

**TO:** Thomas M. Brandt, Jr., Chairman, Maryland's Sports Wagering  
Application Review Commission (SWARC)  
Rosie Allen-Herring, Commissioner  
Laura Gamble, Commissioner  
Bert Hash, Jr., Vice Chairman  
E. Randolph Marriner, Commissioner  
Cassandra Stevenson, Commissioner  
Frank Turner, Commissioner

**FROM:** Taft Stettinius & Hollister LLP  
Spectrum Gaming Group

**DATE:** November 11, 2022

**RE:** **Applicant Statements**

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Attached is a one-page statement from each Applicant setting forth, in the Applicant's 'own words', how the Applicant satisfies the ownership criteria dictated by SWARC's regulation (COMAR 36.11.02.19).



November 4, 2022

Dear Mr. Chairman and SWARC Committee Members,

I am writing you this letter of explanation of how the following individuals, Kelly Parsons, Christian Benefiel and Nathan Benefiel, obtained ownership stake in Arundel Amusements Inc. Company Chairman, Ernest Litty Jr, gifted his niece and two nephews 2% each, giving up a total of 6%, therefore bringing his total equity in the company down to 74%, with myself, Randy Clemens, owning the remaining 20%.

This was done in compliance with the MLGCA's requirements of ownership meeting the 5% threshold of ownership in the applicant's company to have a net worth of less than \$1.875 Million.

At this time, there was no need to seek any additional outside investors. However, we still remain open to the idea if it presents itself along the way should someone want the opportunity to invest in our wonderful company, in which we would then prioritize bringing on minority investors during this process.

Thank you for your time and consideration.

Randy Clemens  
President

**To:** Maryland Sports Wagering Application Review Commission (SWARC)

**From:** BETMGM MARYLAND SPORTS LLC

**Date:** November 8, 2022

**Re:** Licensee Ownership Criteria

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Since opening the BetMGM Sportsbook at MGM National Harbor, BetMGM has enjoyed a great relationship with the State of Maryland and looks forward to continuing to work together to get mobile gaming live.

The Mobile Sports Wagering Application (“Application”) filed on October 11, 2022 by BETMGM MARYLAND SPORTS LLC (“BetMGM Maryland”) substantively addresses the requirements of SWARC’s Ownership Criteria as established through both the investor selection process and submission of required documentation.

### ***Investor Selection Process***

BetMGM Maryland, in close partnership with MGM National Harbor, worked to ensure compliance with the requirements set forth in COMAR 36.11.02.19 regarding Personal Net Worth of its owners and with COMAR 36.11.02.13E, which requires serious, good faith efforts to solicit and interview a reasonable number of minority and female investors. These efforts included BetMGM Maryland considering an initial pool of 15 to 20 potential investors. Accounting for the need to complete due diligence, conduct interviews, and obtain certifications regarding the personal net worth of each investor, BetMGM Maryland narrowed the investor pool to five individuals it believed to be suitable. These five potential investors — all of whom are minorities, female, or both — were then further vetted through due diligence investigations that included, but were not limited to, identifying any criminal history, debts and liens, civil litigation, and news available in the public domain.

Following the completion of due diligence reviews, interviews were conducted with suitable investors and two (2) individuals, both minorities and one female, were invited to and ultimately did obtain equity shares in BetMGM Maryland.

### ***Required Documentation***

To confirm the qualification of each suitable investor under COMAR 36.11.02.19, an Owner Certification was completed and included in the application submitted by BetMGM Maryland. The Owner Certification is an attestation signed by each investor that his or her net worth, as defined, is below the \$1.847 million cap set by regulation. Also included in BetMGM Maryland’s application is an Accredited Investor Questionnaire completed by each minority investor.

BetMGM Maryland’s application includes both an Organizational Chart and a Capitalization Table setting forth the ownership of the entity and confirming at least 5% ownership by qualifying individuals. Additionally, the Capitalization Table refers to Subscription Agreements outlining the rights and responsibilities of each investor. BetMGM Maryland’s application also included the LLC Agreement executed by all relevant parties.

