

GRAND RONDE GAMING COMMISSION



REGULATIONS

(Effective September 19, 2024)

PO Box 155
27100 SW Salmon River Highway, Ste. A
Grand Ronde, Oregon 97347
(503) 879-2362
www.grandrondegaming.org

REGULATIONS CONTENTS

CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Subchapter 1 – General Provisions

1.1.1	Promulgation, amendment and repeal of regulations.	1
1.1.2	Policy of the Commission.	1
1.1.3	Commission authority and responsibility.	1
1.1.4	Director authority and responsibility.	2
1.1.5	Construction.	3
1.1.6	Severability.	3
1.1.7	Definitions, words and terms, tense, number and gender.	3

Subchapter 2 – Definitions

3 -15

CHAPTER 2: LICENSING

Subchapter 1 – General Provisions

2.1.1	License requirements.	1
2.1.2	Application provisions.	1
2.1.3	False, ambiguous or misleading statements by applicants.	2
2.1.4	Withdrawal of application.	3
2.1.5	Background investigations.	3
2.1.6	Suitability determinations.	3
2.1.7	Mitigating factors.	4
2.1.8	Waiver of disqualifying factors.	4
2.1.9	Appearance before the Commission.	4
2.1.10	Limited and conditional licenses.	4
2.1.11	Denial of license.	5
2.1.12	Notification to applicant or licensee.	5
2.1.13	Hearings and appeals.	5
2.1.14	Issuance and term of license.	6
2.1.15	Review of initial licensing decision.	6

Subchapter 2 – Gaming Operation

2.2.1	Licensing provisions.	6
2.2.2	License fees.	7
2.2.3	Renewal of license.	7

REGULATIONS CONTENTS

Subchapter 3 – Gaming Operation Personnel

2.3.1	Licensing provisions.	7
2.3.2	License classifications.	7
2.3.3	Minimum age requirement.	8
2.3.4	Ineligible officials.	8
2.3.5	Temporary licenses.	8
2.3.6	NIGC review and objection.	8
2.3.7	Renewal of license.	9
2.3.8	Deactivation and reactivation of current licenses.	9

Subchapter 4 – Gaming Vendors

2.4.1	Licensing provisions.	9
2.4.2	Application provisions.	10
2.4.3	Temporary licenses.	10
2.4.4	Application and licensing fees.	10
2.4.5	Notification to Director.	11
2.4.6	Renewal of license.	11
2.4.7	Deactivation and reactivation of current licenses.	11

Subchapter 5 – Grounds for Disciplinary Action

2.5.1	Violation of law.	12
2.5.2	Failure to meet suitability requirements.	12
2.5.3	Failure to provide accurate information.	12
2.5.4	Noncompliance with condition of licensure	12
2.5.5	Failure to pay fines.	12
2.5.6	Unsuitable methods of operation.	12
2.5.7	Criminal arrests.	13
2.5.8	Unsuitable activities.	13
2.5.9	Failure to respond or provide information.	13
2.5.10	Failure to report.	13
2.5.11	Action against licensees for reporting.	13
2.5.12	Disclosure of confidential information.	13

Subchapter 6 – Work Permits

2.6.1	Work permit requirements.	14
2.6.2	Application provisions.	14
2.6.3	False, ambiguous or misleading statements by applicants.	15

REGULATIONS CONTENTS

2.6.4	Background investigations.	15
2.6.5	Determination guidelines.	15
2.6.6	Notification to applicant.	15
2.6.7	Appeals to Commission.	15
2.6.8	Term of work permit.	15
2.6.9	Identification badges.	15
2.6.10	Permittee notification to Director.	16

CHAPTER 3: DISCIPLINARY ACTION

Subchapter 1 – Action by the Director

3.1.1	Disciplinary action.	1
3.1.2	Notice of Violation.	1
3.1.3	Informal conference with the Director.	1
3.1.4	Final action of the Director.	2

Subchapter 2 – Hearing Before the Commission

3.2.1	Procedures.	3
3.2.2	Service.	3
3.2.3	Initiation of hearing procedure: Notice of Hearing.	3
3.2.4	Appearances.	3
3.2.5	Conduct of hearing.	3
3.2.6	Admissibility of evidence.	4
3.2.7	Subpoenas.	4
3.2.8	Discovery.	5
3.2.9	Official notice.	5
3.2.10	Amended or supplemental pleadings.	5
3.2.11	Continuances.	5
3.2.12	Communications with the Commission.	5
3.2.13	Default.	5
3.2.14	Contempt.	6
3.2.15	Burden of proof.	6
3.2.16	Decision of the Commission.	6
3.2.17	Appeal of decision of the Commission.	6
3.2.18	Revocation of license.	7

**REGULATIONS
CONTENTS**

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

Subchapter 1 - Prohibitions

4.1.1	Games and gaming equipment.	1
4.1.2	Gaming by licensees and vendor representatives at the gaming facility.	1
4.1.3	Cheating and deception.	1
4.1.4	Interference with surveillance.	2
4.1.5	Unlicensed personnel and vendors	2
4.1.6	Drop box removal.	2
4.1.7	Credit.	2
4.1.8	Chip redemption.	3
4.1.9	Photography and videotaping.	3
4.1.10	Electronic communication devices.	3
4.1.11	Gaming by persons under the age of 21.	3
4.1.12	Alcohol.	3
4.1.13	Weapons.	3
4.1.14	Gratuities.	3
4.1.15	Excluded individuals.	4
4.1.16	Shills and proposition players.	4
4.1.17	Obstruction of surveillance camera coverage.	4
4.1.18	Reporting by licensees.	4

Subchapter 2 – Public Notices

4.2.1	Public notice governing conduct of patrons and employees.	4
4.2.2	Use of chips.	5
4.2.3	Evacuation plans.	5
4.2.4	Licenses and permits.	5

Subchapter 3 – Access Requirements

4.3.1	Commission.	5
4.3.2	Oregon State Police.	5

Subchapter 4 – Cashier Cages and Count Room

4.4.1	Cashier cages.	6
4.4.2	Count room.	6

REGULATIONS CONTENTS

Subchapter 5 – Security and Surveillance

4.5.1	Gaming operation security.	6
4.5.2	Safety and health.	7
4.5.3	Construction and renovation.	7
4.5.4	Security incident records.	7
4.5.5	Surveillance systems.	7
4.5.6	Surveillance system plan.	8

Subchapter 6 – Player Disputes

4.6.1	Player disputes.	8
-------	------------------	---

Subchapter 7 – Excluded Individuals

4.7.1	Exclusions by the Director.	9
4.7.2	Gaming operation exclusion policy.	9

Subchapter 8 – Licensed Personnel

4.8.1	Licensee age restrictions.	9
4.8.2	Assignments to other positions.	10
4.8.3	Identification badges.	10
4.8.4	Training.	11
4.8.5	Supervision.	11

Subchapter 9 – Minimum Cash and Insurance Requirements

4.9.1	Minimum bankroll requirements.	11
4.9.2	Liability insurance.	11

Subchapter 10 – Reporting Requirements

4.10.1	Licensee's duty to report.	12
4.10.2	Notification.	12
4.10.3	Monthly reports.	13
4.10.4	Annual reports.	13
4.10.5	Other reports.	13

