

OHIO CASINO CONTROL COMMISSION

RESOLUTION 2017-01

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 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 from conducting or participating in conducting casino gaming without first being licensed by the Commission;

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

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 gaming-related vendor licenses to applicants, including renewal applicants, after the Commission determines that the applicants are eligible for licensure and payment of all applicable fees;

WHEREAS, a gaming-related vendor license applicant is eligible for renewal 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 renewal application fee of \$10,000.00, 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 two 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 gaming-related vendors;

WHEREAS, Ohio Adm. Code 3772-7-01(A) requires gaming-related vendor licensees 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, on November 28, 2016, Interblock USA L.C. and Interblock Luxury Gaming Products, d.d., each submitted a Vendor Application in accordance with R.C. 3772.12(A) and Ohio Adm. Code 3772-6-02(A);

WHEREAS, Interblock USA and Interblock d.d. each paid the nonrefundable application fee, as required by R.C. 3772.17(D) and Ohio Adm. Code 3772-6-03(A);

WHEREAS, Interblock USA and Interblock d.d. submitted to the Commission information and materials necessary to demonstrate that they have obtained and maintain the applicable 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. submitted information and documentation as a holding company of Interblock USA and Interblock d.d.;

WHEREAS, R.C. 3772.13(B) and Ohio Adm. Code 3772-5-02(A) require any gaming-related vendor key employee seeking licensure to submit a Key Employee License Application (“Key Application”);

WHEREAS, R.C. 3772.13 and Ohio Adm. Code Chapter 3772-5 authorize the Commission to issue key-employee licenses to applicants, including renewal applicants, after the Commission determines that the applicants are eligible for licensure and the applicant has paid all applicable fees;

WHEREAS, a key-employee license applicant is eligible for renewal upon meeting the following criteria:

- (A) Being at least 21 years of age, as required by R.C. 3772.13(D);
- (B) Submission of a true and complete Key Application, as required by R.C. 3772.10(C) and 3772.13(E) and Ohio Adm. Code 3772-5-02(A);
- (C) Submission, on a form provided by the Commission, of two sets of the applicant’s fingerprints and a photograph, as required by R.C. 3772.13(F);
- (D) Payment of the nonrefundable renewal application fee of \$2,000.00, as required by R.C. 3772.13(F), 3772.15(A), 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) Reimbursement of 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, the owners, officers, directors, and key employees of Interblock USA, Interblock d.d., and Elektroncek, who appear on the attached list marked Exhibit A, (“Key Employees”) submitted Key Applications, in accordance with R.C. 3772.13(C) and (E) and Ohio Adm. Code 3772-5-02(C), to renew their licenses;

WHEREAS, the Key Employees’ nonrefundable application fees have been paid, as required by R.C. 3772.13(F) and 3772.17(E) and Ohio Adm. Code 3772-5-03(A), and the Commission has been reimbursed for the costs of the criminal-records checks, in accordance with and as required by R.C. 3772.07 and 3772.13(F);

WHEREAS, the Commission’s Division of Licensing and Investigations reviewed the Vendor and Key Applications and other materials and information and conducted thorough suitability investigations of Interblock USA, Interblock d.d., Elektroncek, and their Key Employees;

WHEREAS, the Division has filed a report, dated January 11, 2017, captioned *Investigative Report on the 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 upon the suitability of Interblock USA, Interblock d.d., Elektroncek, or their Key Employees was uncovered and that Interblock USA, Interblock d.d., and the Key Employees are eligible to be granted renewal licenses;

WHEREAS, the Division recommends that the Commission renew Interblock USA’s and Interblock d.d.’s gaming-related vendor licenses, subject to the following conditions:

- (A) Interblock USA, Interblock d.d., and Elektroncek shall report to the Commission any changes in their management, ownership, or stockholdings, in accordance with Ohio Adm. Code 3772-6-04;
- (B) Interblock USA, Interblock d.d., and Elektroncek shall report to the Commission any loans, debt incurred, or any other significant financial matters to the Commission, in accordance with Ohio Adm. Code 3772-6-04;
- (C) Interblock USA and Interblock d.d. 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 Ohio Adm. Code 3772-6-03(B), if any; and
 - (2) A nonrefundable license fee of \$15,000.00 per gaming-related vendor 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 d.d.’s Compliance Committee shall notify the Commission’s Executive Director no later than 30 days from the date in which the Compliance Committee conducts any due diligence efforts, takes any action, or makes any recommendations concerning current or future business,

and that the Commission renew the Key Employees’ key-employee licenses; and

WHEREAS, the Commission has reviewed the Report and considered the matter at its public meeting on January 18, 2017.

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

- (A) Interblock USA, Interblock d.d., and Elektroncek shall report to the Commission any changes in their management, ownership, or stockholdings, in accordance with Ohio Adm. Code 3772-6-04;
- (B) Interblock USA, Interblock d.d., and Elektroncek shall report to the Commission any loans, debt incurred, or any other significant financial matters to the Commission, in accordance with Ohio Adm. Code 3772-6-04;
- (C) Interblock USA and Interblock d.d. 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 Ohio Adm. Code 3772-6-03(B), if any; and
 - (2) A nonrefundable license fee of \$15,000.00 per gaming-related vendor 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 d.d.'s Compliance Committee shall notify the Commission's Executive Director no later than 30 days from the date in which the Compliance Committee conducts any due diligence efforts, takes any action, or makes any recommendations concerning current or future business.

BE IT FURTHER RESOLVED, that the Key Employees' Key Applications are **APPROVED** and their key-employee licenses are **RENEWED** for a period not to exceed 3 years, effective upon the 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 the 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 license fee of \$500.00 per key-employee license, as required by R.C. 3772.17(E) and Ohio Adm. Code 3772-5-03(C).

BE IT FURTHER RESOLVED, that Resolution 2017-01 does not in any way affect, negate, or otherwise absolve Interblock USA, Interblock d.d., Elektroncek, or their 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 2017-01 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 Interblock USA, Interblock d.d., Elektroncek, or their Key Employees under R.C. Chapter 3772 and the rules adopted thereunder.

Adopted: January 18, 2017

Exhibit A
Resolution 2017-01

Joze Pečečnik

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