

# ILLINOIS GAMING BOARD

160 North LaSalle Street, 3<sup>rd</sup> Floor

Chicago, Illinois 60601

312-814-4700



## VIDEO GAMING INSTITUTIONAL INVESTOR DISCLOSURE FORM

Name of Institutional Investor completing this form:

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Name of Applicant or Licensee in which Institutional Investor holds interest:

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Date (mm/dd/yyyy): \_\_\_\_\_

TYPE OF LICENSE FOR WHICH THIS FORM IS SUBMITTED (Check all that apply)

Manufacturer  Distributor  Supplier  Terminal Operator  Licensed Video Gaming Location

POSITION/RELATIONSHIP WITH APPLICANT/LICENSEE (check all that apply)

Shareholder  Shareholder of parent or subsidiary corporation

Other \_\_\_\_\_

## INSTRUCTIONS FOR VIDEO GAMING INSTITUTIONAL INVESTOR DISCLOSURE FORM

A Business Entity that qualifies as an Institutional Investor may submit a Video Gaming Institutional Investor Disclosure Form in lieu of a Video Gaming Business Entity Disclosure Form in accordance with the Video Gaming Adopted Rules. To qualify as exempt from filing a Business Entity Disclosure Form, the Institutional Investor must submit this form to the Illinois Gaming Board within no more than 45 days after the Institutional Investor individually or jointly with others cumulatively acquires, directly or indirectly, 5% or more but less than 20% of any class of publicly traded voting securities issued by an Applicant, licensee, parent or subsidiary company of an Applicant or licensee.

### WARNING

BY FILING THIS FORM, INSTITUTIONAL INVESTOR ACCEPTS ANY RISK OF ADVERSE PUBLIC NOTICE, EMBARRASSMENT, CRITICISM, OR OTHER ACTION, OR FINANCIAL LOSS WHICH MAY RESULT FROM ACTION TAKEN OR NOT TAKEN WITH RESPECT TO THE FORM AND ANY LICENSE APPLICATION, AND EXPRESSLY WAIVES ANY CLAIM FOR DAMAGES AS A RESULT THEREOF. INFORMATION NOT REQUESTED IN THIS FORM OR IN ADDITION TO THAT PROVIDED IN RESPONSE TO THIS FORM MAY BE REQUESTED.

**Read the entire Form before responding to the questions.**

This form is an official document. Institutional Investor should respond to the questions contained herein to the Best of its Knowledge after substantial inquiry. Do not misstate or omit any material fact(s) as each statement made herein is subject to verification. **ANY misrepresentation, failure to reveal information or omission is grounds for denial of a license application. “A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.” 230 ILCS 10/9(f).**

Institutional Investor is under a continuing duty to disclose promptly any changes in the information provided in this form and additional information and materials submitted to the Illinois Gaming Board. The duty to make such additional disclosures shall continue throughout any period of licensure granted by the Illinois Gaming Board associated with this Video Gaming Institutional Investor Disclosure Form.

Type or print the answers to questions in black ink. **All signatures should be in blue ink.** If a question does not apply to you, so state with “N/A.” If space available is insufficient, continue on a separate sheet of paper and precede each answer by labeling the section to which it is responsive. An authorized agent must initial each page, as provided in the lower right hand corner. By placing such initials on each page, the Institutional Investor attests to the accuracy and completeness of the information contained on that page.

Return the completed Video Gaming Institutional Investor Disclosure Form (1 original and 2 copies, and 1 electronic copy in Portable Document Format on CD or DVD) each individually bound or stapled on the left side) to the Illinois Gaming Board. All materials submitted to the Illinois Gaming Board must be sent to:

Illinois Gaming Board  
160 North LaSalle Street, 3<sup>rd</sup> Floor  
Chicago, Illinois 60601-3103

## DEFINITIONS FOR VIDEO GAMING LICENSE APPLICATIONS AND DISCLOSURE FORMS

For the purposes of all video gaming license applications and disclosure forms, the following terms shall have the following meanings:

**Act:** The Illinois Video Gaming Act.

**Administrator:** The chief executive officer responsible for the day-to-day operations of the Illinois Gaming Board.

**Affiliate:** An Affiliate of a person is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person.

**Affiliated Entity:** An Affiliated Entity of a person is any Business Entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the person.