CHAPTER 5: INTERNAL CONTROL, ACCOUNTING

Subchapter 1 – Internal Controls

5.1.1	Commission Minimum Internal Control Standards.	1
5.1.2	Policies and procedures.	1

REGULATIONS CONTENTS

5.1.3	Required departments.	2
-------	-----------------------	---

Subchapter 2 - Accounting

5.2.1	Accounting records.	2
5.2.2	Record retention and inspection by Commission.	2
5.2.3	Annual audit requirements.	3

Subchapter 3 – Currency Transactions

5.3.1	Compliance program.	3
5.3.2	Prohibited currency transactions.	4
5.3.3	Currency transaction reports.	4
5.3.4	Suspicious transaction reporting.	5
5.3.5	Multiple currency transactions.	5
5.3.6	Negotiable instruments.	6
5.3.7	Reporting of gaming winnings.	6

Subchapter 4 – Information Technology

5.4.1	Gaming software and hardware.	6
5.4.2	Network security validation.	6
5.4.3	Passwords.	7
5.4.4	Remote access.	7

CHAPTER 6: GAMES

Subchapter 1 – Game Approvals

6.1.1	Approval required by Commission.	1
6.1.2	Application to Commission for approval.	1
6.1.3	Commission approval.	1

Subchapter 2 – Game Rule Amendments

6.2.1	Adoption of Game Rule amendments.	2
6.2.2	Provision for increases to bet limits.	2

Subchapter 3 – Public Posting of Rules

6.3.1	General requirements.	3
6.3.2	Periodic payments.	3

REGULATIONS CONTENTS

Subchapter 4 – Payment of Winnings

6.4.1	Payment of winnings.	3
6.4.2	Minimum cash reserves.	3
6.4.3	Periodic payments.	4
6.4.4	Irrevocable funding options for periodic payments.	5
6.4.5	Reserve funding option for periodic payments.	5

Subchapter 5 – Training Requirements

6.5.1	General.	6
6.5.2	Dealers.	6
6.5.3	Instructors.	6
6.5.4	Table games and card game supervisors and managers.	6

Subchapter 6 – Chips and Tokens

6.6.1	Approval of chips.	7
6.6.2	Chip specifications.	7
6.6.3	Use of chips.	8
6.6.4	Chip redemption.	8
6.6.5	Discontinued chips.	8
6.6.6	Chip disposal.	8
6.6.7	Destruction of counterfeit chips.	9
6.6.8	Promotional and tournament chips.	9

Subchapter 7 – Progressive Jackpots

6.7.1	Progressive jackpot meters.	9
6.7.2	Progressive jackpot limits and reductions.	9

CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND HARDWARE

Subchapter 1 – General Provisions

7.1.1	Indep. testing & approval of game software & elec. gaming devices.	1
7.1.2	Game software.	1
7.1.3	Random selection standards.	2
7.1.4	Commission decals and seals.	2
7.1.5	External display.	2
7.1.6	Safety requirements.	3
7.1.7	Installation requirements.	3

REGULATIONS CONTENTS

7.1.8	Inventory control.	3
7.1.9	Transportation of VLTs.	3
7.1.10	Destruction of VLTs.	4
7.1.11	Storage of VLTs.	5

Subchapter 2 – Video Lottery Terminals

7.2.1	Technical standards.	5
7.2.2	Ticket validation systems.	6

Subchapter 3 – Internal and Linked Progressive Systems

7.3.1	Linked progressive systems.	7
7.3.2	Progressive controllers.	7
7.3.3	Server controlled progressive system.	8

Subchapter 4 – Hardware

7.4.1	Bill validators.	8
7.4.2	Surge protectors.	8
7.4.3	Battery protection.	8
7.4.4	VLT door-open lights.	9
7.4.5	Secure cabinet.	9
7.4.6	On/off switch.	9
7.4.7	Electro-magnetic interference.	9
7.4.8	Keno printer.	9

Subchapter 5 – Monitoring and Control Systems

7.5.1	Monitoring and Control System Requirement.	9
7.5.2	Certification and approval.	9
7.5.3	System specifications.	10
7.5.4	VLT Promotional systems.	11
7.5.5	VLT Bonus systems.	13
7.5.6	System Malfunctions.	13

CHAPTER 8: SPORTS POOL SYSTEM

Subchapter 1 – System Requirements

8.1.1	System requirements.	1
8.1.2	Control program requirements.	1

REGULATIONS CONTENTS

8.1.3	Wagering management.	2
8.1.4	Player account management.	2
8.1.5	Location service provider monitoring.	2
8.1.6	Player access.	2
8.1.7	Player inactivity.	3
8.1.8	Limitations and exclusions.	3
8.1.9	Player funds maintenance.	3
8.1.10	Account statement.	4
8.1.11	Information to be maintained	4

Subchapter 2 – Wagering Device Requirements

8.2.1	Authorized wagering devices.	8
8.2.2	Wagering software.	8
8.2.3	User interface requirements.	8
8.2.4	Wagering devices.	9

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

SUBCHAPTER 1
GENERAL PROVISIONS

1.1.1 Promulgation, amendment and repeal of regulations.

- (a) The Regulations are issued in accordance with the Gaming Ordinance.
- (b) The Commission shall, from time to time, promulgate, amend and repeal such regulations as it deems necessary or desirable in carrying out the policy and provisions of the Ordinance and other applicable laws.

1.1.2 Policy of the Commission.

- (a) It is the policy of the Commission to protect the public health, safety, morals, good order and welfare of the Tribe and the State.
- (b) The regulation and operation of the gaming facility shall be in accordance with the Compact, Ordinance, Regulations, MICS, Game Rules, and other applicable laws.
- (c) Any license approved by the Commission shall be deemed a revocable privilege and no licensee is deemed to have acquired any vested rights therein.
- (d) Any incident or activity inconsistent with the Compact, Ordinance, Regulations, MICS, Game Rules or other applicable laws, is deemed to be an unsuitable method of operation and subject to disciplinary action by the Commission.

1.1.3 Commission authority and responsibility.

- (a) In accordance with the Ordinance, the Commission:
 - (1) shall exercise all powers necessary to regulate Class II and Class III gaming;
 - (2) shall act to promote and ensure the integrity, security, honesty, and fairness of the operation and administration of all gaming activities;
 - (3) shall promulgate and amend such substantive and procedural rules and regulations as it deems necessary to carry out the provisions of the Ordinance;
 - (4) reserves the right, in the Commission's discretion, to waive any provision of the Regulations, MICS or Game Rules, for the convenience of the Commission or in order to relieve any person of unnecessary hardship, if such waiver is not inconsistent with the Compact, Ordinance, or other applicable laws;
 - (5) shall make licensing, suitability, and approval determinations pertaining to applications brought before it for consideration;
 - (6) shall approve, deny or place conditions or limitations upon a license;
 - (7) shall seek, obtain and consider any and all information deemed relevant to issuing licenses or to the appointment of Commission Members;
 - (8) shall design, print and make available all necessary license application forms and appropriate licenses;
 - (9) shall collect license fees;
 - (10) may assess fines;

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

- (11) may suspend and revoke licenses; and
- (12) shall hear appeals on actions by the Commission or Director.
- (b) The Commission has the duty to observe the conduct of all licensees, and to ensure licenses are not issued to or held by:
 - (1) unsuitable persons; or
 - (2) persons whose gaming activities are conducted in an unsuitable manner.
- (c) The Commission shall have the authority to monitor the activities of licensed gaming operations, and specifically:
 - (1) inspect and examine all facilities, equipment and supplies where gaming is conducted or where gaming equipment and supplies are stored, sold or distributed;
 - (2) investigate all suspected gaming related crimes occurring at the gaming operation;
 - (3) inspect and review all gaming contracts to ensure compliance with the Compact, Ordinance and the Regulations;
 - (4) conduct periodic audits of all records, books and financial documents relating to the conduct of gaming to determine compliance with the Compact, Ordinance, Regulations, and other applicable laws;
 - (5) review and observe accounting methods and other procedures used by the gaming establishment to count and handle cash, chips, and negotiable instruments;
 - (6) examine and review internal control procedures; and
 - (7) determine the gaming operation's compliance with the Compact, Ordinance, Regulations, and other applicable laws.
- (d) The Commission shall have the authority to impose civil penalties or other sanctions, including the seizure of property, upon licensees who are found to be in violation of the Ordinance or the Regulations.
- (e) The Commission shall ensure all gaming related audits are conducted as required by NIGC Regulations and MICS.

