

**STATE OF ILLINOIS
ILLINOIS GAMING BOARD**

IN RE THE DISCIPLINARY ACTION OF:

FJC Technologies, LLC

Licensed Terminal Operator

DC-V-21-36

COMPLAINT FOR DISCIPLINARY ACTION

The Illinois Gaming Board, for its Complaint against FJC Technologies, LLC states as follows:

NATURE OF ACTION

1. The Illinois Gaming Board (the “Board” or “IGB”) brings this action against licensed terminal operator FJC Technologies, LLC (“FJC”) on the basis that, among other things, the business and/or social relationships maintained by FJC’s sole owner, Frank Cortese (“Cortese”), with Vincent Del Giudice (“Del Giudice”) discredit the Illinois gaming industry and pose a threat to the security and integrity of Illinois video gaming in violation of the Video Gaming Act (the “VGA”) and the Board’s Adopted Rules for Video Gaming (the “Rules”).
2. FJC’s associations, through Cortese, violate provisions of the VGA, the Illinois Gambling Act (the “IGA”) and the Rules that prohibit Board licensees from engaging in any conduct that would discredit, or tend to discredit, or reflect adversely on the integrity of the Illinois gaming industry, including but not limited to the failure to comply with the VGA and the Rules.
3. The Board brings this action pursuant to VGA Sections 78(a)(2), 78(a)(3) and 80; IGA Sections 5(b)(2), 5(b)(13), 5(c)(11), and 5(c)(15); and Rules 210, 310, and 420. 230 ILCS 40/78(a)(2)-(a)(3); 230 ILCS 40/80; 230 ILCS 10/5(b)(2), 5(b)(13), 5(c)(11), and 5(c)(15); 11 Ill. Adm. Code 1800.210; 11 Ill. Adm. Code 1800.310; and 11 Ill. Adm. Code 1800.420.
4. Through this action, the Board seeks to revoke FJC’s terminal operator license.

PARTIES

5. The Board is the Illinois regulatory agency charged with the responsibility of administering, regulating and enforcing the system of video gaming in Illinois. The Board’s jurisdiction extends to every person, association, corporation, partnership, and trust involved in Illinois video gaming operations.

6. FJC is a licensed terminal operator (License No. 150602016). FJC is solely owned by Cortese. Cortese also is a Person of Significant Influence and Control (“PSIC”) of FJC under Rule 430, 11 Ill. Adm. Code 1800.430. As a licensed terminal operator, FJC, its owner, employees, agents, and PSICs are required to comply with the VGA and the Rules at all times.

RELEVANT FACTUAL BACKGROUND

7. The Board first licensed FJC on July 20, 2016. At all relevant times since January 2017, FJC installed and operated video gaming terminals (“VGTs”) for patron play at licensed video gaming establishments in Illinois.
8. On February 2, 2021, Del Giudice pleaded guilty in United States District Court to running an illegal sports gambling operation and money laundering between 2016 and 2019.
9. Del Giudice previously pleaded guilty in 1996 to illegal gambling charges in the Criminal Court of Cook County, Illinois.
10. In 2014, the Board denied video gaming license renewal to terminal operator Torch, LLC because of the extent of its business and/or social associations with Del Giudice.
11. Cortese maintains business and/or social relationships with Del Giudice.
12. FJC, through its sole owner and PSIC Cortese, maintains an association with Del Giudice.
13. For example, on or about February 8, 2019, Del Giudice and his associates were present at a licensed video gaming establishment in Bedford Park, Illinois, when Cortese and FJC delivered and installed VGTs at that location.
14. According to Del Giudice’s guilty plea in United States District Court, he was engaged in illegal gambling and money laundering activities in 2019.
15. Cortese maintained social and/or business associations with Del Giudice despite Del Giudice’s 1996 illegal gambling conviction, the Board’s prior non-renewal of licenses with close associations with Del Giudice, and Del Giudice’s admitted operation of an illegal sports gambling operation from at least 2016 through 2019.

