

**STATE OF ILLINOIS
ILLINOIS GAMING BOARD**

LZ Entertainment LLC,)	
)	
Petitioner,)	
)	
v.)	No. 18-UP-021
)	
Illinois Gaming Systems, LLC,)	
)	
Respondent.)	

RE: Imeri’s Big Apple, Inc. d/b/a Imeri’s Big Apple (License No. 150704075)

FINAL BOARD ORDER

This cause comes before the Illinois Gaming Board (the “Board” or “IGB”) pursuant to the Video Gaming Act (the “VGA”), 210 ILCS 40, and Section 1800.320(b) of the Board’s Adopted Rules (the “Rules”). 11 Ill. Adm. Code 1800.320(b).

The VGA, the Rules, and *J&J Gaming Ventures, LLC v. Wild, Inc.*, 2016 IL 119870 give the Board broad, exclusive and original jurisdiction over agreements that purport to control the placement and operation of video gaming terminals (“VGTs”) in licensed video gaming locations. Under Rule 320(b), “[t]he Board shall decide a petition brought by a terminal operator, licensed video gaming location or other interested party to determine the validity or enforceability of an agreement, or portion of an agreement, that purports to control the placement and operation of [VGTs].” 11 Adm. Code 1800.320(b)(1).

FINDINGS OF FACT

The Board has before it the entire record of *LZ Entertainment, LLC, Petitioner* (“LZ”) *v. Illinois Gaming Systems LLC, Respondent*, (“IGS”) Re: Imeri’s Big Apple, Inc. d/b/a Imeri’s Big Apple (License No. 150704075) (“Big Apple”) Docket No. 18-UP-021.¹ The record includes the Petition, Response and other pleadings received, the Administrator’s Recommended Decision (“ARD”), and any Exceptions filed.

On June 18, 2018, LZ petitioned the Board for an Order declaring its March 2015 use agreement (“UA”) with Big Apple to be valid for the placement and operation of VGTs and

¹ On August 25, 2017, TapRoom Gaming, LLC (“Taproom”) acquired LZ. On May 27, 2021, J&J Ventures Gaming, LLC (“J&J”) acquired Taproom. Accordingly, references to LZ in this Recommendation shall also refer to J&J as successor in interest to the Big Apple agreement. On April 8, 2021, J&J Ventures Gaming, LLC (“J&J”) acquired IGS, and subsequently IGS assigned the Big Apple agreement to J&J. J&J currently services Big Apple under the assigned agreement as amended on June 6, 2021. Accordingly, references to IGS in this Recommendation shall also refer to J&J as successor in interest to the Big Apple agreement.

invalidating any UA between IGS and Big Apple. On March 31, 2022, Administrator Marcus D. Fruchter issued an ARD in this matter recommending that the Board dismiss LZ's Petition. The ARD correctly considered the Petitions, Responses, and their respective exhibits. No Exceptions to the ARD were filed. On April 19, 2022, J&J, in its role as successor Petitioner and successor Respondent, sought leave to withdraw the Petition.

CONCLUSIONS OF LAW

J&J's request to withdraw its Petition is sufficient to conclude this matter. In *Doxsie v. Ill. Gaming Bd.*, 2021 IL App (1st) 191875, the Appellate Court affirmed the Board's authority to interpret and administer the Rules. *Doxsie* at ¶ 17. While the Rules do not specifically address a Petitioner's ability to withdraw its Petition, in keeping with our authority to interpret and administer the Rules, the Board finds that it may grant a Petitioner's request to withdraw its Rule 320 Petition. In this instance, the Board finds it is not a proper use of the limited time and resources of all involved to continue this matter.

Therefore, after careful review and consideration of the entire record, the Board hereby:

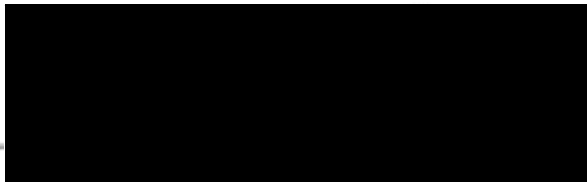
- (1) Adopts the Administrator's Recommended Decision to the extent it recommends concluding the Petition;
- (2) Grants J&J's April 19, 2022, request to withdraw the Petition;
- (3) Makes no findings of fact or conclusions of law on the merits of the Petition; and
- (4) Closes this Petition.

This is a Final Order subject to judicial review under the Administrative Review Law pursuant to 230 ILCS 10/17.1. The Rules of the Illinois Gaming Board do not permit motions or requests for reconsideration of this Order.

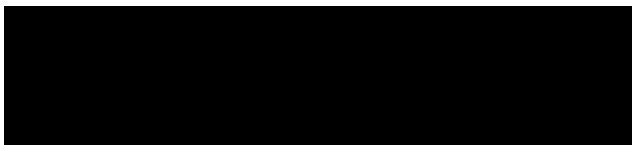
VOTED THIS THE SIXTEENTH DAY OF JUNE 2022



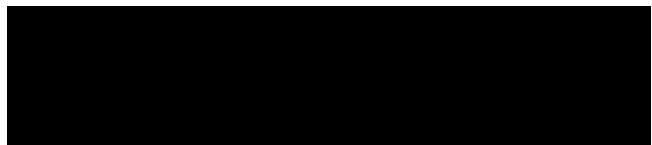
Charles Schmadeke, Chairman



Dionne R. Hayden



Anthony Garcia



Marc E. Bell

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ADMINISTRATOR RECOMMENDED DECISION

This dispute comes before the Illinois Gaming Board (the “Board”) under Section 1800.320(b) of the Board’s Adopted Rules (the “Rules”). 11 Ill. Adm. Code 1800.320(b). This Recommendation issues under Section 1800.320(b)(6) of the Rules. 11 Ill. Adm. Code 1800.320(b)(6).

On June 18, 2018, LZ Entertainment LLC (“LZ”) petitioned the Board for an Order: (1) declaring its March 2015 use agreement (“UA”) with Imeri’s Big Apple, Inc. d/b/a Imeri’s Big Apple (“Big Apple”) to be valid for the placement and operation of video gaming terminals; (2) invalidating any UA between Illinois Gaming Systems, LLC (“IGS”) and Big Apple; and (3) authorizing any additional relief deemed appropriate.¹

On May 24, 2018, LZ voluntarily elected to not renew its terminal operator license. Accordingly, LZ’s Petition is moot and should be dismissed.

For the foregoing reasons, I recommend the Board enter an Order:

1. Adopting this Recommended Decision;

¹ On April 8, 2021, J&J Ventures Gaming, LLC (“J&J”) acquired IGS, and subsequently IGS assigned the Big Apple agreement to J&J. J&J currently services Big Apple under the assigned agreement as amended on June 6, 2021. Accordingly, references to IGS in this Recommendation shall also refer to J&J as successor in interest to the Big Apple agreement.

2. Dismissing LZ's Petition in the above-captioned matter; and
3. Directing that all further proceedings shall be cancelled, and the matter concluded.

Pursuant to Rule 320(b)(7), any party to this Petition wishing to file exceptions must do so by 5 p.m. central standard time no later than 14 days after receipt of this Recommended Decision.

DATED: March 31, 2022

RESPECTFULLY SUBMITTED,



**MARCUS D. FRUCHTER
ILLINOIS GAMING BOARD ADMINISTRATOR**