1.1.4 Director authority and responsibility.

- (a) In accordance with the Ordinance, and subject to the approval of the Commission, the Director shall perform all duties, exercise all powers, assume and discharge all responsibilities, and carry out and effect all purposes of the Ordinance related to the establishment of all gaming activity.
- (b) The Director shall act to promote and ensure integrity, security, honesty and fairness of the operation and administration of all gaming activity.
- (c) The Director shall investigate and gather all available information regarding known or suspected gaming related crimes and notify law enforcement, as appropriate.
- (d) The Director shall be responsible for the day-to-day monitoring of gaming activities.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

- (e) The Director shall ensure there is an adequate system for background investigations of applicants and licensees.
- (f) The Director shall review all records and documents pertinent to enforcement of any provisions of the Compact, Ordinance and the Regulations.
- (g) The Director shall recommend to the Commission if sanctions should be imposed on any person subject to the Compact, Ordinance or the Regulations.
- (h) The Director may discipline licensees.
- (i) The Director shall ensure compliance with the rules and regulations of the NIGC.
- (j) The Director shall ensure an annual outside audit of the gaming operation is performed as required by the IGRA, and provided to the NIGC.
- (k) The Director shall exclude any individual from the gaming facility who may pose a threat to the security and integrity of gaming activities and the gaming facility.
- (l) The Director shall perform other duties and exercise additional authority as is granted, either explicitly or implicitly by the provisions of the Ordinance, the Regulations, MICS, Game Rules or as assigned by the Commission.

1.1.5 Construction.

Nothing described in the Regulations shall be construed to conflict with any provision of the Ordinance or of any other applicable law.

1.1.6 Severability.

If any provision of the Regulations be ruled invalid, such ruling shall not be construed to invalidate any of the other provisions.

1.1.7 Definitions, words and terms, tense, number and gender.

In determining the meaning of any provision of the Regulations, unless the context indicates otherwise, the singular indicates the plural, the plural indicates the singular, words of one gender include the other gender, and the present tense includes the future tense.

SUBCHAPTER 2
DEFINITIONS

Applicant

Any person or entity seeking a license or work permit from the Commission.

Approved funding

Cash, U.S. Government Treasury Securities, or U.S. Agency securities.

Background investigation

The personal, criminal and financial history checks of an applicant, licensee, or permittee.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Base amount

The starting amount of a progressive jackpot.

Bill validator

A locked device attached to a VLT or kiosk that accepts currency and/or vouchers.

Bonus system

A MCS subsystem that controls bonus award parameters and electronically awards additional game payouts to players at VLT's based upon predetermined game events or other predetermined criteria.

Business day

Any twenty-four (24) hour day other than Saturday, Sunday or a federal legal holiday.

Business year

An annual period, such as a calendar or fiscal year.

Card game (Poker)

A game in which the gaming operation is not party to wagers and receives compensation in the form of a rake-off, a time buy-in or other fee or payment from a player for the privilege of playing.

Certification

The process used by the OSP and Commission to approve electronic gaming devices for use in the gaming facility.

Chair

Chairperson of the Grand Ronde Gaming Commission.

Check

A written order to a bank to pay the amount specified from funds on deposit.

Chip

A non-metal or partly metal representation of value, issued by the gaming operation for use at table games or poker games at the gaming facility.

Class I gaming

Social games played solely for prizes of minimal value or traditional forms of Indian games when played in connection with Tribal ceremonies or celebrations.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Class II gaming

- (a) The game of chance commonly called bingo or lotto (whether or not electronic, computer, or other technological aids are used) when players:
 - (1) play for prizes with cards bearing numbers or other designations;
 - (2) cover numbers or designation when objects, similarly numbered or designated, are drawn or electronically determined; and
 - (3) win the game by being the first person to cover a designated pattern on such cards.
- (b) If played in the same location as bingo or lotto, pull-tabs, punch boards, tip jars, instant bingo, and other games similar to bingo.
- (c) Non-banking card games that:
 - (1) state law explicitly authorizes, or does not explicitly prohibit, and are played legally anywhere in the state; and
 - (2) players play in conformity with state laws and regulations concerning hours, periods of operation, and limitations on wagers and pot sizes.

Class III gaming

All forms of gaming not classified Class I or II, including but not limited to:

- (a) table games;
- (b) keno;
- (c) VLT's;
- (d) any sports betting and pari-mutuel wagering; or
- (e) lotteries.

Commission

Members of the Grand Ronde Gaming Commission appointed in accordance with the Ordinance.

Compact

The written agreement between the Tribe and State for regulation of Class III gaming.

Compensation

Value of all salaries, bonuses, other taxable benefits and deferred compensation given to an employee.

Consulting services

Any advice or expertise provided to the gaming operation pertaining to gaming activities.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Control person

Any employee or other person associated with a vendor who:

- (a) can affect the course of business;
- (b) can make policy decisions; or
- (c) has a controlling interest in the vendor.

Controlling interest

Fifteen percent (15%) or more of the equity ownership of a business.

Counterfeit chip

An imitation of a gaming operation chip.

Credit

The right granted to defer payment.

Currency

Coin and cash that circulates, and is customarily used and accepted as money, in the issuing nation.

Date of calculation

The last day for which a discount rate was obtained prior to the conclusion of the validation period.

Director

The Director of the Grand Ronde Gaming Commission or his/her designee.

Discount rate

Either the current prime rate as published in the Wall Street Journal or a blended rate computed from the various U.S. Government Treasury Securities, or U.S. Agency securities, for which quotes are obtained at least three times a month.

Drop

- (a) The act of removing drop boxes from tables or VLT's and transporting them to the count room or secured area during the designated drop time.
- (b) The total amount of cash and/or chips contained in and removed from the drop box.

Drop box

- (a) A locked container permanently marked with the game, shift and a number corresponding to a permanent number on a table; or
- (b) A locked container inside a locked bill validator.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Electronic gaming device

Any device that produces an outcome to a game or enables player interaction with a game including:

- (a) VLT's and progressive controllers;
- (b) kiosks;
- (c) keno system;
- (d) bingo system; and
- (e) shufflers.

Event Wagering System:

The hardware, software and other equipment that support participation of players to place and manage wagers, and provide operators the means to support the operation of a Sports Pool. The system facilitates player participation providing the player with the means to place and manage wagers and providing the operator with the means to review player accounts, if supported, suspend events, generate various wagering/financial transaction and account reports, input outcomes for events, and set any configurable parameters.