In applying for a Mobile Sports Wagering License, BetMGM Maryland certified that, if awarded the license, BetMGM Maryland will execute a SWARC Memorandum of Understanding that requires the awardee to make serious, good faith efforts to interview minority and women investors in any future attempts to raise venture capital or attract new investors.

As we continue to expand BetMGM Maryland’s geographic footprint, we remain committed to employing a diverse local workforce and actively seeking out vendors that are owned by locals, minorities, women and veterans. We look forward to working closely with the State of Maryland to create inclusive experiences and to champion diversity in the sector.



## **Crown MD Online Gaming LLC Ownership Criteria Description**

To meet the Sports Wagering Application Review Commission's regulatory requirements for a competitive mobile sports wagering license outlined in COMAR 36.11.02.19, Crown MD Online Gaming LLC issued a total 5% direct equity interest to two State of Maryland residents that satisfied the Personal Net Worth requirements outlined in COMAR 36.11.02.19(B). Those two State of Maryland residents are Mr. Frank D. Boston III and Mr. David McDonald. Mr. Boston was issued a 4.85% equity interest, and Mr. McDonald was issued a 0.15% equity interest, totaling a 5% direct equity interest in Crown MD Online Gaming LLC. Mr. Boston and Mr. McDonald were chosen to be minority equity partners after a good-faith effort was made on behalf of Crown MD Online Gaming LLC to solicit a reasonable number of prospective partners. Neither Mr. Boston nor Mr. McDonald were required to make capital contributions in exchange for their respective direct equity interests in Crown MD Online Gaming LLC. Subsequently, Mr. Boston and Mr. McDonald made additional capital contributions to the equity of Crown MD Online Gaming LLC in the amounts of \$48.50 and \$1.50, respectively. Each of Mr. Boston and Mr. McDonald submitted a signed, notarized certification stating their individual Personal Net Worth was below the defined threshold outlined in COMAR 36.11.02.19(B).

**CZR Maryland Mobile Opportunity, LLC**

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In order to comply with COMAR 36.11.02.19, CZR Maryland Mobile Opportunity, LLC (“CZR Maryland”) must (i) demonstrate direct or indirect ownership of not less than 5% by individuals with a personal net worth of less than \$1,847,000 (the “PNW Cap”), and (ii) file with SWARC as part of its application for a Mobile Sports Wagering License a signed, notarized certification stating that the owner’s individual personal net worth is below the PNW Cap. CZR Maryland has satisfied both requirements.

**CZR Maryland issued a 5% Equity Interest to a Person Below the Net Worth Cap**

While CZR Maryland Mobile Opportunity, LLC (“CZR Maryland”) understood that the regulation did not require equity ownership, CZR Maryland believed that issuing equity in the entity that will hold the Mobile Sports Wagering License was more in line with SWARC’s and the General Assembly’s goal to involve women, minorities, and minority and women-owned business in the sports wagering industry.

Accordingly, CZR Maryland was formed as a new subsidiary and issued a 5% equity interest to an entity that is wholly owned by an African-American female whose personal net worth is below the PNW Cap established by SWARC (the “5% Owner”). CZR notes that all of its owners, including the 5% Owner, paid the same price per unit, and that all distributions will be made in accordance with percentage interests. Based on the terms of CZR Maryland’s agreement with its sports wagering operator, CZR expects to make meaningful distributions to all of its unit holders during the term of the agreement.

**CZR Maryland Submitted the Required Certification with its SWARC Application**

CZR Maryland submitted the 5% Owner’s Certification that the 5% Owner indirectly owns 5% of CZR Maryland and that the 5% Owners’ personal net worth as calculated pursuant to COMAR 36.1.01.02C(19) is less than \$1,847,000.



