
MARYLAND LOTTERY and GAMING CONTROL COMMISSION

1800 Washington Blvd., Suite 330, Baltimore, Maryland 21230

COMMISSION REPORT



Atlantic Bingo Supply, Inc.

MANUFACTURER LICENSE RENEWAL APPLICANT

Report Date: September 8, 2020

“Commission Presentation”

Manufacturer License Renewal Commission Report

ATLANTIC BINGO SUPPLY, INC.

Introduction

We are conducting a hearing on the manufacturers license renewal application submitted by Atlantic Bingo Supply, Inc. The Maryland Lottery and Gaming Control Agency is required by “The Gaming Law” to conduct a background investigation to determine if Atlantic Bingo Supply, Inc. is qualified to be awarded a manufacturers licenses.

You (the commissioners) have been provided with the complete investigative report on Atlantic Bingo Supply, Inc. on the agency share drive. You have also received a copy of the public report that was emailed to you. The public report was also made available to everyone on the agency website. I will summarize the reports that has been provided to you.

Atlantic Bingo Supply, Inc. was last approved for a manufacturers license by the Commission on October 22, 2015. Atlantic Bingo Supply, Inc. has maintained its license in good standing and has not been subject to any disciplinary sanctions by the Commission.

Background

Atlantic Bingo Supply, Inc. (“the Company”) was incorporated in Delaware on December 29, 1987. The Company’s primary business is the

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wholesale distribution of bingo supplies, bingo equipment, and janitorial supplies.

Atlantic Bingo Supply, Inc. is a wholly owned subsidiary of Activity Advisors, Inc., which is jointly owned by the LWW Atlantic Irrevocable Trust and the Gallagher Irrevocable Trust. Ms. Jeannie M. Gallagher is the sole trustee of both Irrevocable Trusts and the beneficiaries of both Trusts are numerous members of the Gallagher family. Activity Advisors, Inc., the LWW Atlantic Irrevocable Trust and the Gallagher Irrevocable Trust have all filed Principal Entity Disclosure Forms. Ms. Jeannie Gallagher has filed a Principal Employee Renewal Application with the Commission.

Discussion of Financial Performance

Company management advised that due to Activity Advisors' recent acquisition of the Company's common stock from Mr. Larry Weinstein, Atlantic Bingo Supply, Inc.'s financial results for the calendar year ended December 31, 2019 are to be consolidated with its parent company. We obtained Atlantic Bingo Supply, Inc.'s financial statements for the years ended December 31, 2014 to 2018 and performed an analysis of its operating performance and financial condition during this period. We also obtained

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Atlantic Bingo Supply, Inc.'s pro forma (pre-consolidated) financial statements for the year ended December 31, 2019 and conducted a supplemental review of its financial results for that year. Our financial and background investigation of Atlantic Bingo Supply, Inc. found the following:

- 1) Atlantic Bingo Supply, Inc. was found to have financial stability, integrity and responsibility
- 2) There were no material issues involving the known financial backers
- 3) Atlantic Bingo Supply, Inc. possesses the requisite good character, honesty and integrity
- 4) Atlantic Bingo Supply, Inc. has sufficient business ability and experience
- 5) There were no potential disqualifying factors

CONCLUSIONS and OPINION

MLGCA's investigation has confirmed that the Applicant has sufficient financial resources and found no derogatory information regarding the Applicant's qualifications. Based on the criteria in SG §§ 9-1A-07(c)(7) and 9-1A-08(d), we conclude that the Applicant has established by clear and

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convincing evidence the qualifications required for the renewal of its manufacturer license.