COUNT I

Unsuitable Associations in Violation of 11 Ill. Adm. Code 1800.420(a) and 11 Ill. Adm. Code 1800.310(a)

16. The Board re-alleges and incorporates Paragraphs 1 through 15 above as if fully alleged herein.

17. Rule 420(a)(2) prevents the Board from licensing any applicant with associations that are “injurious to the public health, safety, morals, good order and general welfare of the people of the State of Illinois.”
18. Rule 420(a)(3) prohibits the Board from licensing any applicant with associations that “discredit or tend to discredit the Illinois gaming industry or the State of Illinois.”
19. Rule 420(a)(4) prohibits the Board from licensing any applicant with associations that “adversely affect public confidence and trust in gaming or pose a threat to the public interests of the State or to the security and integrity of video gaming.”
20. Rule 420(a)(5) prohibits the Board from licensing any applicant who creates or enhances the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of video gaming.
21. Rule 310(a)(23) authorizes the Board to discipline a licensee for “[a]ny cause that, if known to the Board, would have disqualified the applicant from receiving a license.”
22. Had the Board been aware of the extent of Cortese and FJC’s associations with Del Giudice when it first licensed FJC, FJC would have been disqualified from licensure under Rules 420(a)(2) through (a)(5) and Rule 310(a)(23).
23. By engaging in the conduct described above, FJC is subject to discipline pursuant to 11 Ill. Adm. Code 1800.310(a)(23).

COUNT II

Unsuitable Associations in Violation of 11 Ill. Adm. Code 1800.210 and 11 Ill. Adm. Code 1800.310(a)

24. The Board re-alleges and incorporates Paragraphs 1 through 15 above as if fully alleged herein.
25. Rule 210(d) requires licensees to conduct video gaming operation in a manner that does not pose a threat to the “safety, morals, good order or general welfare of the people of the State of Illinois.”
26. Rule 210(e) obligates licensees to “[c]onduct the licensee’s video gaming operation in a manner that does not discredit or tend to discredit the Illinois gaming industry or the State of Illinois.”
27. Rule 210(f) requires licensees to “[c]onduct the licensee’s video gaming operation in a manner that does not reflect adversely on the security or integrity of the Illinois video gaming industry.”

28. Cortese and FJC's associations with Del Giudice, including Del Giudice's involvement with FJC's video gaming operation, pose a threat to the morals and good order of the people of the State of Illinois.
29. Cortese and FJC's associations with Del Giudice, including Del Giudice's involvement with FJC's video gaming operation, discredits or tends to discredit the Illinois gaming industry and the State of Illinois.
30. Cortese and FJC's associations with Del Giudice, including Del Giudice's involvement with FJC's video gaming operation, reflect adversely on the security and integrity of the Illinois video gaming industry.
31. Rule 310(a)(1) authorizes the Board to discipline any licensee who fails to comply with a Board Rule.
32. By engaging in the conduct described above, FJC has failed to comply with Rules 210(d)(e) and (f), and is therefore subject to discipline pursuant to 11 Ill. Adm. Code 1800.310(a)(1).

WHEREFORE, based on the foregoing, FJC's terminal operator license should be REVOKED.

Dated: August 24, 2021

Respectfully submitted,



Marcus D. Fruchter
Administrator, Illinois Gaming Board

NOTIFICATION OF PROPOSED DISCIPLINARY ACTION

Pursuant to Rule 715 [11 Ill. Adm. Code 1800.715] the Administrator finds facts sufficient to authorize the issuance of a Disciplinary Complaint against FJC Technologies, LLC (“FJC”) with the proposed discipline of REVOCATION.


The terminal operator license of FJC shall be REVOKED for violations of the Video Gaming Act and the Adopted Rules, as set forth in Disciplinary Complaint No. DC-V-21-36 unless it files an answer to the Disciplinary Complaint within 21 days from the date of service.

If FJC chooses to file an Answer, it will not be accepted unless it complies with every requirement listed in Section 720 of the Rules [11 Ill. Adm. Code 1800.720]. If FJC files 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 within 21 days of receiving this Complaint will result in the proposed disciplinary action becoming effective and final. The Answer shall be mailed to:

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

OR IGB.LEGAL@igb.illinois.gov

Dated: August 24, 2021



Daniel Gerber
Deputy General Counsel
Illinois Gaming Board