Sports Wagering Application Review Commission  
c/o Maryland Lottery and Gaming Control Commission  
[SWARC@mlis.state.md.us](mailto:SWARC@mlis.state.md.us) and [SWARC@taftlaw.com](mailto:SWARC@taftlaw.com)

**DELIVERED VIA ELECTRONIC MAIL ONLY**

October 31, 2022

Chairman Brandt, Commission Members, and Staff,

Section 9-1E-15(h)(4) of Maryland's Sports Wagering Law requires SWARC to encourage applicants who are small businesses to apply for the State's newly created mobile and retail sports betting licenses. At the July 13th SWARC meeting, Chairman Brandt noted that the competitive mobile and retail applications would be amended to include a "personal net worth requirement" to ensure that applicants include "at least one individual entrepreneur." Greenmount OTB's mobile sports betting license application not only complies with the SWARC ownership criteria and personal net worth requirements of COMAR 36.11.02.19, but our ownership team embodies the legislature's intent to include local small businesses in this new industry.

Greenmount OTB is a joint venture between two local small businesses – Greenmount Station Restaurant and Greenmount Bowl – to bring satellite simulcast wagering to the small town of Hampstead in partnership with Maryland Jockey Club. Opened in 1995 in a single 2,400 square foot unit of a small business center on Main Street, Greenmount Station is a quintessential pillar of our local community. Over the past five years, both Greenmount Bowl and Greenmount Station Restaurant have seen overall increases in our customer bases as the community has not only welcomed the OTB but participates daily.

We entered a long-term strategic partnership with betPARX, a subsidiary of Parx Casino, the top revenue generating casino in Pennsylvania. The new retail outlet dubbed betPARX SPORTSBOOK officially opened on October 28th, 2022, within Greenmount OTB. Greenmount OTB is uniquely positioned to bring a small business and small-town Maryland perspective to the recently legalized mobile sports betting industry in our home state. As true entrepreneurs, our ultimate goal is to develop a community entertainment destination for the Town of Hampstead. The opportunity to provide mobile sports betting is the fourth leg of the stool; dining, duckpin bowling, horse racing and sports betting.

Very kind regards,

Two handwritten signatures in blue ink. The signature on the left is for Chris Richards and the one on the right is for David Richardson.

Chris Richards

David Richardson

Long Shot's LLC  
SWARC Ownership Criteria

Long Shot's LLC is a 100% woman owned business. Alyse L. Cohen is the sole member/manager of the company. Ms. Cohen satisfies the personal net worth criteria provided in the SWARC's regulations. This exceeds the SWARC's Ownership Criteria.





1600 FEDEX WAY, LANDOVER, MD 20785

November 5, 2022

Sports Wagering Applicant Review Commission  
c/o Maryland Lottery and Gaming Control Agency  
1800 Washington Blvd #330  
Baltimore, MD 21230

Dear Members of SWARC:

As a company whose owner is also the majority owner of a 90-year championship franchise with deep and enduring Maryland ties, Maryland Stadium Sub, LLC, is excited to combine that rich heritage with the expertise and knowledge of Hamilton Hall Real Estate Partners, LLC, our commercial partner and MOOT-certified MBE, to produce a technologically advanced, competitive, and community-focused enterprise that will responsibly steward legal mobile sports wagering throughout the state to the benefit of Maryland consumers.

MSS embraces and commends the clear intent of SWARC to reward those with meaningful commitments and actions in support of diversity and empowerment. and who also demonstrate viability, responsibility, and sound business acumen. MSS's commercial partnership with Hamilton Hall positions MSS to compete effectively in the robust sports wagering market that the Maryland General Assembly and the MLGCA constructed following the voters' approval in 2020 and also clearly meets SWARC's qualification criteria-Hamilton Hall's owner is an African American businessman, Native Son of Maryland, and longtime MBE, and will receive at least 5% of gross amounts realized by MSS in connection with MSS's Mobile Sports Wagering License.

The merits of this commercial partnership - beyond delivering immediate MBE support in the spirit of the statute and the regulations - is that it will lead to long-term competitiveness and viability in the legal sports wagering market in Maryland.