**Amusement Machine Route Operation:** An operation which involves the installation, operation, and/or service of vending machines, coin-operated amusement devices, and/or Gaming Equipment in retail stores and other establishments including, but not limited to, Convenience Stores, bars, restaurants, liquor stores, Veterans Organizations, Fraternal Organizations, and truck stops.

**Applicant:** As the context requires, either (i) in the case of a person applying for any video gaming license, the Individual or Business Entity for whom the Application is being submitted to the Illinois Gaming Board, or (ii) in the case of a person submitting a video gaming disclosure form, the Individual or Business Entity for whom an Application is being submitted or has been submitted to the Illinois Gaming Board and with which the form is associated.

**Application:** All material submitted, including the instructions, definitions, forms and other documents issued by the Illinois Gaming Board, comprising the video gaming license application submitted to the Illinois Gaming Board.

**Associated Video Gaming Equipment:** Ticket payout systems and validation procedures; wireless, promotional and bonusing systems; kiosks; gaming-related peripherals; hardware, software and systems; and other gaming devices and equipment for compliance with: (i) Illinois laws, regulations, and requirements as codified or otherwise set forth; and (ii) Board-approved video gaming industry standards.

**Attributed Interest:** A direct or Indirect Interest in an enterprise deemed to be held by an Individual not through the Individual's actual holdings but either through the holdings of the Individual's relatives or through a third party or parties on behalf of the Individual pursuant to a plan, arrangement or agreement.

**Beneficiary:** Person for whose current, contingent or future benefit property is held in Trust.

**Best of its Knowledge or Best of My Knowledge:** One's knowledge after substantial inquiry.

**Board:** The Illinois Gaming Board.

**Business Entity:** A partnership, incorporated or unincorporated association or group, firm, corporation, limited liability company, partnership for shares, Trust, Sole Proprietorship or other business enterprise.

**Contingent Beneficiary:** Person designated by Grantor to receive benefit of property held in Trust if the primary Beneficiary is unable or unwilling to take it.

**Control(s):** The possession, direct or indirect, of the power to direct or cause the direction of the management, operation or policies of an Individual or Business Entity, whether through the ownership of voting securities, by contract, or otherwise.

**Convenience Store:** A retail store that is open long hours, sells motor fuel, and a limited selection of snacks and general goods.

**Debt Instrument:** Any bond, loan, mortgage, Trust deed, note, debenture, subordination, guaranty, letter of credit, Security Agreement, surety agreement, pledge, chattel mortgage or form of indebtedness.

**Distributor:** An Individual, partnership, or corporation licensed under the Act to buy, sell, lease, or distribute Video Gaming Terminals or major components or parts of Video Gaming Terminals to or from Terminal Operators.

**Enforce a Security Interest:** To transfer possession of ownership or title pursuant to a Security Interest.

**Fraternal Organization:** An organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to anyone as a result of the operation and that is exempt from federal income taxation under Section 501(c)(8) or (C)(10) of the Internal Revenue Code.

**Game:** A gambling activity which is played for money, property, or anything of value, including without limitation those played with cards, chips, tokens, vouchers, dice, implements, or electronic, electrical, or mechanical devices or machines.

**Gaming:** The dealing, operating, carrying on, conducting, maintaining or exposing for play any Game.

**Gaming Equipment:** A machine, mechanism, device or implement which effects the result of a Game by determining win or loss, including without limitation electronic, electrical, or mechanical devices or machines, software, cards, or dice, and any representative of value used with any Game, including without limitation chips, tokens, or electronic debit cards and related hardware and software.