Executive Session

A nonpublic meeting of the Commission.

FBI

Federal Bureau of Investigation.

Felony or felony crime

An offense that has been classified as felony, that:

- (a) is so designated in federal law or any statute of any state; or
- (b) provides a minimum term of imprisonment of more than one year upon conviction.

Funds

Cash, coins, chips, and other monetary instruments.

Game

Any Class II or Class III game approved by the Commission.

Gaming day

The designated 24-hour period by which the gaming operation keeps its books and records for business, accounting and tax purposes.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Game Rules

The rules and specifications governing any game that is approved by the Commission.

Game software

Electronic media used to store, transmit, and receive digitized information for electronic gaming devices and monitoring and control systems.

Gaming activity

Any process related to the operation of a game, including play, surveillance, security, revenue collection, accounting for and reporting and auditing of the results produced.

Gaming area

Any approved location at the gaming facility designated for the operation of a game.

Gaming equipment

Any equipment and supplies required for the operation of a game.

Gaming facility

The buildings and grounds located on the Tribe's land and any property that is used by the Tribe in connection with gaming, including any property used to store gaming equipment, supplies or records.

Gaming operation

The economic entity responsible for management of the operations at the gaming facility.

Gaming station

Any table, counter, electronic player station, or VLT designated for the acceptance of a wager.

General Session

A public meeting of the Commission.

High Security personnel

Any person who does not possess levels of authority indicative of a Primary Management Official and is employed in a gaming area, or security or surveillance, or has access to gaming cash or cash equivalents, or any other person designated by the Director including, but not limited to:

- (a) gaming vendor representatives who perform onsite services and/or have access to sensitive areas of the gaming facility;
- (b) individual gaming consultants that provide services individually or through an entity solely owned, operated, and controlled by the individual; and

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

(c) non-gaming employees that have access to sensitive areas of information.

IGRA

The Indian Gaming Regulatory Act codified at 25 USC 2701 et seq.

Incremental amount

The difference between the amount of a progressive jackpot and its base amount.

Independent financial institution

- (a) A bank approved to do business in the State of Oregon.
- (b) An insurance company admitted to transact insurance in the State of Oregon with an A.M. Best Insurance rating of A+ or such other equivalent rating.

Independent gaming laboratory

A testing facility approved by the Commission and OSP to certify electronic gaming devices and related hardware and software.

Internal progressive systems

One or more electronic gaming devices at the gaming facility, not networked with other gaming jurisdictions, involving a common progressive jackpot(s) for participating players.

Jackpot payout

Direct payment to a player as a result of a wager, including:

- (a) cash, coin, chips or check;
- (b) credit to the player's bank account; or
- (c) the actual cost to the gaming operation to offer a personal property award.
- (d) cash paid directly to an independent financial institution by the gaming operation for the purchase of an annuity to pay a player's winnings.

Kiosk

A device made available to players on the gaming floor for:

- (a) voucher redemption and/or cage functionality; or
- (b) participation in gaming or promotional events.

License

A gaming license issued by the Commission.

Licensee

A person or entity that holds a current license approved by the Commission.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Linked progressive systems

Electronic gaming devices, monitored by an independent vendor, networked with other gaming jurisdictions involving a common progressive jackpot(s) for participating players.

Low Security personnel

Any person who does not possess levels of authority indicative of a Primary Management Official or High Security Gaming licensee.

MICS

Grand Ronde Gaming Commission Minimum Internal Control Standard(s).

Misconduct

Any improper behavior or course of action that could negatively affect the integrity of the gaming operation or bring adverse publicity to the Tribe.

NIGC

National Indian Gaming Commission.

Non-profit organization

An organization recognized by the United States Internal Revenue Service or the State as a non-profit organization.

Ordinance

The Confederated Tribes of Grand Ronde Gaming Ordinance, and amendments thereto.

OSP

Oregon State Police, Tribal Gaming Section.

Owner

Any person or entity that owns five percent (5%) or more of a vendor, alone or in combination with another person who is a spouse, child or sibling.

Par sheet

A specification sheet provided by the manufacturer for a VLT that shows hold percentages, model number, hit frequency reel combination, number of reels, reel strip listing, and number of credits that can be accepted.

Permittee

A person that holds a current work permit approved by the Director.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Periodic payments

A series of payments that are paid at least annually.

Player

Any individual that places a wager on any game at the gaming facility.

Political subdivision

A subdivision of a federally recognized Tribe or the State of Oregon.

Present value

The current value of a future payment or series of payments, discounted using the discount rate.

Primary jackpot

The current top award offered for any progressive jackpot.

Primary Management Official

- (a) Any person having overall management responsibility of one or more departments of the gaming operation; or
- (b) Any person that has:
 - (1) authority to hire and fire personnel; or
 - (2) authority to formulate and implement overall management policy; or
 - (3) any other person designated by the Director including, but not limited to the members of Spirit Mountain Gaming, Inc. Board of Directors.

Progressive controller

Any device during the normal mode of operation of VLT's with progressive jackpots that:

- (a) continuously monitors each VLT for wagers; and
- (b) multiplies the accepted wagers by the rate of progression in order to determine the correct amount to apply to a progressive jackpot.

Progressive jackpot

A jackpot that increases over time or as a game is played.

Promotional chip

Any chip or token-like object used in promotions at the gaming facility.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Promotional system

A MCS subsystem that controls promotional award parameters and electronically communicates promotional award payments to players at VLT's based upon play activity or other predetermined criteria.

Proposition players

A person employed or retained by the gaming operation, for the purpose of playing in a card game, who does not use gaming operation funds and keeps winnings and absorbs losses

Qualified prize

Total winnings, whereby the series of payments are made over a period of at least ten (10) years.

Qualified prize option

An option that entitles a patron to receive a single cash payment in lieu of their qualified prize, provided such option is exercisable not later than sixty (60) days after validation of the jackpot win.

Random number generator

A computer program that is capable of producing numbers, within a prescribed range, such that each possible value of the resulting number has an equal chance of occurring.

Random selection

The result of a random number generator. A selection shall be considered random if it:

- (a) is statistically independent;
- (b) conforms to desired random distribution;
- (c) is unpredictable; and
- (d) passes standard recognized statistical tests as applied by an independent testing laboratory.

Regulations

Regulations promulgated by the Commission.

Shill

An employee that uses house funds and acts as a player for the purpose of starting or maintaining sufficient players in a game.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Single cash payment

A single discounted lump-sum cash payment in the amount of the present value of the total periodic payments otherwise due and owing for a qualified prize, less the amount of any partial payment of such qualified prize previously made to a player.

State

State of Oregon.

Suitable

Eligible for a license as determined by the Commission upon the results of a background investigation.

Table game

Any approved game:

- (1) that is banked by the house or a pool whereby the house or the pool pays all winning bets and collects all losing bets; and
- (2) does not include VLT games, keno and off-track pari-mutuel wagering.

Title 31

Title 31, Part 103, of the Code of Federal Regulations.

Total winnings

The sum of the periodic payments awarded to a patron as the result of any game.

Tournament Chip

Any chip or token-like object used in tournaments at the gaming facility.

Tribal Court

The Tribal Court of the Confederated Tribes of the Grand Ronde Community of Oregon.

Tribe

The Confederated Tribes of the Grand Ronde Community of Oregon.

