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BEFORE THE  
CALIFORNIA GAMBLING CONTROL COMMISSION

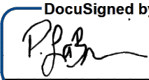
In the Matter of the Application for an Initial State Gambling License Regarding:  
  
FORTISS, LLC; JOHN H. PARK TRUST UNDER DECLARATION OF TRUST DATED JULY 18, 2012, MEMBER; JOHN PARK, TRUSTEE, SETTLOR, BENEFICIARY; MICHAEL VASEY, MEMBER, CHIEF FINANCIAL OFFICER; JOHN PARK, MANAGER; EMILY PARK, SUCCESSOR TRUSTEE  
  
Applicants.

CGCC Case No. CGCC-2020-0227-11A-F  
BGC Case No. BGC-HQ2020-00007SL

**PRECEDENTIAL DECISION**

This matter was considered by the California Gambling Control Commission (Commission) on February 28, 2023, via Zoom video conference, pursuant to Title 4, California Code of Regulations section 12572 and California Government Code section 11425.60. The Commission allowed for public comment and after discussion, voted to designate the following portions of the decision in the above captioned case as precedential: Paragraph Nos. 1-9, 45, 114, 121, 135-157, and 172.

This precedential designation shall become effective on February 28, 2023.

Dated: 2/28/2023 Signature:  Paula LaBrie, Chair  
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Applicants.

CGCC Case No. CGCC-2020-0227-11A-F  
BGC Case No. BGC-HQ2020-00007SL

**DECISION AND ORDER**

Hearing Dates: August 24, 25, 26, 29, 30, 31, 2022 and September 1, 2, 6, 7, 2022  
  
Time: 9:00 a.m.

This matter was heard by the California Gambling Control Commission (Commission) pursuant to Business and Professions Code sections 19870 and 19871 and Title 4, California Code of Regulations (CCR) section 12060, and held via Zoom video conference, on August 24, 25, 26, 29, 30, 31, and September 1, 2, 6, and 7, 2022.

Jeremy Stevens, and Lisa Freund, Deputies Attorney General, State of California, represented complainant Yolanda Morrow, Director of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

Attorneys Barry Lee, Randal Keen, Justin Jones Rodriguez, and Misa Eiritz of Manaat, Phelps and Phillips, LLP represented the applicants, Fortiss, LLC, (Fortiss) and its members, Michael Vasey (Vasey) and the John H. Park Trust Under Declaration of Trust Dated July 18, 2012 (Trust), John Park (Park) as the Manager of Fortiss, and the trustee, settlor, and beneficiary of the Trust, and Emily Park as the Trust’s successor trustee (hereinafter collectively referred to as “Fortiss Applicants”). Vasey and Park were present at the hearing on behalf of the Fortiss Applicants.

Pursuant to a Consolidation Order issued by Presiding Officer Pope on December 9, 2020, Attorneys Tammy Tsoumas, Matthew Summers, and Nathaniel Haas, of Kirkland and Ellis, LLP, represented the applicants, Knighted Ventures, LLC (Knighted) and its members, Roy Choi

1 (Choi) and Jieho Lee (Lee) (hereinafter collectively referred to as “Knighted Applicants”).<sup>1</sup> Choi  
2 and Lee were present at the hearing on behalf of the Knighted Applicants.

3 During the evidentiary hearing, Presiding Officer Jason Pope took official notice of the  
4 following documents relating to the Fortiss Applicants: July 29, 2020, Commission’s Notice of  
5 Hearing and Prehearing Conference with attachment (A) Applications for State Gambling License  
6 for Fortiss Applicants and (B) Bureau’s Investigation Report; September 14, 2020, Commission’s  
7 Amended Notice of Hearing; September 25, 2020, Presiding Officer’s Conclusion of Prehearing  
8 Conference letter; January 15, 2021, Commission’s Notice of Continued Hearing; May 12, 2021,  
9 Commission’s Notice of Continued Hearing; September 15, 2021, Presiding Officer’s Conclusion  
10 of Prehearing Conference letter; October 21, 2021, Commission’s Notice of Continued Hearing;  
11 December 1, 2021, Commission’s Notice of Time Change of Hearing; the Bureau’s Statement of  
12 Particulars; Notices of Defense signed by Fortiss Applicants and; Presiding Officer’s Order of  
13 Hearing Consolidation.

14 During the evidentiary hearing, Presiding Officer Jason Pope took official notice of the  
15 following documents relating to the Knighted Applicants: January 15, 2021, Commission’s  
16 Notice of Hearing and Prehearing Conference with attachment (A) Applications for State  
17 Gambling License for Knighted Applicants and (B) Bureau’s Investigation Report; May 12, 2021,  
18 Commission’s Notice of Continued Hearing; September 15, 2021, Presiding Officer’s Conclusion  
19 of Prehearing Conference letter; October 21, 2021, Commission’s Notice of Continued Hearing;  
20 December 1, 2021, Commission’s Notice of Time Change of Hearing; the Bureau’s Statement of  
21 Particulars; Notices of Defense signed by Knighted Applicants and; Presiding Officer’s Order of  
22 Hearing Consolidation.

23 During the evidentiary hearing, the Presiding Officer accepted into evidence the following  
24 exhibits offered by the parties, all of which contain bates numbers and a Table of Contents that  
25 separately identifies each document by exhibit and bates stamp number:

- 26 1) Bureau’s Exhibits 1 to 94, Admitted August 24, 2022;

27 \_\_\_\_\_  
28 <sup>1</sup> Despite consolidation of the Fortiss and Knighted Applications for evidentiary hearing, a  
separate decision will be issued by the Commission for the Knighted Applicants.

- 1           2) Fortiss’ Exhibits 1 to 266, Admitted August 24, 2022;
- 2           3) Fortiss’ Exhibit 269, Admitted August 26, 2022;
- 3           4) Fortiss’ Exhibit 267, Admitted August 30, 2022;
- 4           5) Fortiss’ Exhibit 270, Admitted September 6, 2022;
- 5           6) Knighted’s Exhibits 1 to 163, Admitted August 24, 2022.

6           At the conclusion of the hearing, the record was left open for submission of closing briefs  
7 and potential extra documentary or testimonial evidence requested by the Commission.

8           In response to a request made by the Commission for additional documentation on  
9 October 21, 2022, the Presiding Officer accepted the following additional exhibits into evidence  
10 as administrative hearsay on November 14, 2022:

- 11           1) Bureau’s Exhibit 95, comprising of the following document which is not included in  
12           the Bureau’s Table of Contents: (1) Infrastructure and IT/IS Maintenance Statement of  
13           Work Presented by ADIM, dated April 4, 2013.
- 14           2) Fortiss’ Exhibit 271, comprising of the following documents which are not included in  
15           Fortiss’ Table of Contents: (1) June 2021 Renewal with YellowFin; (2) June 2022  
16           Renewal with YellowFin; (3) Commercial Lease Agreement between Fortiss and  
17           Monument Properties-Prospect Park, LLC; (4) First Amendment to the Commercial  
18           Lease Agreement between Fortiss and Monument Properties-Prospect Park, LLC; and,  
19           (5) Second Amendment to the Commercial Lease agreement between Fortiss and  
20           Monument Properties-Prospect Park, LLC.

21           The record was closed and the matter was submitted on November 17, 2022.

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**FINDINGS OF FACT**

**I.  
BACKGROUND & PROCEDURAL HISTORY**

**A. BACKGROUND**

*i. Pertinent Background Regarding Fortiss*

1. Fortiss was organized by Park in Nevada on May 12, 2004. In October 2004, Fortiss was registered to do business in California.<sup>2</sup> Fortiss provides administrative services in the areas of management, recruiting, hiring, training, information technology, industry certification, career development, human resources, accounting, assistance with state and local licensing compliance, and legal services including contract, regulatory guidance, and litigation management.

2. The current members of Fortiss are the Trust (99.5% interest) and Vasey (.5% interest). Vasey is the Chief Financial Officer (CFO) of Fortiss. Park is the trustee, settlor, and sole beneficiary of the Trust and is the Manager and Chief Executive Officer (CEO) of Fortiss. Emily Park, Park’s wife, is the successor trustee of the Trust.

3. Park, through the Trust and Park West Casinos Inc. (PWCI), has an ownership interest in multiple licensed gambling establishments in California. The Trust is the sole shareholder of PWCI. Park is the CEO, Secretary, CFO, and Director of PWCI and Vasey is a Director.

4. Fortiss also provides services to 23 of Park's owned entities, including PWCI, and Fortiss is a percentage owner in three companies owned by Park which are not germane to this decision.<sup>3</sup> Relevant to this matter is Park’s interest in six cardrooms that contract with Fortiss for services. These six licensed cardrooms are collectively referred to herein as the “Park Cardrooms”:

a. Parkwest Casino Sonoma<sup>4</sup> (PW Sonoma) is owned by Cal-Pac Sonoma, LLC, of

<sup>2</sup> Fortiss was originally registered in Nevada and California under the name of Service Quality Assurance, LLC. In November 2004, there was a name change to Fortiss Casino Resources, LLC, and later the name changed to Fortiss, LLC.

<sup>3</sup> Fortiss has a membership interest in Raspberry Consulting, LLC (99%), Ride Bus, LLC (1%), and Monument Properties Rincon, LLC (1%), which are non-gaming entities.

<sup>4</sup> PW Sonoma was previously known as the Casino 101. However, for the sake of clarity, it will be referred to as the PW Sonoma throughout this decision.