**Gaming Operation:** The conducting of Gaming or the providing or servicing of Gaming Equipment.

**Gaming Property Collateral:** Video Gaming Equipment subject to a Security Interest.

**Gaming-related:** Anything related to the dealing, operating, carrying on, conducting, transporting, maintaining or exposing for play of any Game.

**Grantor:** The settlor or creator of a Trust.

**Illinois Resident:**

- (1) With respect to an Individual, an Individual who is either: (i) domiciled in Illinois or maintains a bona fide place of abode in Illinois; or (ii) is required to file an Illinois tax return during the taxable year.
- (2) With respect to a corporation, any corporation organized under the laws of this State and any foreign corporation with a certificate of authority to transact business in Illinois. A foreign corporation not authorized to transact business in this State is a nonresident of this State.
- (3) With respect to a partnership, a partnership in which any partner is an Illinois resident, or where the partnership has an office and is doing business in Illinois.
- (4) With respect to an irrevocable Trust, a Trust where the grantor was an Illinois resident individual at the time such Trust became irrevocable.

**Immediate Family:** Spouse (other than a spouse who is legally separated from the Individual under a decree of divorce or separate maintenance), parents, grandparents, siblings, children and grandchildren, step-children, whether by blood, marriage, or adoption.

**Indirect Interest:** An interest in a Business Entity that is deemed to be held by an Applicant or a licensee not through the Applicant's or licensee's actual holdings in the Business Entity, but through the Applicant's or licensee's holdings in other Business Entities.

**Individual:** Any natural person.

**Institutional Investor:** (1) a retirement fund administered by a public agency for the exclusive benefit of federal, state, or local public employees; (2) an investment company registered under Section 8 the Investment Company Act of 1940; (3) a collective investment trust organized by a bank under Part 9 of the Rules of the Comptroller of the Currency; (4) a closed end investment trust registered with the United States Securities and Exchange Commission; (5) a chartered or licensed life insurance company or property and casualty insurance company; (6) a federal or state bank; (7) an investment advisor registered under the Investment Advisors Act of 1940; or (8) such other person as the Illinois Gaming Board may determine for reasons consistent with the Act and Adopted Rules.

**Licensed Fraternal Establishment:** A location licensed under the Act where a qualified Fraternal Organization that derives its charter from a national Fraternal Organization regularly meets.

**Licensed Retail Establishment:** A location licensed under the Act where alcoholic liquor is drawn, poured, mixed, or otherwise served for consumption on the premises. Licensed Retail Establishment does not include a Licensed Fraternal Establishment, Licensed Veterans Establishment, or a Licensed Truck Stop Establishment.

**Licensed Technician:** An individual who is licensed under the Act to repair, service, and maintain Video Gaming Terminals.

**Licensed Terminal Handler:** A person, including but not limited to an employee or independent contractor working for a manufacturer, distributor, supplier, technician, or terminal operator, who is licensed under the Act to possess or control a Video Gaming Terminal or to have access to the inner workings of a Video Gaming Terminal. A licensed terminal handler does not include an individual, partnership, or corporation defined as a manufacturer, distributor, supplier, technician, or terminal operator under the Act.

**Licensed Truck Stop Establishment:** A facility licensed under the Act that is at least a 3-acre facility with a Convenience Store and with separate diesel islands for fueling commercial motor vehicles and parking spaces for commercial motor vehicles as defined in Section 18b-101 of the Illinois Vehicle Code.

**Licensed Veterans Establishment:** A location licensed under the Act where a qualified Veterans Organization that derives its charter from a national Veterans Organization regularly meets.

**Licensed Video Gaming Location:** A Licensed Retail Establishment, Licensed Fraternal Establishment, Licensed Veterans Establishment, or Licensed Truck Stop Establishment.

**Liquor License:** A license issued by a governmental body authorizing the holder to sell and offer for sale at retail alcoholic liquor for use or consumption.

**Major Components or Parts:** Components or parts that comprise the inner workings and peripherals of a Video Gaming Terminal, including but not limited to the device's hardware, software, human interface devices, interface ports, power supply, ticket payout system, bill validator, printer and any component which effects or could effect the result of a Game played on the device.