Trust

An irrevocable fiduciary relationship in which one person is the holder of the title to property subject to an equitable obligation to keep or use the property for the benefit of another.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Validation period

The period of time between when a patron has met the conditions required to receive a prize, and when the prize payout is validated. The validation period shall not exceed 72 hours, unless otherwise extended by the Director.

Vendor

Any individual or business entity that provides the gaming operation with equipment and services, including, but not limited to:

- (a) gaming equipment, hardware, software, and surveillance and security systems; or
- (b) services and consulting as required by the Director.

Vendor classification

A designation for vendors for the purposes of determining the level of investigation and amount of fees charged.

- (a) Major procurement, which includes, but is not limited to, any acquisition, activity, transaction or contract for:
 - (1) any goods or services involving:
 - A. computerized systems responsible for receiving, processing or recording data from gaming activities or printing and validating vouchers.
 - B. the receiving or recording of number selections in any game;
 - C. the determination of winners in any game; or
 - D. purchase, installation, or maintenance of surveillance systems or other equipment used in monitoring gaming activities;
 - (2) licenses to use a patented game or game product; or
 - (3) video devices or other gaming equipment not included as sensitive procurement.
- (b) Sensitive procurement, which includes, but is not limited to, any acquisition, activity, transaction or contract, other than major procurement, for:
 - (1) gaming equipment such as cards, dice, gaming tables and layouts, roulette wheels and balls, keno and bingo balls, bingo paper, VLT paper, chips and tokens;
 - (2) VLT replacement parts that affect the outcome of the game;
 - (3) locks and keys for gaming devices or secure storage;
 - (4) accounting or surveillance systems used in gaming activities; or
 - (5) consulting services related to gaming activities, not including attorneys, accountants, political or public relations consultants, or individual gaming consultants licensed as High Security personnel.
- (c) Limited procurement, which includes any other vendor meeting criteria as determined by the Director including but not limited to any transaction:
 - (1) that includes providing confidential information of the gaming operation or gaming operation customers;
 - (2) that provides for guaranteed payments(s) for promotional events; and
 - (3) providing financial services such as check cashing and credit card services.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Vendor Personnel

Non-gaming vendor employee who performs on-site services.

Video Lottery Terminal (VLT)

Any electronic or other device or machine:

- (a) where the game outcome is determined predominantly by the application of the element of chance with the amount won determined by the possible prizes displayed. The game outcome may involve skill as long as the element of chance plays a pre-dominate role;
- (b) which is activated by the payment of any consideration which awards game credits; and
- (c) which displays game outcome, win amounts and current credits available to play or cash out.

Voucher

A printed document issued by a casino management system that represents cash value redeemable at an approved validation terminal.

Wager

A sum of money, chips, or a coupon risked on an uncertain occurrence.

Weapons

Any device or instrument that has, or may appear to have, a purpose of inflicting harm to the body or property of another person, including but not limited to:

- (a) firearms, air guns or rifles;
- (b) knives or other objects that can cut, stab or be used to inflict serious bodily injury;
- (c) explosive, fireworks, or incendiary devices;
- (d) slingshots;
- (e) metal knuckles;
- (f) billies, batons or blackjacks;
- (g) any gas or chemical(s) designed to harm or incapacitate; or
- (h) any electrically charged device designed to incapacitate.

Work Permit-1

A work permit issued to vendor personnel by the Director.

REGULATIONS
CHAPTER 1: GENERAL PROVISIONS AND DEFINITIONS

Work Permit-2

A work permit issued by the Director to Vendor personnel who are authorized to access Spirit Mountain Casino's point-of-sale terminals.

(End of Regulation 1)

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

SUBCHAPTER 1
GENERAL PROVISIONS

2.1.1 License requirements.

- (a) All gaming operation personnel and any person seeking to conduct, operate, or manage any gaming activity on Tribal lands or non-gaming activity at the gaming facility, except that subject to Regulation 2 subchapter 6, whether as an owner, operator, vendor or within the scope of a contractual agreement, shall apply for, and receive, all applicable licenses from the Commission prior to beginning employment or conducting business with the gaming operation as required by the Director.
- (b) Engaging in activities without first obtaining the required license, or after the license has expired, been rescinded, suspended or revoked, shall be deemed a violation of the Regulations.
- (c) Class III license applications may be subject to OSP review.
- (d) Approval of a license by the Commission constitutes an agreement on the part of the licensee to be bound by the Regulations as the same now are or hereafter may be amended or promulgated.
- (e) All licensees shall immediately notify the Director of any name changes and contact information changes including telephone numbers, physical addresses and mailing addresses. The Commission shall rely on the contact information provided by licensees when serving documents on licensees and all other communication. Licensees are responsible for any failure in receiving Commission communication due to a violation of this subsection.
- (f) All licensees shall immediately report to the Director any event or occurrence that may affect the licensee's suitability to hold a license.

2.1.2 Application provisions.

- (a) An applicant for a license is seeking the granting of a privilege, and accordingly:
 - (1) assumes the burden of proving qualifications to receive any license;
 - (2) accepts any risk of adverse public notice, embarrassment, criticism, financial loss, or other action, which may result with respect to an application, and expressly waives any claim for damages as a result thereof;
 - (3) acknowledges that the Commission may rely upon information obtained during a confidential background investigation, conducted in accordance with the provisions of this Chapter, and that the applicant shall not have any right to see or otherwise obtain or access such information; and
 - (4) may claim any privilege afforded by the Constitution of the Tribe in refusing to answer questions by the Commission; however, a claim of privilege with respect to any testimony or evidence pertaining to an application may constitute sufficient grounds for denial.
- (b) An application for a license shall constitute the applicant's request to the Commission for a determination of the applicant's suitability for licensing.
- (c) All application forms shall be approved by the Commission and shall contain and be supplemented by information as may be required including, but not limited to:
 - (1) authorizations and releases;

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (2) personal and financial disclosures;
 - (3) current photograph;
 - (4) the results of a drug test; and
 - (5) fingerprints.
- (d) All applicants shall disclose to the Commission, at a minimum, the following information:
- (1) personal data;
 - (2) residential addresses for the past ten years;
 - (3) employment history for the past ten years;
 - (4) all languages spoken or written;
 - (5) names and current addresses of three personal references, including references acquainted with the applicant during each period of residence listed under Section (d)(2) above;
 - (6) current business and residence telephone numbers;
 - (7) any ownership interest in a business and employment positions held for the previous ten (10) years;
 - (8) a description of any existing and previous business relationships with Indian Tribes, including ownership interests in those businesses;
 - (9) a description of any existing and previous business relationships with the gaming industry in general, including ownership interests in those businesses;
 - (10) licensing information including:
 - A. all licenses issued or denied and disciplinary actions taken by any licensing authority;
 - B. name and address of any licensing authority where the applicant has filed an application for a license or permit related to gaming, whether or not a license or permit was approved; and
 - C. name and address of any licensing authority with which the applicant has filed an application for an occupational license or permit, whether or not such license or permit was approved;
 - (11) all criminal proceedings, including arrests, except for minor traffic offenses, to which the applicant has been a party, including charge, location, agency and disposition; and
 - (12) any other information the Commission shall deem relevant.
- (e) Each applicant, licensee or vendor control person shall promptly report to the Director any events, occurring subsequent to the date of the original application, which may reflect upon their suitability to be licensed.