With this in mind, we are pleased to offer this specific explanation pursuant to SWARC's request on October 27, 2022. We are very excited to move forward with our application before SWARC, and we are eager to launch our mobile sports wagering offering to Maryland consumers in the weeks ahead.

Sincerely,

A handwritten signature in blue ink, appearing to read "Daniel M. Snyder", written over the word "Sincerely,".

Daniel M. Snyder



**SUPPLEMENT TO THE SPORTS WAGERING APPLICATION**

PENN MARYLAND OSB, LLC

PENN Maryland is grateful for the opportunity to provide, “in layperson’s terms”, a response to the SWARC Request regarding PENN Maryland’s satisfaction of the Ownership Criteria through its meaningful partnership with Maryland-based Sonjie’ DeCaires and MBE/DBE/SBE Sonjie’ Productions, LLC. PENN Maryland and Ms. DeCaires partnered after a thoughtful and thorough vetting process. Ms. DeCaires’s partnership aligns PENN Maryland with a Maryland MBE/DBE/SBE that she built through her deep-rooted ties to Maryland and serves to uniquely benefit the \$1,000,000 endowment PENN Entertainment launched with Maryland-based Bowie State University (BSU), a member of the Historically Black Colleges and Universities (HBCU) community. PENN Maryland’s partnership with Ms. DeCaires links a leading national sports wagering operator with a Maryland business leader, a best-in-class MBE/DBE/SBE marketing firm, and a vital asset to PENN’s BSU STEM Endowment.

In short, PENN Maryland’s meaningful partnership with Ms. DeCaires satisfies the Ownership Criteria because its Application demonstrates that: (1) she has a personal net worth of less than \$1,847,000; and (2) the Profits Interest grant gives her a 5% indirect ownership in PENN Maryland. However, while this answer is legally sufficient, it falls short of demonstrating the opportunities this partnership offers PENN Maryland, Ms. DeCaires, and the students of BSU.

Ms. DeCaires is an expert marketer local to Maryland. PENN Maryland will utilize that expertise and local knowledge to reach its full potential in the Maryland online sports wagering market. In exchange for Ms. DeCaires’s meaningful partnership, PENN Maryland has committed to spending, at a minimum, \$50,000 per year with Ms. DeCaires for the life of their partnership. In addition, Ms. DeCaires was made a 5% indirect owner of PENN Maryland through its Profits Interest grant. This 5% indirect ownership interest in PENN Maryland allows Ms. DeCaires to directly share in the success of her marketing initiatives on top of the guaranteed minimum marketing spend, as it entitles her, at various events, to receive 5% of the increased value in PENN Maryland without the burden of any capital contribution or the sharing of any potential losses or risk. Put differently, this 5% indirect ownership allows Ms. DeCaires to share in PENN Maryland’s upside, which she can directly impact through her marketing efforts without incurring any risk or downside loss, all while benefitting from the significant investment PENN has made in its sports wagering strategy. The 5% indirect ownership uniquely aligns Ms. DeCaires and PENN Maryland and incentivizes each to work together to maximize the value of this partnership, which in turn stands to maximize the value of PENN Maryland and Ms. DeCaires’s 5% indirect ownership. Notably, while PENN Maryland and Ms. DeCaires strongly believe this meaningful partnership will be long lasting, PENN Maryland guaranteed the minimum marketing spend and the Profits Interest for three years, meaning Ms. DeCaires stands to earn, at the absolute minimum, \$150,000 from the marketing spend alone. She will also benefit from a minimum of three years’ growth in value of PENN Maryland.

Finally, Ms. DeCaires has committed to serve as the primary liaison for PENN’s \$1,000,000 STEM endowment at BSU, which is part of a \$4,000,000 investment with HBCUs nationwide. Ms. DeCaires’s role will assist in unlocking the true value of PENN’s meaningful partnership with BSU and create long lasting gains, both financial and beyond, for the Maryland community and future leaders and entrepreneurs at BSU, all shepherded by a leading Maryland entrepreneur. Ms. DeCaires and BSU are each excited to provide testimony as to the value and importance of their meaningful partnerships with PENN and PENN Maryland at the upcoming SWARC meeting.