**Manage:** To exercise executive, administrative, and/or supervisory direction.

**Manufacturer:** An individual, partnership, or corporation that is licensed under the Act and that manufactures or assembles Video Gaming Terminals.

**Nominee:** Any Individual or Business Entity that holds as owner of record the legal title to tangible or an intangible personality or real property, including without limitation any stock, bond, debenture, note, investment contract or real estate on behalf of another Individual or Business Entity, and as such is designated and authorized to act on his or its behalf with respect to such property.

**Ownership Interest:** Includes, but is not limited to, direct, indirect, beneficial or Attributed Interest, or holder of stock options, convertible debt, warrants or stock appreciation rights, or holder of any beneficial ownership or leasehold interest in a Business Entity.

**Person with Significant Influence and Control:**

- (1) Each person in whose name the Liquor License is maintained for each Licensed Video Gaming Location;
- (2) Each person who holds, directly or indirectly, a Substantial Interest in an Applicant or licensee;
- (3) Each person who, in the opinion of the Administrator, has the ability to Control the activities of the corporate Applicant or licensee, or elect a majority of the board of directors of that corporation, other than a bank or other licensed lending institution which holds a mortgage or other lien acquired in the ordinary course of business;
- (4) For any Applicant or licensee that is not a corporation, persons who, in the opinion of the Administrator, have the ability to Control the Applicant or licensee; or
- (5) Persons having the power to exercise significant influence over decisions concerning any part of the Applicant's or licensee's Video Gaming Operation.

**Public Official:** An Individual who is elected to office pursuant to Illinois statute, or who is appointed to an office which is established under and the qualifications and duties of which are prescribed by Illinois statute to discharge a public duty for the state or any of its political subdivisions.

**Publicly Held Company:** A company that has filed a registration statement with the Securities and Exchange Commission and its shares are traded on a national stock exchange.

**Secured Party:** A person who is a lender, seller, or other person who holds a valid security interest.

**Security:** An ownership right or creditor relationship.

**Security Agreement:** An agreement that creates or provides a security interest, including but not limited to a Use Agreement.

**Security Interest:** An interest in property that secures the payment or performance of an obligation or judgment.

**Sole Proprietor:** An Individual who in his or her own name owns 100% of the assets and who is solely liable for the debts of a business.

**Substantial Interest:** With respect to a partnership, a corporation, an organization, an association, a business, or a limited liability company means:

- (1) When, with respect to a Sole Proprietorship, an Individual or his or her spouse owns, operates, Manages, or conducts, directly or indirectly, the organization, association, or business, or any part thereof; or
- (2) When, with respect to a partnership, the Individual or his or her spouse shares in any of the profits, or potential profits, of the partnership activities; or
- (3) When, with respect to a corporation, an Individual or his or her spouse is an officer or director or the individual or his or her spouse is a holder, directly or beneficially, of 5% or more of any class of stock of the corporation; or
- (4) When, with respect to a limited liability company, an Individual or his or her spouse is a member, or the Individual or his or her spouse is a holder, directly or beneficially, of 5% or more of the membership interest of the limited liability company; or
- (5) When, with respect to any other organization not covered in 1), 2), 3), or 4) above, an Individual or his or her spouse is an officer or manages the business affairs, or the Individual or his or her spouse is the owner of, or otherwise controls, 10% or more of the assets of the organization; or
- (6) When an Individual or his or her spouse furnishes 5% or more of the capital, whether in cash, goods, or services, for the operation of any business, association, or organization during any calendar year.

For purposes of this definition, "Individual" includes all Individuals or their spouses whose combined interest would qualify as a Substantial Interest under this definition and whose activities with respect to an organization, association, or business are so closely aligned or coordinated as to constitute the activities of a single entity.

