

PokerStars Wins Court Ruling Keeping Casino Purchase Alive

Written by Administrator
Wednesday, 08 May 2013 02:31 -

PokerStars, seeking to buy the Atlantic Club Casino Hotel in [New Jersey](#) , won a temporary court order barring owner Colony Capital LLC from ending their sale agreement or approaching others to purchase the property.

The order, issued today by New Jersey Superior Court Judge Raymond A. Batten in Mays Landing, prevents Colony Capital from terminating the sale to PokerStars until a May 17 hearing. PokerStars, the largest online poker site in the world, is a division of Isle of Man-based Rational Group Ltd.

“This step has been taken to protect Rational Group’s rights and interests under the purchase agreement and reflects the Group’s desire to complete the acquisition of the Atlantic Club,” Eric Hollreiser, a spokesman for the company, said in an e-mailed statement.

[Owen Blicksilver](#) , a spokesman for [Tom Barrack](#) ’s Colony Capital, declined to comment.

PokerStars agreed in December to pay \$15 million to buy the casino, formerly a Hilton, as a way of entering the online gambling market in the U.S., according to the complaint. An online gambling bill signed into law by New Jersey Governor [Chris Christie](#) on Feb. 26 requires operators to have a physical presence there.

Colony had difficulty selling the casino because of \$30 million in unfunded pension liabilities and declining gambling in [Atlantic City](#) , according to PokerStars’ complaint. The buyer agreed to fund operating shortfalls of as much as \$750,000 a week until the deal closed.

Through those payments, Rational had put out \$11 million, according to the complaint. Owners, led by Colony, terminated the deal on April 26, and have asked for the remaining \$4 million of the purchase price as a termination fee, according to the complaint.

Rational said it believes Colony Capital terminated the agreement so it could sell the property for a higher price after New Jersey enacted its gambling legislation in February.

PokerStars Wins Court Ruling Keeping Casino Purchase Alive

Written by Administrator

Wednesday, 08 May 2013 02:31 -

The U.S. casino industry opposes the PokerStars effort to buy the Atlantic City property. The American Gaming Association's protest to state regulators focuses on PokerStars' prosecution last year for bank fraud and [money laundering](#) .

PokerStars reached an agreement with the U.S. Justice Department in July 2012, settling charges related to the company's offering of online poker in this country after Congress banned taking such bets in 2006.

The case is Rational Group US Holdings Inc. v. Resorts International Holdings, ATL-C-43-13, Superior Court of New Jersey, Atlantic County (Mays Landing).

To contact the reporters on this story: Christopher Palmeri in [Los Angeles](#) at cpalmeri1@bloomberg.net ;
David Voreacos in Newark at dvoreacos@bloomberg.net

To contact the editors responsible for this story: Anthony Palazzo at apalazzo@bloomberg.net ;
[Andrew Dunn](#)
at
adunn8@bloomberg.net

Read more <http://news.google.com/news/url?sa=t&fd=R&usg=AFQjCNGXOPU48Xwbivd5Ux05hT2by0OdHQ&url=http://www.bloomberg.com/news/2013-05-06/pokerstars-gains-court-ruling-keeping-casino-purchase-alive-1-.html>