- 1                   which Park is the Manager and Vasey is a Director. PWCI is the sole member of  
2                   Cal-Pac Sonoma, LLC.
- 3                   b. Parkwest Casino Lotus (PW Lotus) is owned by The Silver F, Inc., of which Park  
4                   is the Manager and Vasey is a Director. PWCI is the sole shareholder of The Silver  
5                   F, Inc.
- 6                   c. Parkwest Casino Lodi (PW Lodi) is owned by the Lodi Cardroom, Inc., of which  
7                   Park is the Vice President, Secretary and Director, and Vasey is also a Director.  
8                   The Trust, Chris Ray, and Steven Snider are shareholders of the Lodi Cardroom,  
9                   Inc.
- 10                  d. Parkwest Casino 580 (PW 580) is owned by Casino 580, LLC, of which Park is a  
11                  Manager and Vasey is a Director. PWCI and April Gomez are the members of  
12                  Casino 580, LLC.
- 13                  e. The River Card Room is owned by The River Card Room, Inc. The Trust is the  
14                  sole shareholder of the River Card Room, Inc. Park is the CEO, CFO, Secretary,  
15                  and Director of The River Card Room, Inc.
- 16                  f. Parkwest Casino Cordova (PW Cordova) is owned by Cal-Pac Rancho Cordova,  
17                  LLC, of which Park is a Manager and Vasey is a Director. PWCI is the sole  
18                  member of Cal-Pac Rancho Cordova, LLC.

19                                   ii.       *Pertinent Background Regarding Knighted*

20                  5.       Knighted is a Third-Party Provider of Proposition Player Services organized in  
21                  California on July 15, 2011. The current managing members of Knighted are Choi (95%  
22                  ownership interest) and Lee (5% interest).

23                  6.       Knighted applied for registration in February 2012. The Commission issued a  
24                  registration valid March 29, 2012 through March 31, 2013, which has been consistently renewed.

25                  7.       Pertinent to this Decision, Knighted provides third-party proposition player  
26                  services (TPPPS) to each of the Park Cardrooms with the exception of the River Card Room,  
27                  which is not currently operating.

28                  8.       Fortiss also provides services to Knighted pursuant to an administrative services

1 agreement.

2 9. The arrangement wherein Fortiss contracts to provide administrative services to  
3 both Knighted and the Park Cardrooms, while Knighted also contracts with the Park Cardrooms  
4 for the provision of TPPPS, is referred to herein as the “Three-Party Relationship.”

5 **B. PROCEDURAL HISTORY**

6 *i. Procedural History Applicable to Fortiss Applications*

7 10. At the Commission’s January 23, 2014 licensing meeting, the Commission  
8 considered the application for renewal of the State Gambling License for PW Sonoma. The  
9 Commission expressed concern that Vasey and Fortiss may have the ability to exercise significant  
10 influence over the gambling operation of PW Sonoma and therefore should be required to apply  
11 for licensure. Based on these concerns, the Commission agreed to extend the PW Sonoma license  
12 so that the Bureau could further investigate Fortiss’ and Vasey’s role in the management of PW  
13 Sonoma and report back to the Commission.

14 11. Vasey testified that in March 2014, Fortiss met with Bureau management to  
15 address concerns expressed by the Commission at the January 23, 2014 meeting. Fortiss gave  
16 Bureau management a tour of the operations and discussed how the service fee was determined  
17 for the services Fortiss provides to Knighted.

18 12. At the April 22, 2014, licensing meeting, the Commission again considered the  
19 application for renewal of the State Gambling License for PW Sonoma. The Commission  
20 expressed concern with the Three-Party-Relationship and again considered whether Fortiss and  
21 Vasey should be required to apply for licensure based on an ability to exercise significant  
22 influence over the gambling operations of PW Sonoma. At the meeting, the Commission  
23 ultimately voted to approve the PW Sonoma license without a condition requiring Fortiss and  
24 Vasey to apply for licensure.

25 13. In February 2015 and November 2016, Vasey submitted applications to the Bureau  
26 for a State Gambling License based on his role as a Director of the PW Cordova, PW Sonoma,  
27 PW Lotus, PW Lodi, PW 580, and PWCI (Director Applications). Vasey testified that he  
28 voluntarily submitted the Director Applications because he was becoming more involved in

1 Park's cardrooms.

2 14. On October 20, 2016, the Commission considered the applications for renewal of  
3 State Gambling License for PW Cordova. The Commission approved the applications with a  
4 condition requiring Fortiss and Vasey to submit the Fortiss Applications based on the  
5 Commission's determination that Fortiss has the ability to exercise significant influence over the  
6 gambling operations of PW Cordova.

7 15. In April 2017, Fortiss invited Bureau staff to the Fortiss headquarters for a  
8 presentation on the services offered by Fortiss and to discuss concerns raised by the Bureau  
9 concerning the Three-Party Relationship.

10 16. On December 15, 2016<sup>5</sup> and August 9, 2017<sup>6</sup>, the Fortiss Applications were  
11 submitted to the Bureau, as directed by the Commission.

12 17. On July 16, 2018, the Bureau submitted to the Commission a full background  
13 investigation report concerning Vasey's Director Applications.

14 18. On October 18, 2018, the Commission approved Vasey's Director Applications.

15 19. Monique Anquoe (Anquoe), Field Representative from the Bureau's Compliance  
16 and Enforcement Section, testified at the hearing. Anquoe testified that between April 2017 and  
17 May 2022, she worked in the Cardroom Owners Licensing Section of the Bureau's Licensing  
18 Division, first as a Staff Services Analyst, and then as an Associate Governmental Program  
19 Analyst. In 2017, Anquoe was assigned to conduct the background investigations on the Fortiss  
20 Applications.

21 20. Anquoe testified that Park and Vasey were cooperative, responsive, candid, and  
22 transparent in providing information pursuant to her requests throughout the course of the  
23 Bureau's background investigation.

24 21. On or about September 16, 2019, the Bureau issued its Initial Background  
25 Investigation Report for the Fortiss Applicants in which it recommended that the Commission

26 \_\_\_\_\_  
27 <sup>5</sup> On December 15, 2016, the Bureau received the Fortiss Applications pertaining to the Fortiss  
Applicants' affiliation with PW Cordova.

28 <sup>6</sup> On August 9, 2017, the Bureau received Fortiss Applications pertaining to the Fortiss  
Applicants' affiliation with PW Sonoma, PW Lotus, PW Lodi, PW 580, and The River.



1 approve the Fortiss Applications with the following condition:

2           Within 30 days of the Commission’s approval, Fortiss, LLC shall  
3           terminate its Administrative Services Agreement with Knighted Ventures,  
4           LLC or Parkwest Casino Cordova, Parkwest Casino Sonoma, Parkwest  
5           Casino Lotus, Parkwest Casino 580, and Parkwest Casino Lodi must  
6           terminate their contracts with Knighted Ventures, LLC.

7           22.    On February 27, 2020, the Commission referred consideration of the Fortiss  
8           Applications to an evidentiary hearing to be conducted as a Gambling Control Act hearing. The  
9           Fortiss Applicants each submitted timely Notice of Defense forms requesting an evidentiary  
10           hearing on the consideration of the Fortiss Applications and identifying Barry Lee and Randall  
11           Keen of Manatt, Phelps & Phillips as their counsel.

12           23.    On July 29, 2020, a Notice of Hearing was sent to counsel for the Fortiss  
13           Applicants and the Bureau stating that an evidentiary hearing would be held before the  
14           Commission by means of video conferencing using Zoom on November 9, 10, 12, 13 and 16,  
15           2020,<sup>7</sup> and a prehearing conference would be conducted on September 22, 2020.

16           24.    On or about September 16, 2020, the Commission received the Bureau’s Statement  
17           of Particulars, wherein it identified factors in aggravation and mitigation for the Commission to  
18           consider as part of its consideration of the Fortiss Applications.

19                           *ii.    Procedural History-Consolidation for Hearing with Knighted*

20           25.    On or about March 14, 2013, the Knighted Applicants submitted to the Bureau  
21           complete Applications for Third-Party Proposition Player Services Licenses (Knighted  
22           Applications).

23           26.    Brian Gilleland, Manager II in the Licensing Section of the Bureau, testified that  
24           he has worked for the Bureau for seven years. Gilleland was initially assigned to oversee the  
25           investigation of the Knighted Applicants as a Manager I. When the Knighted report was  
26           complete, Gilleland was an Acting Manager II and reviewed the final work product that was  
27           submitted to the Bureau’s Director for review.

28           27.    On June 11, 2020, the Commission voted to refer consideration of the Knighted  
Applications to an evidentiary hearing. The Knighted Applicants each submitted Notice of

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<sup>7</sup> The hearing was continued at the request of the parties.

1 Defense forms requesting an evidentiary hearing on the consideration of the Knighted  
2 Applications and identifying Mark Holscher and Tammy Tsoumas of Kirkland & Ellis LLP, as  
3 their counsel.

4 28. A prehearing conference was held on November 16, 2020 pursuant to a request  
5 made by the Commission’s Executive Director to consolidate the respective hearings on the  
6 Fortiss Applications and Knighted Applications. The Fortiss Applicants, Knighted Applicants,  
7 and the Bureau presented their positions on the request to consolidate.

8 29. On December 9, 2020, the Presiding Officer issued an order consolidating the  
9 evidentiary hearings on the Fortiss Applications and Knighted Applications to promote judicial  
10 efficiency and economy and to avoid imposing unnecessary burdens on the Presiding Officer and  
11 the Commission.