**Substantial Owner:** The holder of at least 25% of the total combined voting power of a corporation or at least 25% of the total value of shares of all classes of stock of a corporation; or at least 25% interest in a partnership; or at least 25% of the value of a Trust computed actuarially; or at least 25% of the legal or beneficial interest in any other Business Entity. For purposes of computing the forgoing percentages, a holder shall be deemed to own any stock or other interest in a Business Entity, whether owned as a direct or Indirect Interest.

**Successor Trustee:** A Trustee who succeeds an earlier Trustee.

**Supplier:** An individual, partnership, or corporation that is licensed under the Act to supply Major Components or Parts to Video Gaming Terminals to Terminal Operators.

**Terminal Operator:** An Individual, partnership, or corporation that is licensed under the Act and that owns, services, and maintains Video Gaming Terminals for placement in Licensed Video Gaming Locations.

**Truck Stop Establishment:** A facility with a valid liquor license issued by the Illinois Liquor Control Commission that is at least a 3-acre facility with a Convenience Store and with separate diesel islands for fueling commercial motor vehicles and parking spaces for commercial motor vehicles as defined in Section 18b-101 of the Illinois Vehicle Code.

**Trust:** a property interest held by one person (the Trustee) at the request of another (the Grantor) for the benefit of a third party (the Beneficiary).

**Trustee:** Person who holds legal title to property in a Trust for the benefit of the Beneficiaries of the Trust.

**Use Agreement:** A contractual agreement between a Terminal Operator and a Licensed Video Gaming Location establishing terms and conditions for placement and operation of Video Gaming Terminals by the Terminal Operator within the premises of the Licensed Video Gaming Location.

**Veterans Organization:** An organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to anyone as a result of the operation and that is exempt from federal income taxation under Section 501(c)(19) of the Internal Revenue Code.

**Video Gaming Equipment:** Video Gaming Terminals, Associated Video Gaming Equipment, and Major Components or Parts.

**Video Gaming Operation:** As the context requires, the conducting of video gaming and all related activities.

**Video Gaming Terminal:** An electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game, including but not limited to video poker, line up, and blackjack, as authorized by the Board utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens or is for amusement purposes only.

1. General Information

Name of Institutional Investor	
Street Address	City/State/Zip Code
Mailing Address (if different)	City/State/Zip Code
Business phone	Facsimile

2. Check the applicable category below which indicates the Institutional Investor's structure:

- A retirement fund administered by a public agency for the exclusive benefit of federal, state, or local public employees;
- An investment company registered under Section 8 of the Investment Company Act of 1940;
- A collective investment trust organized by a bank under Part 9 of the Rules of the Comptroller of the Currency;
- A closed end investment trust registered with the United States Securities and Exchange Commission;
- A chartered or licensed life insurance company or property and casualty insurance company;
- A federal or state bank;
- An investment advisor registered under the Investment Advisors Act of 1940; or
- Such other person as the Illinois Gaming Board may determine for reasons consistent with the Act and Adopted Rules.

3. State the number held of publicly traded securities issued by the Applicant, licensee, parent or subsidiary company of the Applicant or licensee (the "Securities"):

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4. State the percentage held of the class of the Securities:

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5. Submit as Exhibit 5 a list with the names, addresses, telephone numbers and social security numbers of the officers and directors, or their equivalent, of the Institutional Investor.

6. Has the Institutional Investor, Affiliate, officer or director been subject to any criminal or regulatory sanctions imposed during the preceding 10 years? *(as to a former officer or director, such information need be provided only to the extent that it relates to actions arising out of or during such person's tenure with the Institutional Investor or an Affiliated Entity)*  Yes  No If yes, provide complete details on a separate sheet of paper and submit as Exhibit 6.
  
7. Has the Institutional Investor, Affiliate, officer or director been subject to any administrative or court proceedings filed by any regulatory agency during the preceding 5 years? *(as to a former officer or director, such information need be provided only to the extent that it relates to actions arising out of or during such person's tenure with the Institutional Investor or an Affiliated Entity)*  Yes  No If yes, provide complete details on a separate sheet of paper and submit as Exhibit 7.
  
