
**MARYLAND LOTTERY and
GAMING CONTROL COMMISSION**

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

COMMISSION REPORT



TICTABS, LLC

MANUFACTURER LICENSE APPLICANT

Report Date: February 9, 2016

**Manufacturer License Commission Report
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Introduction

As a prerequisite to being eligible for a video lottery facility manufacturer license (“manufacturer license”), an applicant must submit a Manufacturer License Application to the Maryland Lottery and Gaming Control Commission (“the Commission”). The applicant must prove to the Commission, by clear and convincing evidence, that it meets the qualification criteria set forth in State Gov’t (“SG”) § 9-1A-01, *et seq.* (“the Gaming Law”). Specifically, the applicant must prove that it is qualified under SG § 9-1A-07(c)(7)(i) through (v), and not disqualified under SG § 9-1A-08(d). An applicant must provide all information to the Commission that is necessary for a qualification determination as to the applicant, its principals, and its principal entities.

The Maryland Lottery and Gaming Control Agency (“MLGCA,” “we” or “our”), conducted a suitability background license investigation of Tictabs, LLC (“the Applicant”) in connection with its application for a manufacturer license filed with the Commission.

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Financial Suitability Review

Background

Tictabs, LLC was incorporated in Delaware on March 22, 2013, and is wholly-owned by Marcus Costa, who serves as the company's sole officer and managing member. The company's offices are located in Las Vegas, Nevada, and Tictabs is currently registered to do business in the states of Maryland, Nevada, and Virginia.

Tictabs' primary business is the design and distribution of electronic and digital gaming systems for the gaming industry. This includes the development of game content and game programming for both land-based and mobile applications, development of mathematical models, progressive gaming networks, player tracking systems, and community games and peripheral connectivity. As of the time of our review, Tictabs' only client in Maryland was Traders Restaurant located in Chesapeake Beach, Calvert County.

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Discussion of Recent Financial Performance

As Tictabs was formed and began operation in the first half of calendar 2013, there is limited financial information and history available to review.

We obtained financial statements (unaudited) for the partial year ending December 31, 2013, and for the period from January 1, 2014 to October 31, 2015, and performed an analysis of Tictabs' financial performance and condition. We reviewed the following:

Revenue –

Operating Expenses –

Assets and Liabilities –

Liquidity and Capital Resources

Ratio Analysis

- **Current Ratio –**
- **Returns on Equity and Assets –**
- **Profit Margin –**
- **Debt to Equity Ratio –**

Financial Review

Dun & Bradstreet

Tax Returns

Litigation

Political Contributions

Financial Analysis

FINDINGS

The MLGCA conducted a complete and thorough background investigation as authorized under the Gaming Law by analyzing corporate records and documents, scrutinizing the business operations, practices, and transactions of Tictabs, LLC, and conducting interviews of key personnel, focusing on required qualification criteria involving integrity and financial stability. MLGCA adhered to well-defined and approved investigative protocols in assembling the factual information incorporated in this report. The results of the investigation for the specific qualification criteria enunciated in SG §§ 9-1A-07(c)(7) and 9-1A-08(d) are summarized as follows:

1) Financial stability, integrity and responsibility

A comprehensive review was conducted of all of the consolidated financial statements for the past two years. Tictabs, LLC satisfies the standards for financial stability, integrity and responsibility. MLGCA also concludes that its individual qualifier (principal) satisfies the Gaming Law's

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qualification criteria in connection with the Manufacturer License Application.

2) Integrity of financial backers, investors, mortgages, bondholders, and other holders of indebtedness

Based on our review, there are no material issues involving the known financial backers of the Applicant.

3) Good character, honesty, and integrity

MLGCA found that Tictabs, LLC possesses the requisite good character, honesty and integrity. No significant issues surfaced concerning the qualifications of the Applicant or its individual qualifier. There were no material issues discovered pertaining to TicTabs' record of regulatory compliance or litigation matters.

4) Sufficient business ability and experience

Tictabs, LLC has established itself as a provider of electronic and digital gaming systems for the gaming industry and clearly possesses the requisite business ability and experience.

5) Potential Disqualifying factors

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The Applicant is not disqualified from being issued a manufacturer license based on any of the criterion listed in section 9-1A-08 (D). The Applicant is qualified to be awarded a license by the Commission.

APPLICANT and PRINCIPAL ENTITIES

The applicant, Tictabs, LLC, satisfies the applicable qualification criteria under SG § 9-1A-07(c)(7), and is not disqualified under SG § 9-1A-08(d).

PRINCIPAL QUALIFIERS

We identified the following natural person qualifier (“principal”) who is associated with the Applicant. We conducted an extensive due diligence investigation on the qualifier, as described in our full report. We found that the principal has satisfied the applicable qualification criteria under SG § 9-1A-07(c)(7), and is not disqualified under SG § 9-1A-08(d).

1. Marcus de Mello Costa – President/Owner – Tictabs, LLC

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. MLGCA has not found any disqualifying factors

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that would preclude the Applicant from being issued a Manufacturer License.

Based on the criteria in SG §§ 9-1A-07(c)(7) and 9-1A-08(d), we conclude that the Applicant, and its principal, have established by clear and convincing evidence their qualifications for a Manufacturer License.