2.1.3 False, ambiguous or misleading statements by applicants.

- (a) All information provided by an applicant shall be true, complete, unambiguous and not misleading.
- (b) It is grounds for denial of an application or disciplinary action for any applicant to submit an application, which contains:
 - (1) any untrue statement of material fact; or

REGULATION 2: LICENSING

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (2) any unclear, ambiguous or misleading information.
- (c) An applicant shall promptly supply by amendment, prior to the date of the Commission action sought by such application, any information based on facts occurring after the original application so as to make such information accurate and unequivocal as of such date.

2.1.4 Withdrawal of application.

- (a) A request for withdrawal of an application may be made by the applicant at any time prior to the licensing decision by the Commission by filing a written request with the Director. The Director shall either grant or deny the request.
- (b) The Commission may grant an applicant's request for withdrawal of licensure if the application for licensure has been formally presented to the Commission.

2.1.5 Background investigations.

- (a) In determining an applicant's suitability for licensing, the Director shall conduct a background investigation of the applicant, which shall remain confidential and not be disclosed to the applicant or any other parties, except as authorized by the licensee, or when required by order of a court of competent jurisdiction, or applicable law.
- (b) The Director may conduct background investigations of any licensee at any time during the term of licensure, which may include requests for additional information and documentation.
- (c) Should an investigation necessitate travel by the Director, the gaming operation shall reimburse travel costs in accordance with the Commission's internal policies and procedures governing such expenditures.

2.1.6 Suitability determinations.

- (a) No license shall be approved unless and until the applicant has satisfied the Commission that licensure of the applicant would not pose a threat to the Tribal interest or the effective regulation of gaming, or would not create or enhance the danger of unsuitable, unfair, or illegal practices or activities.
- (b) In determining whether to approve a license the following factors shall be considered:
 - (1) any arrest, admission to, or conviction of the applicant for:
 - A. a crime in any jurisdiction;
 - B. a felony in any jurisdiction within the last ten (10) year period preceding the date of license application; and
 - C. a gambling offense in any jurisdiction.
 - (2) any civil judgment against the applicant when such judgment is based in whole or in part upon conduct that, if sustained in a criminal proceeding, would constitute a felony crime or a gambling offense;
 - (3) any failure to disclose any material fact to the Commission, OSP or other authorized agencies during initial or subsequent background investigations;
 - (4) any misstatement or untrue statement of material fact as determined by the Commission;

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (5) any association in a direct business relationship, whether as a partner, joint venture participant or employer, with any other person who has committed a felony, or a crime involving unlawful gambling, under the law of any federal, state or tribal jurisdiction;
- (6) any interest in an enterprise held by a person who is otherwise ineligible for licensing, regardless of the qualifications of the applicant;
- (7) employment by/of another person who has committed a felony, or a crime involving unlawful gambling, under the law of any federal, state or tribal jurisdiction, if the applicant was in any way involved in the criminal activity as it occurred;
- (8) any association with persons or businesses of known criminal background, or persons of disreputable character;
- (9) result of any required drug test;
- (10) any outstanding warrants for the applicant's arrest;
- (11) applicant's past conduct, reputation, or habits, which may reflect upon the applicant's suitability; and
- (12) other information deemed relevant to determine the suitability of the applicant for licensure.

2.1.7 Mitigating factors.

The Commission may consider mitigating factors in determining suitability of an applicant for licensure.

2.1.8 Waiver of disqualifying factors.

No license shall be issued to any applicant disqualified under Section 7(A)(4) of the Compact unless a waiver is obtained pursuant to Section (7)(A)(5) of the Compact.

2.1.9 Appearance before the Commission.

- (a) Following completion of the background investigation, the application shall be scheduled for a licensing decision at the next Executive Session.
- (b) The Director shall give an applicant at least fourteen (14) days advance written notice of an Executive Session in which an appearance is required; provided however, that an applicant or licensee, in his or her sole discretion, may waive in writing the fourteen (14) day advance written notice and request appearance at the next Executive Session.
- (c) The Commission may summon any person to appear and provide testimony.
- (d) All testimony shall be under oath and include any matter that the Commission may deem relevant.
- (e) Unless excused, failure to appear and testify, when required, may constitute grounds for denial or revocation of a license.

2.1.10 Limited and conditional licenses.

- (a) The Commission may limit a license to a specified period of time.
 - (1) Unless otherwise waived, such limitation shall require the licensee to appear before the Commission in accordance with Section 2.1.9 prior to any renewal of the license.
 - (2) Failure of a licensee to appear shall result in the license expiring.

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (b) The Commission may impose licensing conditions.
 - (1) Such conditions shall constitute official notice to the applicant that the license shall be contingent upon the fulfillment of the said conditions.
 - (2) Failure of the licensee to comply with conditions may result in the Commission setting aside its original licensing decision. Upon such action by the Commission, the licensee returns to the status of a new applicant subject to a new licensing decision.

2.1.11 Denial of license.

If an application has been denied, the applicant is not eligible to reapply until after expiration of one (1) year from the date of such denial, unless the Commission determines that the denial is without prejudice as to delay in reapplication.

2.1.12 Notification to applicant or licensee.

The Director shall provide notification to the applicant or licensee as follows:

- (a) written notification of license denial or revocation decisions within five (5) days of the decision; and
- (b) written or electronic (e.g. email) notification of all other licensing decisions, within ten (10) days of decision.

2.1.13 Hearings and appeals.

- (a) Should an applicant disagree with the denial of or conditions imposed upon a license, the applicant may request a hearing before the Commission by submitting a written request to the Director not later than seven (7) days after receipt of notification from the Director of the Commission's decision.
- (b) At the discretion of the Chair:
 - (1) a special meeting may be called to hear the applicant's appeal; or
 - (2) the applicant's appeal shall be heard at the next Executive Session.
- (c) Upon hearing the applicant's appeal, the Commission shall affirm, modify or reverse its initial licensing decision. Should an applicant disagree with the Commission's decision, the applicant may appeal the decision to the Tribal Court. Such appeal:
 - (1) shall be in writing;
 - (2) shall be only on grounds that the decision was arbitrary and capricious or a violation of Tribal Constitutional rights; and
 - (3) shall be filed with the Tribal Court on or before the fourteenth (14th) day following receipt of the Commission's written decision.
- (d) In an appeal to the Tribal Court, the Tribal Court:
 - (1) shall review on the record the decision of the Commission;
 - (2) may review privileged and confidential information, obtained on the condition that the information and/or its source not be released to any party including the applicant; and
 - (3) may review information that is otherwise prohibited from disclosure by law.
- (e) No appeal beyond Tribal Court may be had.

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (f) Confidential information described in Sections (d)(2) and (3) of this Section shall not be released to the applicant or to any other parties, unless by order of a court of competent jurisdiction.

2.1.14 Issuance and term of license.

- (a) Licenses are the property of the Commission and shall be returned to the Director upon deactivation, suspension, revocation or expiration.
- (b) Every license shall reflect, at a minimum, the following information:
 - (1) "Grand Ronde Gaming Commission";
 - (2) name of licensee;
 - (3) license classification;
 - (4) expiration date; and
 - (5) license number.
- (c) Gaming operation employees issued a license shall carry the current license on their person while officially engaged at the gaming facility unless alternate arrangements are made and approved by the Director.
- (d) The term of any license shall not exceed three (3) years, and the license shall expire at the end of the license term unless renewed or extended by the Commission in accordance with this Chapter.