8. Describe the Institutional Investor's business and state why the Institutional Investor is within the definition of "Institutional Investor" as set forth in the Adopted Rules. If additional space is required, you may answer on a separate sheet of paper and submit as Exhibit 8.

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9. Institutional Investor certifies that it owns, holds, or controls the Securities in the ordinary course of business for investment purposes only.  Yes  No
  
10. Institutional Investor certifies that it does not exercise influence or control over the affairs of the issuer of the Securities.  Yes  No
  
11. Institutional Investor certifies that it does not intend to exercise influence or control over the affairs of the issuer of the Securities.  Yes  No
  
12. Institutional Investor certifies that if it subsequently determines to exercise influence or control over the affairs of the issuer of the Securities, it shall provide not less than 30 days notice of such intent and shall file with the Illinois Gaming Board a Video Gaming Business Entity Disclosure Form before taking any action that may influence or control the affairs of the issuer of the Securities.  Yes  No
  
12. Does Institutional Investor hold the Securities on behalf of its own accounts?  Yes  No

Explanation: \_\_\_\_\_

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13. Does Institutional Investor hold the Securities on behalf of other accounts?  Yes  No

Explanation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

14. Does Institutional Investor have sole voting power as to the Securities held?  Yes  No

Explanation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

15. Does any one account held by Institutional Investor own, control or vote more than 5% of any class of the Securities?  Yes  No

Explanation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

16. Submit as Exhibit 16 the most recent copy of the Institutional Investor's Schedule 13D or 13G (and any amendments thereto) filed with the United States Securities and Exchange Commission concerning the Securities. **Note:** if the documentation required to be filed in response to Question 16 is available on a website maintained by the Securities and Exchange Commission, identify the document and where it can be accessed electronically. No documentation will be required to be filed in response to Question 16 if such access is identified and available on a website.

17. Institutional Investor certifies that it understands that this Video Gaming Institutional Investor Disclosure Form shall not be construed to preclude the Illinois Gaming Board from requiring Institutional Investor to submit a Video Gaming Business Entity Disclosure Form if the Illinois Gaming Board determines that such submission is proper and in furtherance of the Video Gaming Act, the Adopted Rules and the policies of the Illinois Gaming Board.  
 Yes  No

18. Institutional Investor agrees to be bound by and comply with the Video Gaming Act and Adopted Rules, to be subject to the jurisdiction of the courts of Illinois, and to consent to Illinois as the choice of forum in the event any dispute, question, or controversy arises regarding the Application or this Video Gaming Institutional Investor Disclosure Form.  
 Yes  No

19. Institutional Investor certifies that it acknowledges that it may be required to file additional information as the Illinois Gaming Board deems necessary.  Yes  No

**VERIFICATION**

State of \_\_\_\_\_ )  
 ) ss  
County of \_\_\_\_\_ )

I, \_\_\_\_\_, being the duly authorized \_\_\_\_\_  
(Officer) (Office)

of \_\_\_\_\_, and being first duly sworn upon oath or  
(Name of Institutional Investor)

affirmation, depose and state:

“Undersigned swears and certifies under penalty of law that all answers and information provided in this Video Gaming Institutional Investor Disclosure Form and associated documents are true, correct and complete to the Best of its Knowledge. Undersigned acknowledges that any misrepresentation, failure to reveal information or omission is grounds for denial of a license and/or revocation of any license for which this form is submitted or with which this form is associated. Undersigned acknowledges that any misrepresentation, failure to reveal information or omission is grounds for the Illinois Gaming Board to require its disassociation with any licensee or person for which this form is submitted or with which this form is associated.”

\_\_\_\_\_  
Name of Institutional Investor

By: \_\_\_\_\_

Its: \_\_\_\_\_

SUBSCRIBED and SWORN to before me this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Notary Public

Notary Public in and for the

County of \_\_\_\_\_

State of \_\_\_\_\_