
MARYLAND LOTTERY and GAMING CONTROL COMMISSION

1800 Washington Blvd., Suite 330, Baltimore, Maryland 21230

COMMISSION REPORT



Interblock d.d. and Interblock USA L.C.

MANUFACTURER LICENSE RENEWAL APPLICANT

Report Date: October 16, 2017

“PUBLIC REPORT”

**Manufacturer License Renewal Commission Report
INTERBLOCK d.d. and INTERBLOCK USA L.C.**

We are conducting a hearing on the manufacturers license renewal application submitted by Interblock d.d. and Interblock USA L.C. The Maryland Lottery and Gaming Control Agency is required by “The Gaming Law” to conduct an investigation to determine if Interblock d.d. and Interblock USA L.C. is qualified to be awarded a manufacturers license.

Interblock d.d. and Interblock USA L.C. submitted their manufacturers license renewal and we conducted an extensive background investigation. The Companies were initially approved for a manufacturer license by the Commission on February 23, 2012. The Companies have maintained their initial five-year manufacturer license in good standing and have not been subject to any disciplinary sanctions by the Commission.

You (the commissioners) have been provided with the complete investigative report on Interblock d.d. and Interblock USA L.C. You have also received a copy of the public report that was in your packets and made available to everyone in this room. I will not be reading either report today. I will summarize the reports that have been given to you.

Background

Interblock d.d. (the “Company” or “Group”) is a Slovenian joint stock company formed in December, 1989 with its headquarters located in Menges,

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Slovenia. Interblock d.d. does business under the name of Interblock Luxury Gaming Products, d.d. and is primarily a developer and supplier of electronic table gaming products. Interblock d.d. is the controlling entity and parent company of Interblock USA L.C.

Ownership of Interblock d.d. and its Affiliates

As of June 30, 2017, Interblock d.d had 1,000,000 shares of common stock issued and outstanding, with 97% of its stock held by Elektroncek Group B.V. Elektroncek was formed in The Netherlands in June, 2004 and is a privately held holding company. The shareholders of record with 5% or more of Elektroncek Group B.V.'s outstanding common stock are as follows:

- Joze Pececnik – 43,337 shares (90%)
- Tomaz Zvipelj – 4,815 shares (10%)

By virtue of their ownership interest in Elektroncek Group B.V., the following individuals have a 5% or greater ownership interest in Interblock d.d. and Interblock USA L.C.:

- Joze Pececnik – (87.3%)
- Tomaz Zvipelj – (9.7%)

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Elektroncek Group B.V. has submitted a Principal Entity Disclosure Form to the Maryland Lottery and Gaming Control Commission. Joze Pececnik and Tomaz Zvipelj have submitted Principal Employee Renewal Applications to the Commission.

Our financial and background investigations of Interblock d.d. and Interblock USA L.C. found the following:

- 1) Interblock d.d. and Interblock USA L.C. were found to have financial stability, integrity and responsibility
- 2) There are no material issues involving the known financial backers
- 3) Interblock d.d. and Interblock USA L.C. possesses the requisite good character, honesty and integrity
- 4) Interblock d.d. and Interblock USA L.C. has sufficient business ability and experience
- 5) There are no potential disqualifying factors

CONCLUSIONS and OPINION

MLGCA's investigation has confirmed that the Applicants have sufficient financial resources and found no derogatory information regarding the Applicants' qualifications. Based on the criteria in SG §§ 9-1A-07(c)(7)

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and 9-1A-08(d), we conclude that the Applicants have established by clear and convincing evidence their qualifications for the renewal of their manufacturer licenses.

PRINCIPAL QUALIFIERS

We identified the following natural person qualifiers (“principals”) who are associated with the Applicants. We are conducting an extensive due diligence investigation on each qualifier. When the background investigations are complete, they will be reviewed and approved.

1. Jozse Pececnik – Advisor to Director / Elektronek D.O.O.
2. Tomaz Zvipelj – President-CEO / Interblock d.d.
3. Rok Uhan – CFO / Interblock d.d.