



ILLINOIS GAMING BOARD

DC-C-20-04

Via Certified and First Class U.S. Mail

AGS LLC
5475 S. Decatur Blvd., Suite 100
Las Vegas, Nevada 89118

License #17AGS00066
160103442
160203443
160303444

DISCIPLINARY COMPLAINT

1. **AGS LLC ("AGS")** is hereby served with this Disciplinary Complaint pursuant to Section 5 of the Illinois Gambling Act ("IGA") (230 ILCS 10/1 *et seq.*), Section 78 of the Video Gaming Act ("VGA") (230 ILCS 40/1 *et seq.*), and Sections 1800.210, 1800.310 and 3000.110 of the Illinois Gaming Board's (the "Board") Adopted Rules (the "Rules") (11 Ill. Adm. Code 1800.100 *et seq.* and 86 Ill. Adm. Code 3000.100 *et seq.*).

FACTS

2. AGS is a licensed supplier under the IGA.
3. After an initial one-year term, supplier licenses are renewed every four years.
4. A licensed supplier is obligated to file an annual update for each year it is not required to renew its license.
5. Suppliers licensed under the IGA must pay an annual \$5,000 fee to the Board.
6. In 2018, AGS submitted its renewal information late.
7. The Board issued a notice to AGS on or about September 11, 2019, reminding AGS of its obligations under the IGA to timely submit an annual supplier license update and annual fee to the Board. The notice, along with an invoice issued by the Board, set an October 11, 2019 due date for submission of AGS's annual update and payment of the annual fee.
8. AGS failed to submit its annual IGA update to the Board on or before October 11, 2019.
9. AGS failed to pay the \$5,000 IGA supplier license annual fee to the Board on or before October 11, 2019.

10. AGS did not pay the annual supplier license fee until October 30, 2019.
11. On December 12, 2019, more than two months after the due date, AGS finally submitted a completed IGA supplier license annual update.
12. AGS did not establish any reasonable justification for the late payment of its annual IGA supplier license fee.
13. AGS did not establish any reasonable justification for its late submission of its annual IGA supplier license update.
14. AGS is also licensed by the Board as a manufacturer, distributor, and supplier under the VGA.
15. Prior to being licensed under the VGA, AGS owned other entities licensed under the VGA.
16. All licenses under the VGA are renewed annually.
17. Licensees under the VGA are required to pay an annual fee.
18. In 2014, AGS submitted its renewal information late, for which the Board did not discipline AGS.
19. In 2017, AGS required a supplement to complete its renewal, which AGS submitted after the renewal's due date.
20. In 2018, AGS again submitted its renewal information late.
21. In January 2019, the Board fined AGS \$5,000 for its late IGA and VGA license renewal submissions.
22. On or about September 1, 2019, the Board issued invoices to AGS for each of its three VGA licenses with a payment due date of October 11, 2019.
23. AGS failed to pay the annual fees for its three VGA licenses on or before October 11, 2019.
24. On or about October 11, 2019, Board staff emailed a notice to AGS that its annual VGA fees were past-due.
25. AGS did not pay the annual fee for its three VGA licenses until October 30, 2019.

VIOLATIONS

26. The Board realleges and incorporates paragraphs 1-25 above as if fully set forth herein.

27. Under Rule 3000.110(a)(1), a holder of any license under the IGA shall be subject to discipline for, among other things, failing to comply with or make provision for compliance with the IGA or the Rules. 86 Ill. Adm. Code 3000.110(a)(1).
28. Rule 3000.110(a)(2) also subjects IGA license holders to discipline for any failure to comply with any order or ruling of the Board pertaining to its gambling operations. 86 Ill. Adm. Code 3000.110(a)(2).
29. Rule 1800.210 requires all VGA licensees to keep current in all payments and obligations owed to the State of Illinois.
30. Rule 1800.310 subjects any licensee to discipline for submitting tardy, inaccurate, or incomplete materials or information to the Board.
31. By failing to submit its 2019 annual update and 2019 annual license fees to the Board in a timely manner, AGS violated the IGA, the VGA and the Rules.

WHEREFORE, based on the foregoing, the AGS should be fined \$10,000.

Respectfully submitted,

A large black rectangular redaction box covering the signature of the administrator.

Marcus D. Fruchter
Administrator

DATED: February 25, 2020

NOTIFICATION OF DISCIPLINARY ACTION

Pursuant to the Board's authority under Section 5 of the IGA Section 78 of the VGA, and Rules 1800.310 and 3000.110, **AGS LLC** is hereby fined the amount of \$10,000.

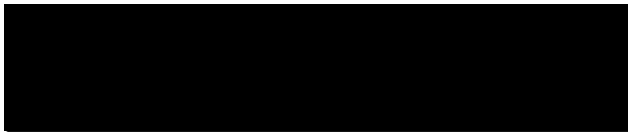
Instead of paying the fine, **AGS LLC** may file an Answer to this Complaint within 21 days of receipt of this Complaint. If you choose to file an Answer, it will *not* be accepted unless it complies with *every* requirement listed in Section 720 of the Rules, 11 Ill. Admin. Code 1800.720. If you file an Answer that complies with all requirements under Rule 720, a hearing officer will be appointed to conduct a hearing.

Failure to file an Answer or pay a fine of \$10,000.00 within 21 days of receiving this Complaint may result in additional discipline, up to and including revocation of your license.

The fine or Answer shall be mailed to:

Illinois Gaming Board
Attn: Legal Department
160 N. LaSalle St., Suite 300
Chicago, Illinois 60601

VOTED THIS 30th DAY OF January, 2020.



Marcus D. Fruchter
Administrator

2/25/2020
Date