

ORDER 2012-32
WAIVING THE APPLICATION OF 68 IAC 5-2-2 AND 68 IAC 5-2-3 TO THE
TRANSFER OF LIGHTNING POKER, INC.'S SUPPLIER LICENSE TO
LIGHTNING SLOTS, LLC

Under 68 IAC 2-2-9(e), the Commission may not transfer a supplier license “unless the transfer complies with 68 IAC 5.” Under 68 IAC 5-2-2 and 5-2-3, supplier licensees who are not publicly traded companies are required to comply with certain requirements and pay certain fees before the Commission will approve a transfer. The Commission has authority under 68 IAC 5-2-6 to waive a requirement in 68 IAC 5-2 if the Commission determines that the requirement is impractical; a waiver is in the best interest of the public and the gaming industry; and a waiver is not outside the technical requirements necessary to serve the purpose of the rule.

Lightning Poker, Inc. (“Lightning Poker”) is a manufacturer of electronic gaming devices. On July 19, 2010, Commission staff issued a temporary supplier license to Lightning Poker. On March 17, 2011, the Commission granted a permanent supplier license to Lightning Poker.


Lightning Gaming, Inc. (“Lightning Gaming”) is the 100% shareholder of Lightning Poker. Lightning Gaming also is the sole member of Lightning Slot Machines, LLC (“Lightning Slots”). Lightning Poker and Lightning Slots have the same officers. On September 8, 2011, Lightning Poker contacted Commission staff to ask if it could “change” the supplier license from Lightning Poker to Lightning Slots, which would result in Lightning Slots being the licensee. This request triggered 68 IAC 5-2 and 5-2-3.

Compliance with the requirements in 68 IAC 5-2-2 and 5-2-3 is costly for the applicant and the Commission. The purpose of 68 IAC 5-2 is to ensure that the party seeking transfer is suitable. Because the Commission investigated and found suitable Lightning Slots’s sole member and its key persons in connection with the initial Lightning Poker investigation, the requirements of 68 IAC 5-2-2 and 5-2-3 are impractical and a waiver of those requirements is in the best interest of the public and the gaming industry and is not outside of the purpose of the transfer requirements.

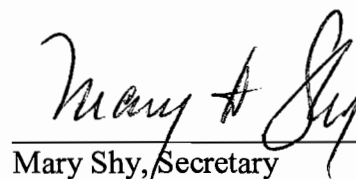
Based on the above, the Commission APPROVES the waiver of 68 IAC 5-2-2 and 68 IAC 5-2-3 for the transfer of Lightning Poker’s supplier license to Lightning Slots. Upon effectiveness of this Order, Lightning Slots will hold the supplier license held by Lightning Poker.

IT IS SO ORDERED ON THIS 15th DAY OF MARCH, 2012.

THE INDIANA GAMING COMMISSION: ATTEST:



Timothy Murphy, Chair



Mary Shy, Secretary