



Lottery and Gaming Control Commission

1800 Washington Boulevard, Suite 330, Baltimore, MD 21230

GEMACO

MANUFACTURER LICENSE APPLICANT

COMMISSION PRESENTATION

GEMACO

EXECUTIVE SUMMARY

Introduction

Gemaco submitted a Manufacturer License Application – Request for Application of Alternative Licensing Standards (Form #1003) in January 2013 to be licensed by the Maryland Lottery and Gaming Control Commission (MLGCC) as a manufacturer of table games and related equipment.

Gemaco is a privately-held manufacturer of playing cards, casino chips and table layouts. Gemaco manufactures both paper and plastic playing cards and distributes these items to the promotional products industry and retail markets.

Gemaco serves the casino industry in the United States and Canada through its own direct sales force based in Blue Springs, Missouri, Las Vegas, Nevada and Vancouver, British Columbia. Gemaco distributes its products and also those of its affiliates outside of North America through independent contractors and distributors through Gem Asia.

Eligibility – Alternative Licensing Standards

State Government Article (“SG”), Title 9, Subtitle 1A, of the Annotated Code of Maryland (“the Gaming Law”) authorizes the Maryland Lottery and Gaming Control Commission (“the Commission”) to establish an abbreviated process for licensing an applicant that holds a valid similar license in another state if the Commission determines that the licensing standards of the other state are comprehensive and thorough, and provide similar adequate safeguards to the standards in the Gaming law. The Commission has determined that valid, current gaming-related licenses in the following states may qualify an applicant in Maryland for a similar license to be subjected to an abbreviated licensing process, rather than a full background investigation: Arkansas, Illinois, Kansas, Louisiana, Mississippi, Missouri, Nevada, New Jersey, New York, Pennsylvania, Rhode Island and Wisconsin.

The Commission’s decision to abbreviate an applicant’s licensing process based on licensure in one of the 12 identified states is discretionary. The Commission retains its right to protect the State’s public interests, and in doing so may exercise its discretion to: (1) limit or restrict the extent to which another state’s license is

considered; (2) place conditions on the circumstances under which it will accept another state's license; and (3) at any time before or after completing the alternative licensing process, cease to apply the alternative licensing procedure and instead require the applicant to submit to a full background investigation.

Licensing Inquiry

In its application for a Manufacturer License, Gemaco indicated that they are currently licensed in the following jurisdictions, all of which the Commission has determined have same or similar licensing standards as Maryland:

- Missouri Gaming Commission
 - Type of License: Supplier
 - Expiration Date: February 28, 2013
 - Status: Valid and In Good Standing
- Mississippi Gaming Commission
 - Type of License: Manufacturer/Distributor
 - Expiration Date: September 28, 2015
 - Status: Valid and In Good Standing
- Louisiana Gaming Control Board
 - Type of License: Manufacturer of Gaming Equipment
 - Expiration Date: May 11, 2017
 - Status: Valid and In Good Standing
- Pennsylvania Gaming Control Board
 - Type of License: Table Game Manufacturer
 - Expiration Date: November 7, 2015
 - Status: Valid and In Good Standing
- Illinois Gaming Board
 - Type of License: Supplier
 - Expiration Date: April 30, 2014
 - Status: Valid and In Good Standing
- Wisconsin Division of Gaming
 - Type of License: Gaming Related Vendor
 - Expiration Date: March 31, 2014
 - Status: Valid and In Good Standing

Conclusion and Opinion

MLGCA's inquiry revealed that the applicant currently holds similar and valid licenses as those required by the Commission in the aforementioned states and is eligible to be licensed through the alternative licensing standards set forth in "the Gaming Law." It is the opinion of MLGCA staff that the applicant is qualified to be approved for a Manufacturer License.