STATE OF ILLINOIS
ILLINOIS GAMING BOARD

IN RE THE DISCIPLINARY ACTION OF:

Lucky Lincoln Gaming, LLC

Licensed Terminal Operator
(License No. 130606452)

DC-V-23-161

COMPLAINT FOR DISCIPLINARY ACTION

The Illinois Gaming Board, for its Complaint against Lucky Lincoln Gaming, LLC states as follows:

NATURE OF ACTION

1. The Illinois Gaming Board (the "Board" or "IGB") brings this action against licensed terminal operator Lucky Lincoln Gaming, LLC ("Lucky Lincoln" or "Respondent") for providing a physical structure to a video gaming establishment as an inducement to place video gaming terminals at the establishment in violation of the Video Gaming Act (the "VGA") and the Board's Adopted Rules for Video Gaming (the "Rules").

2. Respondent's conduct violates provisions of the VGA that expressly prohibit inducements. Respondent's conduct also violates Rules that prohibit 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 violating any statute or Rule.

3. The Board brings this action pursuant to VGA Sections 78(a)(2), 78(a)(3) and 80; IGA Sections 5(b)(2), 5(c)(5), 5(c), and 5(c)(15); and Rules 250 and 310. 230 ILCS 40/78; 230 ILCS 40/80; 230 ILCS 10/5; 11 Ill. Adm. Code 1800.250; 11 Ill. Adm. Code 1800.310.
4. Through this action, the Board seeks to revoke Respondent’s terminal operator license.

**PARTIES AND RELEVANT ENTITIES AND INDIVIDUALS**

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

6. Respondent is a licensed terminal operator (License No. 130606452) and has been since April 30, 2014. As a licensed terminal operator, Respondent is its employees, and its agents are required to comply with the VGA and the Rules at all times.

7. Jeffrey Joseph Rehberger ("Rehberger") is Respondent’s 100% owner.

8. MY WAY CAFE, Inc. ("MWC") is a licensed video gaming establishment (License No. 200701569).

9. Teki Salievski ("Salievski") is MWC’s 100% owner.

10. Pat Ostry ("Ostry") was employed by Respondent at all relevant times alleged in the Complaint.

**RELEVANT REGULATORY BACKGROUND**

11. On July 13, 2009, the General Assembly enacted the VGA and legalized operation of video gaming terminals ("VGTs") at certain locations across Illinois.

12. Among other things, the VGA created a tiered licensing system to prevent vertical integration within the Illinois video gaming industry. This system includes two distinct licensee categories: "Licensed Terminal Operator" and "Licensed Establishment." Terminal operators are individuals or companies (like Respondent) that own, place, operate, and maintain VGTs. In
contrast, licensed establishments (like MWC) are the locations such as bars, restaurants, truck-stops, and fraternal organizations that host VGTs for patron play.

13. A “Use Agreement” is a contractual agreement between a licensed terminal operator and a licensed video gaming establishment setting the terms and conditions for placement and operation of VGTs by the licensed terminal operator within the premises of the licensed video gaming establishment.

14. Section 25(c) of the VGA prohibits terminal operators from giving anything of value to a video gaming establishment as an incentive or inducement to locate VGTs in that establishment.

15. Similarly, Rule 250(l) prohibits terminal operators from offering or providing anything of value to a video gaming establishment as an incentive or inducement to locate VGTs in that establishment.

16. On or about December 14, 2017, the Board issued disciplinary complaint DC-V-17-226 (the “2017 Complaint”), seeking to revoke Respondent’s terminal operator license.

17. The 2017 Complaint alleged, in part, that Respondent violated both the VGA and Rules when Rehberger offered to pay for the entirety of the costs of gaming room construction for two video gaming establishment applicants, with the intent to induce those applicants to sign use agreements with Respondent.

18. On December 17, 2019, the Board issued a second disciplinary complaint, DC-V-19-094 (the “2019 Complaint”), seeking to revoke Respondent’s terminal operator license.

19. The 2019 Complaint alleged, in part, that Respondent violated the VGA and Rules when Rehberger sought to improperly influence witness testimony and obstruct Board activities in connection with Respondent’s defense against the 2017 Complaint.
20. At all relevant times alleged in this Complaint, both the 2017 Compliant and the 2019 Complaint are pending in administrative hearings.

**RELEVANT FACTUAL BACKGROUND**

21. On or before July 30, 2020, Ostry learned that MWC was interested in becoming a licensed video gaming establishment. As of that date, MWC had not yet applied for Board licensure.

22. On or before July 30, 2020, Ostry met with Salievski to discuss MWC obtaining licensure and entering into a use agreement with Respondent.

23. During the meeting between Ostry and Salievski, Salievski told Ostry he did not want to replace existing dining space inside MWC with Respondent’s VGTs.

24. Ostry offered to Salievski that Respondent could provide MWC with an adjoining structure that would attach to MWC (the “VGT Annex”) to house Respondent’s VGTs for patron play at MWC, and that Respondent would pay all construction costs.

25. On or about July 30, 2020, Salievski and Ostry agreed that Respondent would provide the VGT Annex at no cost to MWC in order to facilitate placement and operation of Respondent’s VGTs at MWC.

26. On or about August 5, 2020, MWC applied for a video gaming establishment license. MWC’s license application indicated Respondent would be MWC’s terminal operator.

