6, 2022, certain conditions imposed by the Commission on May 6, 2020 in Commission Resolution No. 20-05-06-13 in connection with the plenary qualification of Luxor were eliminated, specifically, Conditions 1-7 and 16-17,

and additional conditions modified, specifically, Conditions 8 and 9 as specified therein; and

WHEREAS, *N.J.S.A.* 5:12-95.16 requires the Commission, within nine (9) months after granting ICA, to hold a hearing and render a decision on the Applicant's qualifications, which period may be extended by the Commission for one (1) three (3)-month period; and

WHEREAS, the Division filed a Report dated June 24, 2022 (D-1, in evidence) reporting on the plenary qualification of OCR Investment as a holding company of AC Ocean and six (6) separate individual qualifier and key qualifier reports, interposing no objection to the grant of plenary qualification to OCR Investment and no objection to the plenary qualification and/or casino key employee licensure of the individual qualifiers and key qualifiers; and

WHEREAS, on July 7, 2022, the Commission extended the ICA for no more than three (3) months in accordance with *N.J.S.A.* 5:12-95.16; and

WHEREAS, the Commission considered the entire record in this matter, together with the presentations of counsel and testimony of witnesses, at its public meeting of July 27, 2022.

NOW, THEREFORE, BE IT RESOLVED, by the Commission, based on the entire record of these proceedings and strictly to the extent set forth in the findings and rulings, that the application of OCR Investment for plenary

qualification as a holding company of casino licensee AC Ocean, as well as the plenary qualification of the natural person qualifiers of OCR Investment, is hereby **GRANTED** based on the findings and rulings specified herein.

FINDINGS AND RULINGS

Based upon consideration of the entire record of these proceedings, the Commission issues the following rulings and makes the following findings:

1. The entities required to qualify for purposes of the application of OCR Investment for plenary qualification as a holding company of casino licensee, AC Ocean: OCR Investment, OCR Special Trust, Christopher P. Ilitch, PFC and Pioneer Purpose Trust, are hereby found qualified in accordance with *N.J.S.A.* 5:12-85.1c.

2. Each of the other entities designated by the Division Director, as specified herein, as holding companies, entity qualifiers or financial sources of AC Ocean has been previously found qualified by the Commission and remain qualified pursuant to the applicable provisions of the Casino Control Act.

3. Bruce Dall, President, OCR Investment; Clay Geittmann, Director and President, PFC; Christopher Ilitch, Successor Manager, Pioneer Voting Committee, LLC and Pioneer Protector, LLC; Marian Ilitch, Grantor and Business Manager, OCR Special Trust, Grantor, Pioneer Purpose Trust, Manager, Pioneer Voting Committee, LLC, and Manager, Pioneer Protector, LLC; John Policicchio,

Vice President, Treasurer, and Secretary, OCR Investment and Joel Revill, Director, PFC are hereby found qualified in accordance with *N.J.S.A.* 5:12-85.1c, -89b(1) and (2) and *N.J.A.C.* 13:69C-2.7.

4. Bruce Dall and John Policicchio, in their capacities as President of OCRM and Vice President, Secretary and Treasurer of OCRM, respectively, are hereby issued plenary casino key employee licenses with waivers of the residency requirement pursuant to *N.J.S.A.* 5:12-89 and -89b(4).

5. OCR Investment has established by clear and convincing evidence that it possesses the financial stability, integrity and responsibility and the good character, honesty and integrity, and sufficient business ability and casino experience to establish the likelihood of maintaining a successful and efficient casino operation as required by *N.J.S.A.* 5:12-84 and -85.1.

BE IT FURTHER RESOLVED that the OCR Investment ICA Trust Agreement may be dissolved and the Trustee, William Murtha, Esq. discharged.

BE IT FURTHER RESOLVED, that Petitioner's request to seal certain portions of Exhibit D-1, in evidence, be and is hereby **GRANTED**.

Submitted by:

Dianna W. Fauntleroy
General Counsel

CERTIFICATION

I HEREBY CERTIFY that this Resolution correctly reflects the decision of the New Jersey Casino Control Commission.

Teresa Pimpinelli, Esq.
for the Executive Secretary

Meeting of July 27, 2022
Vote taken on page(s) 96-98