12 30. On or about January 15, 2021, Commission staff sent to counsel for Fortiss,  
13 Knighted, and the Bureau a Notice of hearing identifying that the consolidated hearing would  
14 occur on June 28, 29, 2021 and July 1, 2, 7, 9, 12, 13, 14, 2021.<sup>8</sup>

15 31. On or about May 12, 2021, the Commission sent to counsel for Fortiss, Knighted,  
16 and the Bureau, a Notice of Continued Hearing providing that the consolidated hearing would  
17 occur on October 12, 14, 18, 19, 28, 29, and November 2, 3, 5, 9, 2021.<sup>9</sup>

18 32. On or about October 22, 2021, Commission staff sent to counsel for Fortiss,  
19 Knighted, and the Bureau, a Notice of Continued Hearing providing that the consolidated hearing  
20 would occur on August 24, 25, 26, 29, 30, 31, and September 1, 2, 6, and 7, 2022.

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28 <sup>8</sup> The hearing was continued at the request of the parties.

<sup>9</sup> This hearing was continued at the request of a party.

**II.**  
**THE THREE-PARTY RELATIONSHIP**

**A. FORTISS' CONTRACTUAL RELATIONSHIP WITH PWCI AND PARK CARDROOMS**

33. PWCI holds an ownership interest in each of the Park Cardrooms, with the exception of The River and PW Lodi.<sup>10</sup> PWCI and each of the Park Cardrooms have entered into separate service agreements with Fortiss. Additionally, Fortiss is party to a lease agreement to occupy office space at PW Cordova.

*i. Fortiss' Service Agreement with PWCI*

34. On May 1, 2012, Fortiss entered into an agreement with PWCI providing that Fortiss would assist management with periodic decisions and provide services in the areas of accounting, human resources, information technology, and advertising and promotion for a fixed monthly fee.

35. On October 1, 2018, Fortiss and PWCI entered into a new agreement providing that Fortiss would also assist PWCI management with periodic decisions and provide services in the areas of accounting, information technology, legal, and "other miscellaneous services as requested" by PWCI for a fixed monthly fee.

*ii. Fortiss' Service Contracts with Park Cardrooms*

36. On or about November 1, 2006, Fortiss entered into an agreement with PW Sonoma to provide services in the areas of management, accounting, human resource, and information technology consulting services for a fixed monthly fee.

37. On or about January 1, 2007, Fortiss entered into an agreement with The River to provide accounting services for a fixed monthly fee.

38. On or about June 1, 2008, Fortiss entered into an agreement with PW Lodi to provide services in the areas of management, accounting, human resources, and information technology for a fixed monthly fee.

39. On or about December 21, 2009, Fortiss entered into an agreement with PW Lotus to provide services in the areas of management, accounting, human resources, and information

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<sup>10</sup> The River's sole shareholder is the Trust. The Trust is one of three shareholders of PW Lodi.

1 technology for a fixed monthly fee.

2 40. On or about February 1, 2010, Fortiss entered into an agreement with PW Cordova  
3 to provide services in the areas of management, accounting, human resources, and information  
4 technology for a fixed monthly fee.

5 41. On or about September 1, 2010, Fortiss entered into an agreement with PW 580 to  
6 provide services in the areas of management, accounting, human resources, and information  
7 technology for a fixed monthly fee.

8 42. On October 1, 2018, Fortiss entered into new agreements with PW Cordova, PW  
9 Sonoma, PW Lotus, PW Lodi, and PW 580 for Fortiss to provide more extensive services. The  
10 agreements for each Park Cardroom were substantially similar, and using the PW Lotus contract  
11 as an example, allowed for provisions of the following services by Fortiss:

- 12 • Business Services
  - 13 ○ Assist management with periodic decisions
  - 14 ○ Assist management with any capital improvement projects
- 15 • Accounting Services
  - 16 ○ Review of all accounting work prepared by in-house staff
  - 17 ○ Process bi-weekly payroll utilizing KRONOS and ADP payroll services
  - 18 ○ Preparation of monthly financial statements
  - 19 ○ Co-ordinate and assistance with year-end audit by independent CPA firm
  - 20 ○ Assistance with annual tax returns prepared by independent CPA firm
  - 21 ○ Assist management with periodic financial decisions
  - 22 ○ Assist and maintain Client insurance
- 23 • Human Resources, Personnel Management, and Employment Relations Services
  - 24 ○ Provide general HR consulting services
  - 25 ○ Provide new hire background investigation, credit analysis, and drug testing
  - 26 ○ Assist with post-employment benefits
  - 27 ○ Assist with worker's compensation claims and unemployment claims
- 28 • IT Services
  - Support network infrastructure
  - Help desk support
  - E-Mail support
  - Various hardware and software systems support
  - Support Electronic Playing Book ticket system
  - Support Player Tracking System
- Advertising and Promotion Services
  - Web and Graphic Design
  - Print, Radio, TV, and other Multimedia Advertisements

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- 1           • Legal
  - 2           ○ Assist in preparing documents related to new contracts, amendments and
  - 3           ○ Provide guidance with entity, owner, and employee state and local
  - 4           ○ Litigation support
- 5           • Additional miscellaneous services as may be specifically requested by Client to
- 6           Consultant in writing from time to time.

7           *iii. Fortiss' Lease Agreement at PW Cordova*

8           43. Fortiss is also a party to a lease agreement for office space at PW Cordova. The  
9           rented space is used to house Fortiss' Human Resources Department, which consists of six  
10           individuals, including Fortiss' HR Director, Lisa Grewohl. Fortiss HR staff enter PW Cordova  
11           through the employee entrance in the back of the cardroom. Fortiss HR offices are located in the  
12           "back of the house," which is an area that is not accessible to the public. Fortiss HR and PW  
13           Cordova staff can access other "back of the house" areas, such as the employee training room,  
14           dining area, lockers, and restrooms. Only Fortiss' HR staff and PW Cordova managers have  
15           access to Fortiss' HR office when the entry door is closed by using their key cards.

16           44. Non-management staff of PW Cordova do not have key card access to open the  
17           Fortiss HR office. However, when Fortiss HR staff are in the office, they have an "open door"  
18           policy for PW Cordova staff to meet at any time they have an HR issue. The doors to Fortiss'  
19           offices at PW Cordova have no signage to indicate that the office does not house staff of the PW  
20           Cordova. Further, the Fortiss employees do not wear uniforms or nametags.

21           **B. KNIGHTED'S CONTRACTUAL RELATIONSHIP WITH PARK  
22           CARDROOMS**

23           45. Knighted provides TPPPS to each of the Park Cardrooms with the exception of the  
24           River Card Room, which is not currently operating. Choi testified that Knighted currently  
25           services between 200 and 250 tables in California, half of which are at Park Cardrooms.

26           *i. PW Sonoma contract with Knighted*

27           46. Knighted first received Bureau approval to provide TPPPS to PW Sonoma for the  
28           period August 31, 2012 through July 31, 2014.

1           47.     Knighted also received Bureau approval to provide TPPPS to PW Sonoma for the  
2 period August 1, 2014 to July 31, 2016. This contract disclosed that on or about February 8, 2012,  
3 Knighted engaged Fortiss to perform administrative services.

4           48.     Every two years thereafter, the Bureau approved new TPPPS contracts between  
5 Knighted and PW Sonoma that included the disclosure that Knighted engaged Fortiss to perform  
6 administrative services.

7                     *ii.     PW Lotus contract with Knighted*

8           49.     Knighted first received Bureau approval to provide TPPPS to PW Lotus for the  
9 period August 18, 2012 through July 31, 2014.

10          50.     Knighted next received Bureau approval to provide TPPPS to PW Lotus for the  
11 period August 1, 2014 to July 31, 2016. This new contract disclosed that on or about February 8,  
12 2012, Knighted engaged Fortiss to perform administrative services.

13          51.     Every two years thereafter, the Bureau approved new TPPPS contracts between  
14 Knighted and PW Lotus that included the disclosure that Knighted engaged Fortiss to perform  
15 administrative services.

16                     *iii.     PW Cordova contract with Knighted*

17          52.     Knighted first received Bureau approval to provide TPPPS to PW Cordova for the  
18 period July 17, 2013, through June 30, 2015.

19          53.     A first amendment to the TPPPS contract between Knighted and PW Cordova was  
20 made effective on January 31, 2014, to add a provision that disclosed that on or about February 8,  
21 2012, Knighted engaged Fortiss to perform administrative services.

22          54.     Every two years thereafter, the Bureau approved new TPPPS contracts between  
23 Knighted and PW Cordova that included the disclosure that Knighted engaged Fortiss to perform  
24 administrative services.

25                     *iv.     PW 580 contract with Knighted*

26          55.     Knighted first received Bureau approval to provide TPPPS to PW 580 for the  
27 period April 10, 2012 to March 31, 2014.

28          56.     Knighted next received Bureau approval to provide TPPPS to PW 580 for the

1 period April 1, 2014 to March 31, 2016. This new contract also disclosed that on or about  
2 February 8, 2012, Knighted engaged Fortiss to perform administrative services.

3 57. Every two years thereafter, the Bureau approved new TPPPS contracts between  
4 Knighted and PW 580 that included the disclosure that Knighted engaged Fortiss to perform  
5 administrative services.

6 v. *PW Lodi contract with Knighted*

7 58. Knighted first received Bureau approval to provide TPPPS to PW Lodi for the  
8 period January 20, 2014 to December 31, 2015. This new contract disclosed that on or about  
9 February 8, 2012, Knighted engaged Fortiss to perform those administrative services identified in  
10 an exhibit to the contract.

11 59. Every two years thereafter, the Bureau approved new TPPPS contracts between  
12 Knighted and PW Lodi that included the disclosure that Knighted engaged Fortiss to perform  
13 administrative services.