2.1.15 Review of initial licensing decision.

- (a) If the Director determines there is cause based upon the results of a background investigation or otherwise, the Director may request that the Commission review its initial licensing decision.
- (b) The Commission shall either affirm, modify or reverse its initial licensing decision.
- (c) The licensee may appeal the Commission's decision in accordance with Section 2.1.13.

SUBCHAPTER 2
GAMING OPERATION

2.2.1 Licensing provisions.

- (a) No license shall be approved unless the Ordinance specifically authorizes the type of activity and facility described and proposed by the applicant.
- (b) Each member or officer of the governing body of the gaming operation shall be licensed as a Primary Management Official and shall meet the suitability criteria described in Section 2.1.6.
- (c) The Commission shall additionally consider demonstrated business competence, gaming experience, adequacy of proposed funding for the operation and suitability of the funding source.
- (d) The Commission may require the applicant to provide security for the payment of future wages, salaries or other obligations, either as a condition precedent to issuance or renewal of any license, or at any other time the Commission determines that such requirement

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

would be in the public interest, and be in such form and amount as the Commission may determine.

(e) The gaming operation license shall:

- (1) be issued within fourteen (14) days of initial license approval or renewal; and
- (2) be conspicuously displayed and available for inspection at the gaming facility.

2.2.2 License fees.

(a) Within ten (10) days of license approval, the gaming operation shall pay a quarterly fee, which:

- (1) shall be attributable to the first calendar quarter of operation but may be prorated based on the actual date of opening, and thereafter, shall be due within the first ten (10) days of each calendar quarter for as long as the license remains active;
- (2) shall be calculated by:
 - A. deducting from the Commission's final approved annual budget the amount of anticipated vendor licensing revenue, as determined by the Commission; and
 - B. dividing the result in subparagraph (A) by the number four (4). The result is the quarterly licensing fee for the gaming operation.

(b) The fee may be changed by the Commission at the beginning of a calendar quarter to ensure full funding of the Commission's final approved annual budget. The gaming operation shall be notified at least ninety (90) days in advance of such change.

2.2.3 Renewal of license.

(a) Prior to the expiration date of the gaming operation license, the Director shall conduct a review that shall address the gaming operation's:

- (1) overall compliance with the Regulations, MICS and Game Rules;
- (2) overall compliance with applicable federal and state laws and regulations;
- (3) the financial condition and results of operations during the renewal period; and
- (4) any other issues that may affect the suitability of the gaming operation to hold a license.

(b) A report on the gaming operation's suitability for license renewal shall be submitted by the Director to the Commission for a licensing decision at the regular General Session prior to the license expiration date.

SUBCHAPTER 3
GAMING OPERATION PERSONNEL

2.3.1 Licensing provisions.

No license shall be approved unless the applicant has satisfied the Commission that the applicant meets the suitability criteria described in Section 2.1.6.

2.3.2 License classifications.

(a) The following are license classifications from highest to lowest level:

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (1) A Primary Management Official license is required for personnel performing duties described in Chapter 1, Subchapter 2, "Primary Management Official".
 - (2) A High Security license is required for personnel performing duties described in Chapter 1, Subchapter 2, "High Security Personnel".
 - (3) A Low Security license is required for personnel described in Chapter 1, Subchapter 2, "Low Security Personnel".
- (b) A gaming license applicant shall be licensed at the classification level consistent with the duties expected to be performed at the time of application.
- (c) Licensees shall not perform duties associated with higher-level license classifications however, may perform duties associated with lower level license classifications.

2.3.3 Minimum age requirement.

The Commission shall not approve license for any person under the age of twenty-one (21) to engage in gaming activities.

2.3.4 Ineligible officials.

- (a) No license shall be approved for any person holding office in, or employed by, any agency or department of the Tribe or the state, and any of its political subdivisions, when the duties of such office or agency pertain to the enforcement of the Regulations.
- (b) The Commission may waive the prohibition contained within Section (a) if it makes a written finding that such waiver is not inconsistent with Tribal policy and the functions, duties or responsibilities of the person otherwise restricted from holding the license do not involve matters relating to the enforcement of the Regulations.
- (c) A waiver granted in accordance with this Section is applicable only to the specific matter for which it is granted and shall not be transferable to any other license applied for or held by the person otherwise prohibited from holding or being issued the same.

2.3.5 Temporary licenses.

- (a) The Director may issue a temporary license after completion of a cursory background investigation.
- (b) The Director shall decide whether to approve a temporary license based on the criteria reflected in Section 2.1.6 and may rescind such decision at any time.
- (c) The gaming operation shall not permit a person to work until written notification of licensure is received from the Commission or Director.
- (d) The temporary license shall expire and become void upon a licensing decision by the Commission, or upon withdrawal of the application by the applicant.
- (e) A temporary license shall not be valid for more than 180 days unless extended by the Commission.

2.3.6 NIGC review and objection.

- (a) The Commission's licensing decision may be subject to review by the NIGC.
- (b) If the NIGC objects to the Commission's licensing decision, the Commission shall either uphold its decision, or revoke the license.

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

2.3.7 Renewal of license.

- (a) A completed renewal application consisting of forms approved by the Commission shall be received no later than forty-five (45) days prior to the license expiration date.
- (b) If a renewal application is not received by the required deadline, the license may be suspended by the Director.
- (c) A renewal application shall be subject to a background investigation.
- (d) A report on the licensee's suitability for license renewal shall be submitted by the Director to the Commission for a licensing decision at the Executive Session prior to the license expiration date.

2.3.8 Deactivation and reactivation of current licenses.

- (a) A license shall become inactive:
 - (1) if the licensee is not employed or retained by the gaming operation within thirty (30) days of the approval of a license; or
 - (2) upon the termination of employment of a licensee.
- (b) Before an inactive licensee can be employed or retained by the gaming operation the inactive licensee shall submit an application to the Director as follows:
 - (1) licensees terminated for one year or less shall submit an update application; and
 - (2) licensees terminated for more than one year shall submit a full application.
- (c) Upon receipt of an updated application, the Director shall perform a cursory background investigation, and shall:
 - (1) confirm reactivation of the individual's license; or
 - (2) request the Commission to review its initial licensing decision based upon results of the background investigation, in accordance with Section 2.1.15.
- (d) The gaming operation shall not employ or retain a licensee without receipt of written notification from the Director that the license has been reactivated.

SUBCHAPTER 4
VENDORS

2.4.1 Licensing provisions.

- (a) The gaming operation shall submit to the Director a letter of intent to conduct business with all prospective gaming vendors or other vendors as required by the Director.
- (b) No license shall be approved unless:
 - (1) the applicant is approved by the OSP, if required; and
 - (2) the applicant meets all suitability criteria.
- (c) In addition to the suitability criteria described in Section 2.1.6, the Commission shall consider the following:
 - (1) adequate financing of the applicant's related business; and

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (2) adequate business ability and experience to successfully establish, operate and maintain the related business.
- (d) In cases where the applicant is found to have had an association as described in Sections 2.1.6(b)(5) and (8), the applicant may be approved if the Commission determines that the applicant has severed any and all relationships with any individual that would jeopardize the application.
 - (1) For purposes of this Section, a relationship has been severed if:
 - A. the person has no continuing influence or connection with the direction or control of any aspect of the business of the applicant; and
 - B. the person is no longer employed by the applicant in any capacity.
 - (2) The burden of satisfying the Commission that a relationship has been severed is upon the applicant.
- (e) Applicant ownership, manufacture, possession, operation of or income involving electronic gaming devices in any jurisdiction shall be disclosed to the Commission.
- (f) No license may be approved for any applicant who has been or is involved in the unlawful operation of gaming in any jurisdiction.
- (g) The Commission shall not take final action to approve any license unless all application and investigative fees and costs have been paid in full.
- (h) Unless waived by the Director, prior to conducting business with the gaming operation, a completed contract shall be submitted to the Director that includes a provision requiring the vendor abide by all applicable laws, regulations, rules and requirements of governmental authorities, including without limitation, the IGRA, the Compact, the Ordinance, the Regulations, MICS and Game Rules, and any additional language as may be required by the Director.