## OWNERSHIP CRITERIA STATEMENT OF PPE MARYLAND MOBILE, LLC

PPE Maryland Mobile, LLC (“PPEMM”) is an affiliate of Live! Casino & Hotel Maryland and part of the Cordish Gaming Group (“Cordish Gaming”).

Cordish Gaming has long committed itself to being an employer of choice that offers its Team Members long-term career growth opportunities and a diverse, equitable, and inclusive work environment. As part of that commitment, Cordish Gaming and PPEMM have satisfied the ownership criteria found in COMAR 36.11.02.19 through an employee ownership plan by which management-level Team Members have the opportunity collectively to own up to 10% of PPEMM. This ownership structure provides a meaningful economic benefit to a diverse group of Team Members who have shown their loyalty to Cordish Gaming through their long tenures with the company.

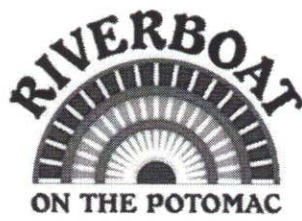
All management-level employees at any Cordish Gaming property who meet the plan’s tenure requirements were given the opportunity to participate in this investment opportunity. Some chose to participate by making a direct cash investment into PPEMM, and they will immediately receive cash distributions of their share of PPEMM’s profits. Many others elected to accept a low-interest loan from Cordish Gaming that will be repaid out of their distributions from the company. And if a participant-investor were to retire or otherwise leave their employment with Cordish Gaming, Cordish Gaming has committed to repurchase that individual’s ownership share at the current fair market value. This will allow participating Team Members to build wealth through PPEMM’s growth, and the repurchased shares will be made available to newly eligible Team Members.

Currently, 91 Cordish Gaming Team Members have elected to participate in this investment opportunity, and they collectively own 8.1% of PPEMM (an additional 1.9% remains available for eligible Team Members to purchase). Of these 91 participants, 86 who collectively own 7.2% of PPEMM have certified that they have a personal net worth below the \$1,847,000 net worth threshold set forth COMAR 36.11.02.19.<sup>1</sup> And importantly, because of this employee ownership plan, PPEMM currently has 55 minority and women owners who collectively own 5.5992% of the company.

PPEMM is proud to support its Team Members and proud to have met both the letter and spirit of the ownership criteria regulations by providing a unique ownership opportunity to a diverse group of individuals whose personal net worth is commiserate with the working families of the State of Maryland.

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<sup>1</sup> PPEMM includes signed, notarized certifications of these Team Members’ personal net worth with its Mobile Sports Wagering License Application.



301 Beach Terrace • Colonial Beach, VA 22443 • 804.224.7055  
<https://riverboatonthepotomac.com/>

**DATE:** November 09, 2022  
**TO:** Sports Wagering Application Review Commission  
**FROM:** Riverboat on the Potomac, LLC

**Subject:** Statement Regarding satisfaction of COMAR 36.11.02.19


Our Riverboat on the Potomac licensing application is comprised of a uniquely constructed group, designed to fully reflect COMAR 36.11.02.19. We not only strove for equality, diversity, and conclusion, we made it a 100% primary objective. As such, the ethnic investor components of Riverboat's partnership are as follows:

Owner	% of ownership	Minority	Satisfies COMAR 36.11.02.19
Gagandeep Suri	51%	Women-Minority Asian	Yes
Maruthi Prasad Veeramarchnani	24%	Minority Asian	Yes
Winston Delattiboudere	20%	MBE African American	Yes
Antonio Jones	5%	MBE African American	Yes

We Individually have also provided the letter to satisfy the Personal Net Worth requirement as per COMAR 36.11.01.02C(10)

We are truly excited to come before you today and seek your speedy approval of our Mobile Sports-Wagering application, for Riverboat on the Potomac.

Regards,



Maruthi Prasad