14 **C. FORTISS' CONTRACTUAL RELATIONSHIP WITH KNIGHTED**

15 60. Choi testified that he hired Fortiss to assist Knighted because he knew that Fortiss  
16 operated with integrity and he could trust the people that worked there. Choi testified that Fortiss  
17 is the best in the industry and makes sure everything is aboveboard, clean, and accurate.

18 61. Fortiss has been party to multiple contracts with Knighted. Each of the contracts  
19 were signed by Choi, as the Managing Member of Knighted, and Vasey, as the CFO of Fortiss.  
20 Additionally, each contract allowed for either party to terminate the agreement by giving the other  
21 party at least thirty (30) days' prior written notice.

22 62. The first contract between Fortiss and Knighted became effective on February 8,  
23 2012 (First Contract). The contract, paragraph 1(a) provided that Fortiss shall render the services  
24 listed on Exhibit A:

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- Accounting Services
  - Review of all accounting work prepared by in-house staff
  - Process bi-weekly payroll utilizing ADP payroll services
  - Preparation of monthly financial statements
  - Co-ordinate and assistance with year-end audit by independent CPA firm
  - Assistance with annual tax returns prepared by independent CPA firm
  - Assist and maintain Company insurance
  
- Human Resources, Personnel Management, and Employment Relations Services
  - Provide general HR consulting services
  - Hiring and recruiting services
  - Provide new hire background Investigation, credit analysis, and drug testing
  - Provide training for new hires and retraining for existing employees
  - Maintain all employee benefit plans: i.e. medical, dental, vision, 401(k)
  - Process post-employment benefits
  - Process worker's compensation claims and unemployment claims
  
- IT Services
  - Support network infrastructure
  - Help desk support
  - E-Mail support
  - Various software systems support
  - Hardware support
  - Playing book ticket system support
  
- Assist with State and Local licensing and compliance
  - Assist with entity, owner, and employee state licensing and badging
  - Assist with local business licenses
  
- Assist with new contracts, amendments, and renewal

63. Additionally, paragraph 1(a) of the First Contract provided that “such fees shall not be changed for a period of one (1) year, commencing on the date hereof and are intended to allow Fortiss only to recover its costs and expenses without realizing any profit.”

64. Paragraph 1(b) of the First Contract provided that Fortiss may provide “unusual additional services not specifically addressed in Exhibit A. For such unusual or additional services, if requested, Fortiss will be compensated in amounts determined based upon hours of service rendered, if applicable, or in amounts otherwise agreed to by the parties and subject to the terms of this Agreement.”

65. The First Contract provided that Knighted would pay \$0 for the first four months, which would thereafter increase beginning June 1, 2012 to a fixed monthly fee of \$20,000.

66. A first amendment to the First Contract (Second Contract) was effective August 1,



1 2012 and increased the monthly fee to \$60,000 with all other terms remaining the same.

2 67. A new agreement was entered into effective March 1, 2014 (Third Contract). The  
3 monthly fee remained the same, but two categories of services from Exhibit A under the category  
4 of Human Resources were removed: hiring and recruiting services and provide training for new  
5 hires and retraining for existing employees.

6 68. A first amendment to the Third Contract dated March 1, 2014, was effective on  
7 July 1, 2014, increasing the monthly fee to \$100,000 with no change in services or terms (Fourth  
8 Contract).

9 69. A second amendment to the Third Contract became effective on March 1, 2015,  
10 and increased the monthly compensation to \$120,000 with no change in services or terms (Fifth  
11 Contract).

12 70. A new agreement was effective on October 1, 2018, making changes to the fee and  
13 services offered by Fortiss (Sixth Contract). The monthly fee in the Sixth Contract increased to  
14 \$166,667.

15 71. Additionally, the provision in prior contracts allowing for the provision of unusual  
16 or additional services was not included in the Sixth Contract. However, a new line item was  
17 added to Exhibit A to the Sixth Contract, allowing for the provision of “[a]dditional  
18 miscellaneous services as may be specifically requested by Client to Contractor in writing from  
19 time to time.” Miscellaneous services was not defined or limited in scope in the contract.

20 72. Additionally, the Sixth Contract added the following categories of services to the  
21 contract: Accounting: Provide recommendations to management concerning periodic accounting  
22 decisions; and Human Resources: Provide guidance for California employment laws and  
23 regulations compliance.

24 73. The Sixth Contract also removed certain HR categories of services from the  
25 contract: hiring and recruiting services; provide new hire background investigation, credit  
26 analysis, and drug testing; provide training for new hires and retraining for existing employees  
27 and; maintain all employee benefit plans: i.e. medical, dental, vision, 401(k).

28 74. Vasey testified that as part of the contract negotiations with Knighted, Fortiss

1 performs a confidential internal calculation to determine its fee which it charges Knighted. The  
2 fee is determined by asking Fortiss employees to estimate how much time they spend working for  
3 each company Fortiss services. Those percentages are used to allocate the salaries to each  
4 company Fortiss services on a pro-rata basis. Fortiss calculates its overhead based on its salary  
5 allocation, then 17% is added to that figure for a profit margin before billing Knighted. The last  
6 fee calculation was done in 2018.

7 75. In addition to Knighted, Fortiss also has service agreements with other companies  
8 owned by Choi: Citadel of Florida, LLC; Elevated, LLC; Knighted Pastures, LLC; Knighted  
9 Services; and Oakdale, LLC.

10 76. Choi testified that he has never seen a breakdown of how Fortiss calculates the  
11 monthly service fee paid by Knighted, but he believes the amount is reasonable based on the  
12 services provided.

13 **D. SERVICES PROVIDED BY FORTISS TO PARK CARDROOMS AND**  
14 **KNIGHTED**

15 *i. Services provided to Park Cardrooms*

16 77. Vasey testified that he reports directly to Park in his role at Fortiss and the Park  
17 Cardrooms. Vasey testified that Fortiss developed policies and procedures for each of the Park  
18 Cardrooms and departments to follow to ensure there are controls in place to prevent cheating,  
19 stealing, and improprieties. Vasey testified that he and Park follow the regulations to the best of  
20 their ability.

21 78. Vasey testified that Fortiss provides leadership training to the Park Cardrooms to  
22 ensure the General Managers (GM) have the tools and skills to implement these policies. Lisa  
23 Grehwohl, Fortiss' HR Manager, testified that Fortiss offers additional training, such as sexual  
24 harassment training, OSHA training, and schedules responsible gaming training for Park  
25 Cardroom employees.

26 79. Fortiss performs a wide array of HR services for Park Cardrooms, including  
27 recruiting. Fortiss also conducts internal investigations for the Park Cardrooms on behalf of Park,  
28 as the owner of the cardroom. Grehwohl is also responsible for a hotline for the Park Cardroom

1 employees to call and report any concerns anonymously.

2 80. PWCI has a compliance committee that meets quarterly and includes Vasey, Park,  
3 Grehwohl, and Fortiss' general counsel, Jeffrey Van Wagner (Van Wagner), among others.  
4 Contributors to the PWCI compliance committee include Tom Chan (Chan), Treasurer of Fortiss,  
5 and Benjamin Walsh, Corporate Counsel for Fortiss. This committee conducts quarterly audits on  
6 the Park Cardrooms. Grehwohl testified that if the quarterly audits conducted by the PWCI  
7 compliance committee found any deficiencies, she would work with the cardroom GM to resolve  
8 the findings.

9 81. Shaun Yaple (Yaple), former GM of PW Lodi and PW Cordova, testified that he  
10 would submit all contracts to Fortiss for review, which would then be returned to him with redline  
11 edits that he would accept. Vasey testified that Fortiss' attorney reviews all of the contracts  
12 entered into by Park Cardrooms.

13 82. Vasey testified that the GMs of Park Cardrooms are in charge of everything inside  
14 the facility, including hiring and firing. However, Yaple, testified that when he worked for PW  
15 Cordova as the GM between May 2014 and December 2018, he would need permission from  
16 Fortiss' legal counsel and HR prior to terminating the employees he managed.

17 83. Yaple also previously worked for Fortiss. Yaple testified that during the time he  
18 worked for Fortiss in 2005, until he left the GM position at PW Cordova, he noticed changes in  
19 the scope of services Fortiss provided to the Park Cardrooms. As Park purchased more  
20 cardrooms, Fortiss would subsume any cardroom staff that left. For instance, Yaple worked at  
21 PW Lodi for some time, and the cardroom had its own HR and accounting department when he  
22 arrived. However, as those staff moved on, Fortiss took over those roles.

23 *ii. Services Provided to Knighted*

24 84. Vasey testified that Fortiss provides less overall services to Knighted than to the  
25 Park owned entities it contracts with. Choi testified that over time, Knighted has brought more of  
26 the work in house that was previously done by Fortiss, such as IT, HR and training.

27 85. Vasey testified that Fortiss provides accounting services to Knighted, collects  
28 financial information, and produces financial statements. Fortiss also makes recommendations to

1 management on accounting decisions, such as how things should be depreciated, tax issues, and  
2 accounting for contracts. However, Choi testified that Knighted has its own accounting  
3 department with approximately six staff and a manager who ensure that proper accounts payable  
4 receipts and other documents are sent to Fortiss to process the payments. Choi testified that  
5 Fortiss assists with annual financial audits by providing auditors with access to Knighted's  
6 financial records in Fortiss' possession. Lee testified that for accounts payable, Fortiss compiles  
7 Knighted's bills and will scan and send them to Lee for approval. Then Fortiss processes the  
8 payments.

