

OHIO CASINO CONTROL COMMISSION

RESOLUTION 2020-03

CONSIDERATION OF INTERBLOCK USA L.C.'S AND INTERBLOCK LUXURY GAMING PRODUCTS D.D.'S APPLICATIONS TO RENEW THEIR GAMING-RELATED VENDOR LICENSES

WHEREAS, Article XV, Section 6(C)(4) of the Ohio Constitution created the Ohio Casino Control Commission (“Commission”) to ensure the integrity of casino gaming by, among other things, licensing and regulating all gaming authorized by Article XV, Section 6(C) of the Ohio Constitution;

WHEREAS, R.C. 3772.09(A) prohibits any gaming-related vendor and key employee from conducting or participating in conducting casino gaming without first being licensed by the Commission;

WHEREAS, R.C. 3772.10(B) requires any gaming-related vendor or key employee seeking licensure under R.C. Chapter 3772 to establish their suitability by clear and convincing evidence;

WHEREAS, R.C. 3772.15(B) as well as Ohio Adm.Code 3772-6-02(D) and 3772-5-02(D) require that any gaming-related vendor or key-employee licensee, respectively, undergo complete investigations at least once every 3 years to ensure continued eligibility for licensure;

WHEREAS, R.C. 3772.12(A) and Ohio Adm.Code 3772-6-02(A) require any gaming-related vendor seeking licensure to submit, under oath, a Gaming-Related Vendor License Application (“Vendor Application”);

WHEREAS, R.C. 3772.121 and Ohio Adm.Code Chapter 3772-6 authorize the Commission to issue or renew a gaming-related vendor license after the Commission determines that the gaming-related vendor is eligible for licensure and has paid all applicable fees;

WHEREAS, a gaming-related vendor is eligible for licensure upon meeting the following criteria:

- (A) Submission of a true and complete Vendor Application, as required by R.C. 3772.10(C) and 3772.12(A) and Ohio Adm.Code 3772-6-02(A);
- (B) Payment of the nonrefundable application fee of \$10,000, as required by R.C. 3772.17(D) and Ohio Adm.Code 3772-6-03(A), and all fees necessary to cover the costs of the background investigation in excess of the application fee set forth by Ohio Adm.Code 3772-6-03(A), if any, as permitted by Ohio Adm.Code 3772-6-03(B);

- (C) Submission, on a form provided by the Commission, of 2 sets of the applicant's fingerprints, as required by R.C. 3772.121(A)(3), if applicable;
- (D) Reimbursement of the costs for the criminal-records check, as required by R.C. 3772.07 and 3772.17(D), if applicable;
- (E) Not having been convicted of or pled guilty or no contest to a disqualifying offense, as defined by R.C. 3772.07 and required by R.C. 3772.07 and 3772.10(C); and
- (F) Otherwise is suitable for licensure, as required by R.C. 3772.10(B) and (C);

WHEREAS, R.C. 3772.03(D)(5) mandates that the Commission adopt rules prescribing the minimum amount of insurance that must be maintained by a gaming-related vendor;

WHEREAS, Ohio Adm.Code 3772-7-01(A) requires a licensed gaming-related vendor to obtain and maintain the following types of insurance in minimum amounts determined by the Commission:

- (A) Liability;
- (B) Casualty;
- (C) Property;
- (D) Crime;
- (E) Worker's compensation; and
- (F) Any other type of insurance the Commission deems necessary to ensure the licensee is adequately insured;

WHEREAS, Interblock USA L.C. ("Interblock USA") and Interblock Luxury Gaming Products d.d. ("Interblock") (collectively, "Vendors") submitted Vendor Applications in accordance with R.C. 3772.12(A) and Ohio Adm.Code 3772-6-02(A);

WHEREAS, the Vendors paid the nonrefundable application fees, as required by R.C. 3772.17(D) and Ohio Adm.Code 3772-6-03(A);

WHEREAS, the Vendors submitted information and materials necessary to demonstrate that they have obtained and maintain the requisite types of insurance and the amounts of each type, as required by R.C. 3772.03(D)(5) and Ohio Adm.Code 3772-7-01(A) and as reflected in the Commission's adoption of Resolution 2014-03;

WHEREAS, Elektroncek Group B.V. ("Elektroncek") submitted information and documentation as a holding company of the Vendors;

WHEREAS, R.C. 3772.03(D) and Ohio Adm.Code 3772-5-02(F) require a key employee seeking licensure to:

