

ORDER 2015-137
WAIVING THE SUBMITTAL OF NEW APPLICATIONS UNDER 68 IAC 5-2
TO THE TRANSFER OF INTERBLOCK SHARES FROM ELEKTRONCEK TO
INTERBLOCK

Under 68 Ind. Code § 5-2, supplier licensees who are not publicly traded companies must comply with certain requirements before transferring an ownership interest, including a suitability investigation, in order to protect the Commission's interest in the suitability of its licensees. Under 68 Ind. Code § 5-2-6, the Commission may waive a requirement or procedure set forth in 68 Ind. Code § 5 if the Commission determines that it is impractical or burdensome and the waiver is in the best interest of the public and the gaming industry and is not outside the technical requirements necessary to serve the purpose of the requirement or procedure.

Privately held Interblock Luxury Gaming Products, d.d. ("Interblock"), an Indiana supplier licensee, is wholly owned by Elektroncek Group B.V. ("Elektroncek"), a European Union joint stock company. Elektroncek is owned by two individuals: Jozse Pececnik (90%), Chairman of the Board of directors of Interblock, and Tomaz Zvipelj (10%), Chief Executive Officer and Director of Interblock. Both individuals are Commission licensees in good standing.

On July 14, 2015, the IGC received notice from Interblock regarding its intent to purchase 10% of its shares from Elektroncek, which will thereafter be distributed to certain employees. None of these employees will own a five percent or greater interest. On August 27, 2015, Interblock submitted a request for waiver of the requirement to submit applications for Interblock's purchase of its own shares from Elektroncek.

The only parties that are subject to an investigation under 68 Ind. Admin. Code § 5-2-1 relating to this transfer of shares are Mr. Pececnik, Mr. Zvipelj, Interblock and Elektroncek. Each of these parties was re-investigated in October 2014.

Compliance with the requirements of 68 Ind. Code § 5-2 is time-consuming and costly for both the applicant and the Commission. The policy goal of 68 Ind. Code § 5-2 is to ensure that a party seeking an ownership interest is suitable under the Commission's licensing standards. Since the share transfer will not materially change the ownership of Interblock and all related parties are currently found suitable, strict compliance with the transfer regulations is unnecessary and burdensome. Commission staff believes a waiver is appropriate.

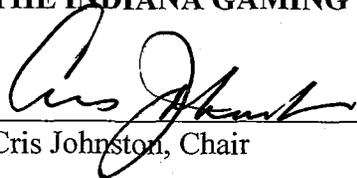
The Commission has determined that there is little to gain from requiring new applications pursuant to 68 Ind. Code § 5-2 for the present transaction. The requirements of 68 Ind. Code § 5-2 are impractical and burdensome to this transfer, and waiver is in the best interest of the public and the gaming industry and is not outside the technical requirements necessary to serve the purpose of the transfer regulations.

Based on the foregoing, the Commission hereby WAIVES 68 Ind. Admin. Code § 5-2 as it relates to the submission of new applications for this transfer of shares.

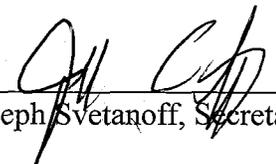
ADOPTED THE 17TH DAY OF SEPTEMBER, 2015.

THE INDIANA GAMING COMMISSION:

ATTEST:



Cris Johnston, Chair



Joseph Svetanoff, Secretary