9 86. Vasey and Choi testified that the IT services Fortiss provides to Knighted are  
10 limited to providing tablets and ensuring the network is working for Knighted's electronic playing  
11 book system, Horus. Choi testified that Knighted has two regional managers overseeing IT, with  
12 approximately four staff members who are able to handle all of Knighted's other IT needs. Choi  
13 also testified that if there are needs unrelated to Horus that Knighted's own staff cannot meet,  
14 Knighted will retain an outside company, not Fortiss.

15 87. Choi testified that Knighted has its own HR department headed by a manager with  
16 approximately 20 staff who provide a full range of services. Choi testified that there are no HR  
17 services Knighted needs that its own HR staff cannot provide. However, Choi also testified that  
18 Fortiss handles the payroll processing for Knighted through ADP. Vasey testified that Fortiss also  
19 facilitates new hire background checks for Knighted through their contract with ADP. Grehwohl  
20 testified that Knighted reaches out to Fortiss' HR department "once in a blue moon."

21 88. Choi testified that Knighted's Director of Organizational Development oversees  
22 and provides leadership, management, and advanced development training. Additionally,  
23 Knighted's Head of Training has a large staff and provides all of the games training that Knighted  
24 requires. If Knighted requires any additional training, it will contract with an outside agency, not  
25 Fortiss.

26 89. Regarding legal services, Vasey, Choi and Lee testified that Knighted uses outside  
27 counsel for legal matters, but sometimes will seek advice from Fortiss' attorney on regulatory  
28 compliance issues. Vasey, Choi and Lee testified that Fortiss' role in preparation of TPPPS

1 contracts is minimal, such as typing up boilerplate language, spell checks, and grammar reviews.  
2 Choi testified that Fortiss' attorney does not provide any assistance in contract negotiations or  
3 advise on contract terms.

4 **E. CONCERNS RAISED BY BUREAU REGARDING THE THREE-PARTY**  
5 **RELATIONSHIP**

6 90. Gilleland and Anquoe both testified that they are not aware of any other situations  
7 in the California gaming industry where a cardroom and administrative services company like  
8 Fortiss share a common owner, and the services company also contracts to provide services to the  
9 cardroom and the cardroom's Third-Party Provider of Proposition Player Services. In the Bureau  
10 Report, and at the hearing, the Bureau raised several areas of concern stemming from the Three-  
11 Party Relationship.

12 *i. Fortiss' Power to Exercise Significant Influence Over Park Cardrooms*  
13 *and Knighted*

14 91. The Commission previously determined that Fortiss had the power to exercise  
15 significant influence over PW Cordova and thus directed the Fortiss Applicants to apply for  
16 licensure on that basis. An area of concern regarding the Knighted Applications is that if Fortiss  
17 also has the power to exercise a significant influence over Knighted, the Three-Party Relationship  
18 may allow for violation of Section 19984, subdivision (a), and Knighted would not be compliant  
19 with Section 19852, subdivision (i). Fortiss Applicants contend that Fortiss does not exercise  
20 significant influence over either Knighted or the Park Cardrooms.

21 *ii. Signature Authority of Tom Chan*

22 92. The Bureau's Report on the Fortiss Applications raises as an area of concern that  
23 Chan, Treasurer for Fortiss, had signature authority on Knighted's bank accounts.

24 93. In a June 9, 2020 letter to the Commission's Executive Director, Knighted's  
25 attorneys represented that on April 29, 2020, Fortiss and Knighted instituted additional controls  
26 regarding the release of checks in an attempt to alleviate the Bureau and Commission's concerns  
27 regarding Chan's signature authority.

28 94. In or around September 2021, Knighted and Fortiss revoked Chan's signing

1 authority upon the recommendation of Peter Brown of Green Hasson Janks, LLP. Brown is an  
2 auditor retained on behalf of Fortiss and Knighted with the scope of engagement being an internal  
3 controls review and investigation specifically designed to address concerns raised by the Bureau  
4 and Commission.

5 95. Gilleland testified that because Chan is an employee of Fortiss, and ultimately  
6 reports to Park, who also partially owns many of the cardrooms where Knighted provides TPPPS,  
7 Chan's signatory authority on Knighted's accounts, while being employed by the owner of the  
8 cardrooms Knighted contracts with, appeared to him to be collusive.

9 *iii. PW Cordova Dealer Cheating Incident*

10 96. Nathan DaValle (DaValle), Assistant Director of the Bureau's Compliance and  
11 Enforcement Section, testified that he has worked for the Bureau for almost ten years. DaValle  
12 stated that incident reports, by regulation, are due within five days of the cardroom having  
13 information indicating a violation occurred. Incident reports can be submitted on a form provided  
14 by the Bureau, or other written form that contains the required information.

15 97. On or about December 1, 2014, PW Cordova was alerted by representatives of  
16 Knighted that there was a concern that there were irregularities in the dealing procedure for  
17 Ultimate Texas Hold'em. GM Yaple began an investigation of Knighted's claims.

18 98. From December 1 to 7, 2014, GM Yaple and Security Manager Ryan Woodson  
19 (Woodson) reviewed the video surveillance for the past 18 months to verify the claimed  
20 irregularities. On December 3, 2014, Yaple met a Fortiss training consultant, to review video,  
21 after which the consultant and Yaple were concerned with the dealing procedures of at least one  
22 PW Cordova dealer.

23 99. On approximately December 8, 2014, Yaple, Casino Manager Jared Horstman  
24 (Horstman), and Woodson met with the Fortiss training consultant and PW Cordova's security  
25 consultant, Elijah Zuniga (Zuniga), to review their findings. They concluded that three dealers  
26 were intentionally exposing the dealer's bottom home card to give a player an unfair statistical  
27 advantage. Immediately after this meeting, Zuniga contacted Bureau Special Agents Yolanda  
28 Sanchez (Sanchez) and James Rodriguez (Rodriguez).

1           100. On approximately December 8, 2014, Sanchez and Rodriguez met with Yaple,  
2 Horstman, and Woodson at PW Cordova where they watched surveillance tape, discussed how  
3 the cheating took place, and summarized the dates and times of each violation and the participants  
4 in the cheating incident by name. Sanchez requested a copy of the surveillance tape and incident  
5 report. However, these items were not provided, in part because PW Cordova needed to obtain  
6 equipment with sufficient storage to copy the surveillance footage to, and because Horstman had  
7 sent the draft incident report to Van Wagner, Fortiss' General Counsel, for review.

8           101. On January 6, 2015, Sanchez notified Yaple she would be at PW Cordova the  
9 following day to review the three dealers' employment files, pick up the surveillance video and  
10 the incident report.

11           102. On January 7, 2015, Sanchez was given an incomplete draft of the incident report.  
12 Vasey spoke with Sanchez and told her that PW Cordova's final incident report was completed,  
13 but due to the sensitive nature of the claims, the report was still being reviewed by Van Wagner  
14 before submitting it. Vasey testified that Fortiss' attorney reviewed the report to consider HR  
15 implications and Park's liability in anticipated employment litigation.

16           103. Due to the delay in providing the Bureau with a final incident report, the Bureau  
17 issued a Letter of Warning to PW Cordova on January 7, 2015. According to the letter, PW  
18 Cordova submitted the final incident report to the Bureau on January 10, 2015.

19           104. Yolanda Morrow (Morrow), Director of the Bureau, and DaValle testified that the  
20 dealer cheating incident at PW Cordova was concerning because the incident report is typically  
21 the Bureau's first indication that an incident occurred, and Bureau agents need the information to  
22 start their investigation. If an incident report is withheld, or sanitized in some way, it can  
23 compromise the Bureau's investigation.

24           105. Morrow additionally testified that when a designated agent or third party goes  
25 beyond facilitating communications between an applicant and the Bureau, such as occurred in this  
26 matter, it leads the Bureau to inquire whether licensure is required. Morrow further testified that  
27 this incident and the nature of the Three-Party Relationship concerned the Bureau that there could  
28 be potential violations that would not be reported to the Bureau as required.

1           106. Morrow also testified that it was Fortiss' involvement in the dealer cheating  
2 incident that changed the Bureau's position regarding Fortiss' ability to exercise significant  
3 influence over the gambling operations of Park Cardrooms. Morrow also shared these concerns  
4 with the Commission at the licensing meeting on October 20, 2016, after which, the Commission  
5 approved the PW Cordova application on the condition that Vasey and Fortiss become licensed.

6                   *iv. Access to Financial Information for Non-Park Owned Cardrooms*

7           107. Knighted utilizes an electronic playing book system known as the Horus System.<sup>11</sup>  
8 The Horus System is an electronic table management system which allows the collection and  
9 entry of playing book forms using a wireless device or tablet. Also, this device is utilized to  
10 electronically enter playing book tickets into the database. In addition, it is used to open podiums  
11 and tables.

12           108. Horus information is stored in a centralized database and application server, which  
13 can be utilized by authorized persons to review data for audit and accounting purposes. Vasey  
14 testified that the only financial data collected by Horus are Knighted's net wins and losses.

15           109. Knighted is required by regulation to maintain playing books. Knighted has opted  
16 to use electronic playing books utilizing the Horus system. On March 15, 2019, Knighted  
17 submitted an application for approval to the Bureau to use Horus electronic playing book system.  
18 On August 27, 2019, the Bureau issued an approval for Knighted to begin using Horus effective  
19 September 26, 2019.

20           110. Vasey testified that Fortiss conducts Knighted's accounting and has access to  
21 almost all of Knighted's financial data. While it was alleged that Park does not have access to the  
22 accounting system at Fortiss, he owns the company so he could ask for the information or obtain  
23 access outright. Vasey also testified that he looks at financial information for all the companies  
24 Fortiss services because he is involved with ensuring proper audits are done.