- (A) Be at least 21 years of age, as required by R.C. 3772.13(D);
- (B) Submit a true and complete Key Employee License Application (“Key Application”), as required by R.C. 3772.10(C) and 3772.13(E) and Ohio Adm.Code 3772-5-02(A);
- (C) Submit, on a form provided by the Commission, 2 sets of the applicant’s fingerprints and a photograph, as required by R.C. 3772.13(F);
- (D) Pay the nonrefundable application fee of \$2,000, as required by R.C. 3772.13(F) and 3772.17(E) and Ohio Adm.Code 3772-5-03(A), and all fees necessary to cover the cost of the background investigation in excess of the application fee set forth by Ohio Adm.Code 3772-5-03(A), if any, as permitted by Ohio Adm.Code 3772-5-03(B);
- (E) Reimburse the costs for the background check, including the criminal-records check, as required by R.C. 3772.07 and 3772.13(F);
- (F) Not having been convicted of or pled guilty or no contest to a disqualifying offense, as defined by R.C. 3772.07 and required by R.C. 3772.07 and 3772.10(C); and
- (G) Otherwise is suitable for licensure, as required by R.C. 3772.10(B) and (C);

WHEREAS, Jozse Pečečnik, Rok Uhan, and Tomaž Žvipelj (collectively, “Key Employees”) submitted Key Applications to renew their licenses in accordance with R.C. 3772.13(E) and Ohio Adm.Code 3772-5-02(A);

WHEREAS, each Key Employee’s nonrefundable application fee has been paid, as required by R.C. 3772.13(F) and 3772.17(E) and Ohio Adm.Code 3772-5-03(A);

WHEREAS, the Commission’s Division of Licensing and Investigations (“Division”) reviewed the Vendor and Key Applications and other materials and information and conducted thorough suitability investigations of the Vendors, Elektroncek, and the Key Employees;

WHEREAS, the Division has filed a report, dated January 8, 2020, captioned *Investigative Report on the Renewal Applications of Interblock USA L.C. and Interblock Luxury Gaming Products d.d. for Gaming-Related Vendor Licenses* (“Report”);

WHEREAS, the Report concludes that based upon the investigation, no material derogatory information that adversely impacts the suitability of the Vendors, Elektroncek, or the Key Employees was uncovered and that the Vendors and the Key Employees are eligible for renewal;

WHEREAS, the Division recommends that the Commission renew the Vendors gaming-related vendor licenses as well as the Key Employees' licenses; and

WHEREAS, the Commission has reviewed the Report and considered the matter at its public meeting on January 15, 2020.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Vendors and the Key Employees are **SUITABLE** and **ELIGIBLE** for renewal.

BE IT FURTHER RESOLVED that Interblock USA's and Interblock's Vendor Applications are **APPROVED** and their gaming-related vendor licenses are **RENEWED** for a period not to exceed 3 years, effective upon expiration of the previous licenses, subject to continued compliance with R.C. Chapter 3772 and the rules adopted thereunder and the following conditions:

- (A) The Vendors and Elektroncek must report to the Commission any changes in management, ownership, stockholdings, or to a voting or proxy agreement, as applicable, in accordance with Ohio Adm.Code 3772-6-04;
- (B) The Vendors and Elektroncek must report to the Commission any loans, debt incurred, or any other significant financial matters, in accordance with Ohio Adm.Code 3772-6-04;
- (C) The Vendors shall pay all fees required by the Commission, including the following:
 - (1) The cost of the background investigation that exceeded the application fee set forth by Ohio Adm.Code 3772-6-03(A), as required by R.C. 3772.17(D) and permitted by R.C. 3772.15(A) and Ohio Adm.Code 3772-6-03(B), if any; and
 - (2) A nonrefundable license fee of \$15,000 per license, as required by R.C. 3772.121(A)(2) and 3772.17(D) and Ohio Adm.Code 3772-6-03(C); and
- (D) Interblock's Compliance Committee shall notify the Commission's Executive Director no later than 30 days from the date in which the Committee conducts any due diligence efforts, takes any action, or makes any recommendations concerning current or future business.

BE IT FURTHER RESOLVED that the natural persons' Key Applications are **APPROVED** and their licenses are **RENEWED** for a period not to exceed 3 years, effective upon expiration of their previous licenses, subject to continued compliance with R.C. Chapter 3772 and the rules adopted thereunder, including payment of the following fees:

- (A) The cost of any key-employee background investigation that exceeded application fee set forth by Ohio Adm.Code 3772-5-03(A), as required by

R.C. 3772.15(A) and 3772.17(E) and permitted by Ohio Adm.Code 3772-5-03(B); and

- (B) A nonrefundable licensee fee of \$500 per license, as required by R.C. 3772.17(E) and Ohio Adm.Code 3772-5-03(C).

BE IT FURTHER RESOLVED that Resolution 2020-03 does not in any way affect, negate, or otherwise absolve the Vendors, Elektroncek, or the Key Employees from their duties to update information in accordance with Ohio Adm.Code 3772-6-04 and 3772-5-04, as applicable.

BE IT FURTHER RESOLVED that Resolution 2020-03 does not restrict or limit the Commission's future exercise of authority and discretion with respect to imposing additional conditions or taking further action upon the Vendors, Elektroncek, or the Key Employees under R.C. Chapter 3772 and the rules adopted thereunder.

Adopted: January 15, 2020