27. On September 28, 2020, Rehberger personally approved Respondent’s payment to a contractor for construction of the VGT Annex at MWC.

28. On October 2, 2020, following Rehberger’s prior approval, Respondent issued a check, signed by Rehberger, in the amount of $21,790 to the contractor for construction of the VGT Annex at MWC.

30. The Board granted a video gaming establishment license to MWC on December 17, 2020.


COUNT I

Inducement in Violation of 230 ILCS 40/25(c)

32. The Board re-alleges and incorporates Paragraphs 1 through 31 above as if fully alleged herein.

33. Section 25(c) of the VGA prohibits a terminal operator from giving anything of value to an establishment as an incentive or inducement to locate VGTs in that establishment. 230 ILCS 40/25(c).

34. The VGA subjects a terminal “to termination of his or her license[.]” for violating Section 25(c). Id.

35. In addition to its obligation as a licensee to know about and comply with all provisions of the VGA and Rules for video gaming, Respondent’s receipt of the 2017 Complaint gave it actual notice that offering to pay for construction at a video gaming location could subject a licensee to Board discipline.

36. Respondent, through Ostry and with Rehberger’s express knowledge and approval, provided the VGT Annex to MWC as an incentive for MWC to seek Board licensure and allow Respondent to operate its VGTs at MWC.
37. By engaging in the conduct described above, Respondent is subject to discipline pursuant to 230 ILCS 40/25(c).

WHEREFORE, based on the foregoing, Respondent’s terminal operator license should be REVOKED.

COUNT II
Inducement in Violation of Rule 250(l)

38. The Board re-alleges and incorporates Paragraphs 1 through 37 above as if fully alleged herein.

39. Board Rule 250(l) prohibits a licensed terminal operator from offering or providing anything of value to an establishment as an incentive or inducement to locate VGTs in that establishment. 11 Ill. Adm. Code 1800.250(l).

40. Board Rule 310(a)(1) provides that a licensee may be subject to discipline for any violation of Board Rules. 11 Ill. Adm. Code 1800.310(a)(1).

41. Respondent, through Ostry and with Rehberger’s express knowledge and approval, offered and provided the VGT Annex to MWC as an incentive for MWC to seek Board licensure and allow Respondent to operate its VGTs at MWC.

WHEREFORE, based on the foregoing, Respondent’s terminal operator license should be REVOKED.

Dated: May 12, 2023

[Signature]
Marcus D. Fruchter
Administrator
Illinois Gaming Board

Respectfully submitted,
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 Lucky Lincoln Gaming, LLC and to propose the following discipline:

The terminal operator license of Lucky Lincoln Gaming, LLC (License No. 130606452) shall be REVOKED for violations of the Video Gaming Act and the Adopted Rules, as set forth in Disciplinary Complaint No. DC-V-23-161 unless it files an answer to the Disciplinary Complaint within 21 days from the date of service of the 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. Adm. 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 within 21 days of receiving this Complaint will result in the proposed disciplinary action becoming effective and final. The Answer shall be submitted to:

IGB.LEGAL@illinois.gov OR Illinois Gaming Board
Attn: Legal Department
160 N. LaSalle St., Suite 300
Chicago, Illinois 60601

Dated: May 12, 2023

[Signature]
Marcus D. Fruchter
Administrator
Illinois Gaming Board
NOTICE OF LIMITED SUMMARY SUSPENSION

Pursuant Section 17 of the Illinois Gambling Act [230 ILCS 10/17], Section 80 of the Video Gaming Act [230 ILCS 40/80] and Subpart G of the Illinois Gaming Board Video Gaming Rules [11 Ill. Adm. Code 1800.710 et seq.] the Administrator makes the following findings:

- Respondent Lucky Lincoln Gaming, LLC (License No. 130606452) is facing revocation proceedings under Disciplinary Complaint DC-V-17-226, issued December 14, 2017.
- Respondent Lucky Lincoln Gaming, LLC is facing revocation proceedings under Disciplinary Complaint DC-V-19-094, issued December 17, 2019.
- During the pendency of the above disciplinary cases, the Administrator found facts sufficient to issue Disciplinary Complaint DC-V-23-161, seeking revocation.
- All material facts supporting Disciplinary Complaint DC-V-23-161 occurred after the issuance of both DC-V-17-226 and DC-V-19-094.

Based on the above findings, the terminal operator license of Respondent Lucky Lincoln Gaming, LLC (No. 130606452) is hereby subject to a LIMITED SUMMARY SUSPENSION pending the completion of the proceedings regarding Disciplinary Complaint DC-V-23-161. During the pendency of the disciplinary proceeding, Respondent shall not be permitted to:

(1) Enter into any use agreement executed after the date of this Notice; or
(2) Acquire any use agreement from any other terminal operator.

Dated: May 12, 2023

[Signature]
Marcus D. Fruchtner
Administrator
Illinois Gaming Board
CERTIFICATE OF SERVICE

I, Daniel Gerber, an attorney, certify that on Friday, May 12, 2023, I caused a copy of this disciplinary complaint to be transmitted by electronic mail pursuant to Illinois Gaming Board Video Gaming Rules 1800.140 and 1800.715 to the following addresses:

Jeffrehberger01@gmail.com
sergio.acosta@akerman.com
mmcgrath@osmfm.com
ttchung@jonesday.com

Daniel Gerber
General Counsel
Illinois Gaming Board