25           111. Morrow testified that the Bureau is concerned that Knighted shares revenue  
26 information with Fortiss because it enhances the danger of unsuitable practices in the operation of

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27           <sup>11</sup> A report by Peter Brown of Green Hasson Janks, LLP noted that Horus was developed by and  
28 is owned by Holy Grail Gaming, Inc. (Holy Grail). Park is the majority shareholder of Holy Grail. Vasey  
testified that Park developed the Horus software.



1 the cardroom. Morrow expressed concern that the contract fee Fortiss charges Knighted could be  
2 based on Knighted's TPPPS revenue rather than the actual value of the services provided.

3 112. Gilleland, testified that he believes there is an appearance of collusion based on  
4 Park's access to information through the Horus system. Gilleland testified that it is concerning for  
5 an administrative services company to have working knowledge of, and financial knowledge of,  
6 both the cardroom and the third party that are supposed to be operating independently.

7 113. Gilleland and Anquoe testified that Knighted provides TPPPS to cardrooms not  
8 affiliated with Park, leading to a concern that Park, as the owner of Fortiss, can access financial  
9 information relating to Knighted's revenue at competing cardrooms.

#### 10 **ASSESSMENT OF FORTISS' SUITABILITY AND QUALIFICATION FOR LICENSURE**

##### 11 **A. FORTISS HAS THE POWER TO EXERCISE SIGNIFICANT 12 INFLUENCE OVER THE PARK CARDROOMS, BUT NOT OVER 13 KNIGHTED**

##### 14 *i. Fortiss Has the Power to Exercise Significant Influence Over The 15 Park Cardrooms*

16 114. The Commission concludes that Fortiss must maintain licensure for each of the  
17 Park Cardrooms it contracts with due to its ability to exercise significant influence over the  
18 gaming operations.

19 115. Fortiss offers a full scale of services that the Park Cardrooms could not operate  
20 without, including HR, accounting, IT, and legal services. Fortiss' legal services include guidance  
21 with state and local licensing laws as well as Commission regulations, which is one of the most  
22 important aspects of conducting compliant gaming operations.

23 116. Fortiss has the ability to manage policy and procedures at the Park Cardrooms  
24 based on the common ownership, board members, and management team between Fortiss, PWCI,  
25 and the Park Cardrooms.

26 117. Fortiss is also able to influence policy processes at the Park Cardrooms through its  
27 role as a legal and HR advisor to PWCI and the Park Cardrooms. The May 2021 and October  
28 2018 service agreements between Fortiss and PWCI provide that Fortiss "will assist [PWCI]  
management in periodic decisions." The October 2018 agreement further added that Fortiss will

1 assist management with periodic decisions in the specific areas of business services and financial  
2 decisions.

3 118. Fortiss developed policies and procedures for each of the Park Cardrooms and  
4 departments to follow. Fortiss also trains the Park Cardroom staff to follow those policies and  
5 procedures. Fortiss management contributes and serves on the compliance committees for PWCI,  
6 including Vasey, Park, Grewohl, and Van Wagner. The PWCI committee audits the Park  
7 Cardrooms and works to achieve necessary corrective action.

8 119. In addition to the overlapping management and ownership of Fortiss and PWCI,  
9 Fortiss also has a physical presence at the PW Cordova through its HR Department. Fortiss' HR  
10 Department located at PW Cordova is accessible to PW Cordova managers with access key cards  
11 and there is an open door policy for PW Cordova employees to seek advice. Additionally, Fortiss  
12 HR staff use the employee entrance and can access "back of the house" areas used by PW  
13 Cordova employees. Fortiss HR staff do not wear uniforms or name tags to indicate that they are  
14 not cardroom employees. These facts may lead to a perception that Fortiss' HR staff and PW  
15 Cordova staff have the same employer.

16 120. Fortiss HR recruits and selects candidates for the Park Cardrooms to interview  
17 when requested. Fortiss conducts investigations and receives hotline calls. While the evidence  
18 varied as to how much weight Fortiss exerts over the HR functions of the Park Cardrooms, the  
19 testimony of Yapple was particularly persuasive, as he is the only witness who does not rely on  
20 Park for a paycheck. Yapple testified that when he was the GM of PW Cordova, he could not  
21 terminate employees without approval of Fortiss HR and legal.

22 121. However, Fortiss' ability to exercise significant influence over the Park Cardrooms  
23 does not negatively impact Fortiss' qualifications or suitability for licensure, because Fortiss does  
24 not have the ability to exercise a significant influence over Knighted.

25 ii. *Fortiss Does Not Have the Power to Exercise Significant Influence*  
26 *Over Knighted*

27 122. Knighted contracts for several services from Fortiss that it does not currently  
28 utilize. Knighted has brought most of its administrative work in-house, including IT, HR,

1 accounting, and training. Knighted is able to meet all of its training needs in-house, and most of  
2 its IT, HR, and accounting needs.

3 123. The services actually provided by Fortiss are administrative in nature and do not  
4 indicate an ability to exercise significant influence over the operations. For instance, Fortiss  
5 processes payroll, but it does not determine the wages set or the hours worked by Knighted's  
6 employees. Likewise, Fortiss processes new hire background checks for Knighted, but has no  
7 other involvement in the hiring or recruitment process.

8 124. There is no indication that Fortiss directs or influences policies at Knighted.  
9 Knighted contracts with outside counsel for most legal services. Knighted does not share common  
10 ownership with Fortiss. While Knighted occasionally contacts Fortiss' legal department, it mostly  
11 uses outside counsel. Fortiss does not develop policies or conduct training for Knighted. Because  
12 Fortiss does not have the ability to exercise significant influence over Knighted, the Commission  
13 has no suitability concerns relating to Fortiss' power to exercise significant influence over the  
14 Park Cardrooms so long as the Fortiss Applicants maintain their licensure.

15 **B. THE COMMISSION IS SATISFIED THAT THE FORTISS APPLICANTS**  
16 **POSSESS THE REQUISITE CHARACTER, HONESTY, AND INTEGRITY**  
17 **FOR LICENSURE**

18 125. Park has worked in the industry since 2007 and Vasey since 2011. The Fortiss  
19 Applicants have been thoroughly investigated in relation to their licenses.

20 126. The Commission instructed the Fortiss Applicants to apply for licensure, and they  
21 did. The Fortiss Applicants have been transparent and cooperative with the Bureau throughout the  
22 background investigation process. Fortiss even invited the Bureau to tour their operations in 2014  
23 and again in 2017.

24 127. Further, the Fortiss Applicants have been forthcoming about the existence of the  
25 Three-Party Relationship since 2012. The Park Cardrooms amended their TPPPS contracts with  
26 Knighted to disclose the fact that Fortiss also provides services to Knighted. Further, the  
27 existence of the Three-Party Relationship was ascertainable to the Bureau through the  
28 applications filed by Fortiss and through the process to approve Knighted to use the Horus  
system.

1           128. Choi testified that Fortiss operates with integrity, is the best in the industry and  
2 makes sure everything is aboveboard, clean, and accurate.

3           129. The late submission of the incident report for the PW Cordova dealer cheating  
4 incident caused by Fortiss is concerning, mainly because the delay was caused by Fortiss' legal  
5 counsel, whom the Park Cardrooms and PWCI rely on for advice on compliance with gaming  
6 laws. Also concerning is that while testifying regarding this incident, the Fortiss Applicants  
7 expressed disbelief that the Bureau would take issue with a delay in the incident report rather than  
8 expressing remorse or a desire to do things differently in the future.

9           130. Fortiss' failure to timely file the incident report in relation to the PW Cordova  
10 cheating incident is strongly mitigated, however, by the fact that the cardroom's consultant,  
11 Zuniga, contacted the Bureau about the incident, and PW Cordova management provided all  
12 information required to be included in an incident report within the required timeframe. A draft  
13 incident report was also provided within the required timeframe, which included the pertinent  
14 information.

15           131. Regarding Chan's signatory authority, Fortiss allowed a change in policy  
16 regarding the signature process for Knighted checks in attempt to alleviate Bureau and  
17 Commission concerns. Ultimately, Chan's signature authority was revoked by Fortiss in response  
18 to an auditor's recommendation in September 2021.

19           132. The Commission shares the Bureau's concerns regarding Park's access to  
20 Knighted's financial information. However, the Commission finds that there is no evidence that  
21 any of the Fortiss Applicants have done anything illegal or improper with Knighted's financial  
22 information. Additionally, there was no evidence offered that a collusive relationship currently  
23 exists between Knighted and Fortiss.

24           133. Vasey and Park have implemented policies, procedures, and leadership training to  
25 create a culture of compliance at the Park Cardrooms. Vasey's testimony that he and Park strive  
26 to comply with regulations was credible. Based on the foregoing, the Commission is satisfied that  
27 the Fortiss Applicants are persons of good character, honesty, and integrity.

28 ///

1           **C. THE COMMISSION IS NOT SATISFIED THAT THE FORTISS**  
2           **APPLICANTS ARE OTHERWISE QUALIFIED FOR LICENSURE DUE**  
3           **TO THE EXISTENCE OF THE THREE-PARTY RELATIONSHIP.**  
4           **HOWEVER, THESE CONCERNS CAN BE ALLEVIATED BY THE**  
5           **ISSUANCE OF A CONDITION**

6           134. The Commission is concerned with the Fortiss Applicants’ qualifications under  
7 Sections<sup>12</sup> 19856 and 19857 based on the Three-Party Relationship and in light of the prior  
8 finding that Fortiss has the ability to exercise significant influence over each of the Park  
9 Cardrooms. These concerns can be broken into three areas: (1) the perception of a collusive  
10 arrangement; (2) the potential for violation of Section 19984; and (3) the potential for violation of  
11 TPPPS contract provisions.

12                   *i. The Three-Party Relationship Creates the Perception of a Collusive*  
13                   *Arrangement Between Fortiss and Knighted*

14           135. The perception of a collusive arrangement between Fortiss and Knighted is  
15 grounds for denial of a license, or imposition of a condition on a license, under Sections 19856,  
16 subdivision (c) and 19857, subdivision (b).

17           136. Section 19856, subdivision (c), provides that the Commission shall consider  
18 whether issuance of a license is inimical to public health, safety, or welfare, and whether issuance  
19 of the license will undermine public trust that the gambling operations with respect to which the  
20 license would be issued are free from criminal and dishonest elements and would be conducted  
21 honestly.

22           137. Section 19857, subdivision (b), prohibits licensure when the Commission is not  
23 satisfied that the applicant is a person whose associations do not pose a threat to the public  
24 interest of this state, or to the effective regulation and control of controlled gambling, or create or  
25 enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the  
26 conduct of controlled gambling or in the carrying on of the business and financial arrangements  
27 incidental thereto.

28           138. The perception that there may be a collusive arrangement between Fortiss and the

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<sup>12</sup> All statutory references refer to the California Business and Professions Code unless otherwise stated.

1 TPPPS that services the Park Cardrooms, which Fortiss has the ability to exercise significant  
2 influence over, will undermine public trust that gambling operations are free from criminal and  
3 dishonest elements. It also poses a threat to the effective regulation of controlled gambling, and  
4 enhances the dangers of unsuitable and unfair activities.

5 139. The Commission's TPPPS contract regulations were designed to ensure that there  
6 is a clear separation between the House<sup>13</sup> and the third-party provider, with all financial  
7 arrangements between the two outlined within the TPPPS contract which is reviewed and  
8 approved by the Bureau, in advance of performing TPPPS.

9 140. CCR section 12272 requires that a TPPPS contract be disapproved if it undermines  
10 public trust that the controlled gambling operations covered by the contract will be conducted  
11 honestly, by reason of the existence or perception of any collusive arrangement between any party  
12 to the contract and the cardroom owner type licensee or TPPPS business endorsee licensee or  
13 otherwise.

14 141. While there is not a definition of "collusion" or "collusive arrangement" in the  
15 Gambling Control Act or regulations, the Commission does not limit "collusion" to only secretive  
16 agreements, as suggested by the Fortiss Applicants during the hearing. While a secret agreement  
17 may be more likely to be collusive, the above Sections and regulation indicate that the type of  
18 relationship which exhibits a collusive arrangement and prohibits approval of a TPPPS contract is  
19 one that offers an unfair advantage to one or more of the contracting parties, damages public trust,  
20 and enhances the likelihood of unsuitable or illegal practices in the conduct of controlled  
21 gambling or in the carrying on of the business and financial arrangements of controlled gambling.

22 142. Fortiss shares ownership and management with, and has the ability to exercise a  
23 significant influence over the Park Cardrooms. Knighted has a strong financial interest in  
24 maintaining its TPPPS contracts with the Park Cardrooms.

25 143. There is a perception that Knighted contracts with Fortiss for a number of services  
26 that it does not actually need. For instance, Knighted contracts with Fortiss for HR, accounting,

27 \_\_\_\_\_  
28 <sup>13</sup> "House" is defined in Section 19805, subdivision (j) as "the gambling enterprise, and any  
owner, shareholder, partner, key employee, or landlord thereof."

1 and IT services, despite having its own specialized departments that provide those same services  
2 Based on the testimony of Choi and Lee, the services relating to contracts that Fortiss offers are  
3 limited to spelling and grammar checks.

4 144. Additionally, when Fortiss and Knighted entered into the Third Contract in  
5 August 2012, the price significantly increased even though two major categories of HR services  
6 were removed from the contract: hiring and recruiting, and providing training for new hires and  
7 retraining for existing employees. Similarly, despite the testimony that Fortiss provides minimal  
8 legal services to Knighted, the contract fee increased significantly when legal services were added  
9 to the Sixth Contract.

10 145. An additional perception is that Knighted may pay a disproportionate amount for  
11 services based on a lack of accounting done to allow Knighted to quantify the time spent on the  
12 services provided or the value of those services. Fortiss does not document the work performed to  
13 Knighted or undergo a regular evaluation as to whether its services/costs align with the contract  
14 price paid by Knighted. Fortiss will evaluate the contract fee using employee time estimates for  
15 type of work performed per entity. The Second Contract, Fourth Contract, and Fifth Contract all  
16 increased the contract fee despite there being no change in the terms or services offered.  
17 Additionally, the Second Contract raised the contract fee after eight months, despite a provision  
18 in the First Contract stating the price would not be raised for one year. While the Knighted and  
19 Fortiss Applicants had a reasonable explanation for these increases due to an increase in  
20 Knighted's business and number of employees, the perception remains that it is possible for  
21 Fortiss to arbitrarily set and raise the contract price.

22 146. Additionally, Knighted relies on Fortiss for use of its electronic playing book  
23 system and for related technical support. Half of the tables Knighted services are at Park  
24 Cardrooms. Despite Knighted's reliance on its relationship with Fortiss to use the Horus system,  
25 the service agreement can be cancelled at any time by Fortiss with only 30 days' notice. There is  
26 no provision in the contract for Knighted to continue to use Horus outside of the administrative  
27 services contract and sudden cancelation of the contract could be detrimental to Knighted from a  
28

1 financial perspective. These factors lead to a clear perception that Knighted may be compelled to  
2 agree to and not question any contract fee Fortiss proposes.

3 147. When Knighted uses Fortiss' legal services, they are receiving advice from an in-  
4 house attorney employed by Fortiss. Fortiss' ability to influence and advise as to regulatory issues  
5 for both Knighted and Park Cardrooms, gives potential for advice to be given and decisions to be  
6 made to benefit Park Cardrooms to the detriment of Knighted.

7 148. Finally, Fortiss can fully access Knighted's financial records, which gives Park  
8 and Vasey access to financial information concerning Knighted's profits at other cardrooms that  
9 Knighted contracts with that are competitors of Parks. These factors all lead the Commission to  
10 conclude that a perception of collusion arises from the Three-Party Relationship and is a basis for  
11 denial of a license, or imposition of a condition on a license, under Sections 19856, subdivision  
12 (c), and 19857, subdivision (b).

13 ii. *The Three-Party Relationship Allows For Circumvention of Section*  
14 *19984*

15 149. Section 19984, subdivision (a) prohibits the House from having an interest in  
16 funds wagered, lost or won. At the heart of this provision and the Commission's TPPPS contract  
17 regulations, is a need for the Third-Party Provider to be owned and operated separately from the  
18 House. The Three-Party Relationship creates the potential for circumvention of Section 19984,  
19 subdivision (a) and is therefore grounds for denial or conditioning of a license under Sections  
20 19856, subdivision (c), and 19857, subdivision (b).

21 150. The close relationship between Fortiss and Park Cardrooms (the House), with their  
22 common ownership, management, and policy influences, may undermine the public trust by  
23 creating a perception that Fortiss is part of, or an extension of, the House which would make  
24 Fortiss' contract with Knighted a violation of Section 19984, subdivision (a).

25 151. Additionally, the Three-Party Relationship makes it feasible for Knighted to pay  
26 Park Cardrooms (the House), through payments to Fortiss, for services that are not performed, to  
27 overpay for services performed, or to pay for services that it does not actually need simply to  
28 keep its access to Park Cardrooms. Park and Vasey's access to Knighted's financial information



1 also creates the potential for increases in the Fortiss and Knighted contract to be based on a  
2 comparison of Knighted's revenue versus the TPPPS contract fee agreed to and approved by the  
3 Bureau. While there are no findings that the parties are currently in violation of Section 19984,  
4 the situation is ripe for a violation to occur.

5  
6 *iii. The Three-Party Relationship Enhances the Dangers of Unsuitable,  
Unfair, or Illegal Practices*

7 152. Issuance of the licenses without conditions would enhance the dangers of  
8 unsuitable, unfair, or illegal practices, or in the carrying on of the financial arrangements incident  
9 thereto, by allowing for circumvention of Section 19984, as discussed previously, and the TPPPS  
10 contract regulations, which is grounds for denial or conditioning of the Fortiss Applications under  
11 Section 19857, subdivision (b), and also contributes to the Commission's conclusion that the  
12 contract between Fortiss and Knighted is collusive.

13 153. CCR section 12270, subdivision (b)(14), requires a full disclosure of the financial  
14 relationship between the cardroom business licensee and any licensee covered by the TPPPS  
15 contract. Further, CCR 12270, subdivision (b)(21), requires that the TPPPS contract be a  
16 complete expression of all agreements and financial arrangements between the parties. The  
17 Three-Party Relationship allows for circumvention of these contract requirements because the  
18 former and current contracts contain broad categories of services, including "unusual or  
19 additional services" in the First to Fifth Contracts. Additionally, the Sixth Contract entered into  
20 October 2018, allowed for the provision of "[a]dditional miscellaneous services as may be  
21 specifically requested by Client to Contractor in writing from time to time."

22 154. Further, the contract fee changed at unspecified intervals, using a vague  
23 methodology, and the contract services are not broken out by cost and there is not itemized  
24 billing. The aforementioned circumstances enhance the danger of unsuitable practices, such as  
25 payment of services that are grossly disproportionate to the value received, or are a work-around  
26 for payments to Park Cardrooms that are not allowable under the TPPPS contract regulations.

27 155. Additionally, the nature of the Three-Party Relationship gives the Park Cardrooms  
28 (the House) access through Fortiss to the Knighted's financial information and control over

1 several aspects of Knighted's financial accounting and auditing. This also enhances the danger of  
2 unsuitable or illegal practices, especially coupled with the fact that Fortiss also contracts with  
3 other companies owned by Park and Choi, creating a feasible method to launder, misappropriate,  
4 or move funds in a manner that was not contained in the TPPPS contract and approved by the  
5 Bureau in advance. While there is no evidence that these practices are occurring,  
6 the nature of the Three-Party Relationship enhances the dangers of unsuitable practices and thus  
7 is prohibited.

8 **D. THE PERCEPTION OF A COLLUSIVE ARRANGEMENT AND**  
9 **POTENTIAL FOR VIOLATION OF SECTION 19984 AND TPPPS**  
10 **CONTRACT REGULATIONS PRECLUDES RENEWAL OF THE TPPPS**  
11 **CONTRACT BETWEEN KNIGHTED AND PARK CARDROOMS**  
12 **ABSENT A CONDITION**

13 157. CCR section 12200.9, subdivision (a)(1)(D), prohibits approval by the Bureau of a  
14 TPPPS contract that undermines the public trust that the controlled gambling operations covered  
15 by the contract will be conducted honestly, by reason of the existence or perception of any  
16 collusive arrangement between any party to the contract and the holder of a state gambling  
17 license, or otherwise. By virtue of the Commission's findings in this decision that the Three-Party  
18 Relationship creates the perception of a collusive relationship between Fortiss and Knighted, and  
19 enhances the potential for violations of Section 19984 and TPPPS contract regulations, future  
20 TPPPS contracts between Knighted and the Park Cardrooms cannot be approved by the Bureau  
21 absent compliance with the condition imposed in the order herein.

22 **LEGAL CONCLUSIONS**

23 158. Division 1.5 of the Business and Professions Code, the provisions of which govern  
24 the denial of licenses on various grounds, does not apply to licensure decisions made by the  
25 Commission under the Gambling Control Act. Business and Professions Code section 476(a).

26 159. Public trust and confidence can only be maintained by strict and comprehensive  
27 regulation of all persons, locations, practices, associations, and activities related to the operation  
28 of lawful gambling establishments and the manufacture and distribution of permissible gambling  
equipment. Business and Professions Code section 19801(h).

1           160. In reviewing an application for any license, the Commission shall consider  
2 whether issuance of the license is inimical to public health, safety, or welfare, and whether  
3 issuance of the license will undermine public trust that the gambling operations with respect to  
4 which the license would be issued are free from criminal and dishonest elements and would be  
5 conducted honestly. Business and Professions Code section 19856(c).

6           161. The Commission has the responsibility of assuring that licenses, approvals, and  
7 permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose  
8 operations are conducted in a manner that is inimical to the public health, safety, or welfare.  
9 Business and Professions Code section 19823(a)(1).

10           162. An “unqualified person” means a person who is found to be unqualified pursuant  
11 to the criteria set forth in Section 19857, and “disqualified person” means a person who is found  
12 to be disqualified pursuant to the criteria set forth in Section 19859. Business and Professions  
13 Code section 19823(b).

14           163. The Commission has the power to deny any application for a license, or to limit,  
15 condition, or restrict a license, for any cause deemed reasonable by the Commission. Business  
16 and Professions Code section 19824(b).

17           164. The Commission has the power to take actions deemed to be reasonable to ensure  
18 that no ineligible, unqualified, disqualified, or unsuitable persons are associated with controlled  
19 gambling activities. Business and Professions Code section 19824(d).

20           165. The Commission may require that persons who, in the judgment of the  
21 Commission, has the power to exercise significant influence over the gambling operation, apply  
22 for a gambling license. Business and Professions Code section 19853(a)(6).

23           166. The Commission’s directive that Fortiss seek licensure is within the Commission’s  
24 specific authority under Section 19853. Conditioning a license was an appropriate method for the  
25 Commission to exercise its judgment and order Fortiss to apply for licensure based on its power  
26 to exercise significant influence over the Park Cardrooms.

27           167. The burden of proving qualifications to receive any license from the Commission  
28 is on the applicant. Business and Professions Code section 19856(a); CCR section 12060(i).

1           168. No gambling license shall be issued unless, based on all the information and  
2 documents submitted, the Commission is satisfied that the applicant is a person of good character,  
3 honesty, and integrity. Business and Professions Code section 19857(a).

4           169. No gambling license shall be issued unless, based on all of the information and  
5 documents submitted, the Commission is satisfied that the applicant is a person whose reputation,  
6 habits, and associations do not pose a threat to the public interest of this state, or to the effective  
7 regulation and control of controlled gambling, or create or enhance the dangers of unsuitable,  
8 unfair, or illegal practices, methods, and activities in the conduct of controlled gambling or in the  
9 carrying on of the business and financial arrangements incidental thereto. Business and  
10 Professions Code section 19857(b).

11           170. No gambling license shall be issued unless, based on all of the information and  
12 documents submitted, the Commission is satisfied that the applicant is a person that is in all other  
13 respects qualified to be licensed as provided in this chapter. Business and Professions Code  
14 section 19857(c).

15           171. The Fortiss Applicants have established that they have the requisite character,  
16 honesty, and integrity for licensure.

17           172. Based on the findings in this decision, the Commission has concluded that the  
18 Three-Party Relationship creates the perception of a collusive arrangement, allows for  
19 circumvention of Section 19984, and enhances the dangers of unsuitable, unfair, or illegal  
20 practices, and thus constitutes grounds for denial of associated State Gambling Licenses or  
21 imposition of a condition, and will also prohibit approval of a TPPPS contract between parties to  
22 the Three-Party Relationship.

23           173. Based on the foregoing, the Commission is not satisfied that the Fortiss Applicants  
24 are qualified for licensure under Sections 19856, subdivision (c), and Section 19857, subdivisions  
25 (b) and (c), based on the Three-Party Relationship. However, the Commission is satisfied that if  
26 not for the Three-Party Relationship, Fortiss would be qualified for licensure. Therefore, the  
27 Fortiss Applications are approved with a condition requiring severance of the Three-Party  
28 Relationship.

1           174. All documentary and testimonial evidence submitted by the parties that is not  
2 specifically addressed in this Decision and Order was considered but not used by the Commission  
3 in making its determination on the Fortiss Applications.

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**NOTICE OF APPLICANT’S APPEAL RIGHTS**

Applicants have the following appeal rights available under state law:

CCR section 12064, subdivisions (a) and (b) provide, in part:

(a) After the Commission issues a decision following a GCA hearing conducted pursuant to Section 12060, an applicant denied a license, permit, registration, or finding of suitability, or whose license, permit, registration, or finding of suitability has had conditions, restrictions, or limitations imposed upon it, may request reconsideration by the Commission. A request for reconsideration must be:

(1) Made in writing to the Commission, copied to the Complainant. The Bureau may provide a written response to the Commission within 10 calendar days of receipt of the request; and

(2) Received by the Commission and Complainant within 30 calendar days of service of the decision, or before the effective date specified in the decision, whichever is earlier.

(b) A request for reconsideration must state the reasons for the request, which must be based upon either:

(1) Newly discovered evidence or legal authorities that could not reasonably have been presented before the Commission’s issuance of the decision or at the hearing on the matter; or,

(2) Other good cause which the Commission may decide, in its sole discretion, merits reconsideration.

Business and Professions Code section 19870, subdivision (f) provides:

A decision of the commission after an evidentiary hearing, denying a license or approval, or imposing any condition or restriction on the grant of a license or approval may be reviewed by petition pursuant to Section 1085 of the Code of Civil Procedure. Section 1094.5 of the Code of Civil Procedure shall not apply to any judicial proceeding held to consider that petition, and the court may grant the petition only if the court finds that the action of the commission was arbitrary and capricious, or that the action exceeded the commission's jurisdiction.

CCR section 12066, subdivision (c) provides, in part:

Neither the right to petition for judicial review nor the time for filing the petition will be affected by failure to seek reconsideration.

**ORDER**

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1. The Applications for State Gambling License for Fortiss, LLC, and its members, Michael Vasey and the John H. Park Trust Under Declaration of Trust Dated July 18, 2012, John Park as the Manager of Fortiss, LLC and the trustee, settlor, and beneficiary of the Trust, and Emily Park as the Trust’s successor trustee are APPROVED with the following conditions:

(1) Fortiss, LLC must cancel the administrative services agreement with Knighted Ventures, LLC by December 31, 2023, which may be extended by order of the Commission upon a showing of good cause.

(2) Fortiss, LLC must provide a report to the Bureau every 60 days on its progress in cancelation of the administrative services agreement with Knighted Ventures, LLC and severance of the services provided, therein.

2. No costs are awarded.

3. Each side to pay its own attorneys’ fees.

This Order is effective on February 27, 2023.

Dated: 1/26/2023 Signature:   
38D0AB38C651466...  
Paula LaBrie, Chair

Dated: 1/26/2023 Signature:   
3D1DB086F9274AA...  
Cathleen Galgiani, Commissioner

Dated: 1/26/2023 Signature:   
2B4CE9520F8845C...  
Eric Heins, Commissioner

Dated: 1/26/2023 Signature:   
7722F4571120449...  
William Liu, Commissioner

Dated: 1/26/2023 Signature:   
14B4AD3B90F8462...  
Edward Yee, Commissioner