2.4.2 Application provisions.

In addition to the application provisions described in Section 2.1.2, the following is required:

- (a) all current and prospective vendors, vendor control persons, and vendor employees working with gaming operation data or on gaming operation property shall provide all personal and business information required by the Director;

2.4.3 Temporary licenses.

- (a) The Commission may approve a temporary license pending completion of a background investigation and may rescind such decision at any time.
- (b) In no event shall the Commission issue a temporary license until all investigative and application fees have been received by the Commission and the OSP when required, and the application submitted.
- (c) The temporary license shall expire and become void upon a licensing decision by the Commission.
- (d) A temporary license shall not be valid for more than 180 days unless extended by the Commission.

2.4.4 Application and licensing fees.

- (a) Each applicant shall:

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (1) submit with the application a non-refundable application fee equal to the annual licensing fee; and
 - (2) in addition to the application fee paid, submit any supplementary investigative fees required by the Director to be paid.
- (b) The licensing fee is for each calendar year and shall be prorated for new applicants as of the licensing date to the end of the calendar year, and shall be paid annually thereafter, on or before January 15th. All license fees are nonrefundable and due upon receipt of the license.
- (c) The Commission shall set fees based upon vendor classification and publish changes to the fee schedule, which shall become immediately effective for new applicants and effective the following year for all other vendors.

2.4.5 Notification to Director.

The vendor shall immediately notify the Director of:

- (a) transfer of a controlling interest in the vendor;
- (b) any issues that may affect:
 - (1) the suitability of the vendor to hold a license;
 - (2) the suitability of a control person; or
 - (3) deficiencies in any game or product that may affect the fairness and integrity of a game or the security of the gaming operation; or
 - (4) termination of any company employee or representative licensed with the Commission.
- (5) change in Vendor Personnel status of any company employee holding a work permit with the Commission.

2.4.6 Renewal of license.

- (a) If required by the Director, a completed renewal application shall be submitted by the vendor no later than sixty (60) days prior to the license expiration date and shall consist of:
 - (1) company and control person disclosures as required by the Director; and
 - (2) annual information in accordance with Section 2.4.2.
- (b) If a renewal application is not received by the deadline, the license may be suspended by the Director.
- (c) A background investigation on all renewal applications shall be conducted by the Director.
- (d) A report on the vendor's suitability for license renewal shall be submitted by the Director to the Commission for a licensing decision at the next regular Executive Session prior to the license expiration date.
- (e) No Class III license renewal application shall be approved unless the Director has received notification from the OSP that the applicant is suitable to conduct business with Oregon tribal gaming operations.

2.4.7 Deactivation and reactivation of current licenses.

- (a) At any time prior to the expiration of the license, a licensee may request that the Director deactivate the license.

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (b) The Director shall deactivate the license if there is no pending disciplinary action or known cause for disciplinary action to be taken.
- (c) Before an inactive licensee can conduct business with the gaming operation the inactive licensee shall submit an application to the Director as follows:
 - (1) Licensees inactive for one year or less shall submit an update application; and
 - (2) Licensees inactive for more than one year shall submit a full application.
- (d) Upon receipt of an updated application, the Director shall perform a cursory background investigation, and shall within thirty (30) days:
 - (1) confirm reactivation of the vendor's license; or
 - (2) request the Commission to review its initial licensing decision based upon results of the background investigation, in accordance with Section 2.1.15.
- (e) The gaming operation shall not conduct any business with a licensee without receipt of written notification from the Director that the license has been reactivated.

SUBCHAPTER 5
GROUND FOR DISCIPLINARY ACTION

2.5.1 Violation of law.

Any direct or indirect act or omission of a licensee that violates any provision of the Compact, Ordinance, Regulations, MICS, Game Rules or applicable federal, state, or local laws and regulations is grounds for disciplinary action.

2.5.2 Failure to meet or maintain suitability requirements.

The failure of a licensee to meet or maintain any suitability requirements provided in the Regulations is grounds for disciplinary action.

2.5.3 Failure to provide accurate information.

It is grounds for disciplinary action for a licensee to fail to disclose complete or accurate information, or mislead, in providing:

- (a) any document requested by the Commission or Director; and
- (b) statements made to the Commission or Director during any investigative process.

2.5.4 Noncompliance with condition of licensure.

The failure of a licensee to comply with a condition of licensure is grounds for disciplinary action.

2.5.5 Failure to pay fines.

The failure of a licensee to pay a fine assessed by the Commission is grounds for disciplinary action.

2.5.6 Unsuitable methods of operation.

Acts or omissions of the gaming operation that may be determined to be unsuitable methods of operation and grounds for disciplinary action include, but are not limited to:

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

- (a) failure to exercise discretion and sound judgment to prevent incidents, which may reflect unfavorably on the repute of the Tribe;
- (b) catering to, assisting, employing or associating, either socially or in business affairs, with persons who have:
 - (1) been convicted of cheating in any jurisdiction;
 - (2) notorious or unsavory reputations;
 - (3) extensive criminal records;
 - (4) defied Congressional investigative committees, or other officially constituted bodies acting on behalf of the United States, or any state or tribe;
 - (5) associated with or support subversive movements; or
- (c) failure to conduct gaming activities in accordance with proper standards of custom, decorum and decency.

2.5.7 Criminal arrests.

A criminal arrest, even though the licensee's rights and remedies may not have been exhausted, is grounds for disciplinary action if:

- (a) the charge is a felony; or
- (b) because of the nature of the charge, or the position held, the licensee would jeopardize the integrity of gaming or security of Tribal assets.

2.5.8 Unsuitable activities.

Activities determined unsuitable by the Commission or Director, on the part of a licensee, include but are not limited to, jeopardizing:

- (a) the integrity, security, honesty or fairness of the gaming operation;
- (b) the public health, safety, morals, good order, or general welfare of the Tribe or state;
- (c) the reputation of the Tribe and/or its gaming industry; or
- (d) the security of Tribal assets.

2.5.9 Failure to respond or provide information.

Failure to respond to any request or provide any information required by the Commission or Director is grounds for disciplinary action.

2.5.10 Failure to report.

Failure to report instances of wrongdoing or regulatory noncompliance by any licensee is grounds for disciplinary action.

2.5.11 Action against licensees for reporting.

Taking any action against a licensee for fulfilling reporting obligations is grounds for disciplinary action.

2.5.12 Disclosure of confidential information.

Unauthorized disclosure of confidential information obtained during any investigative process is grounds for disciplinary action.

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

SUBCHAPTER 6
WORK PERMITS

2.6.1 Work permit requirements.

- (a) Vendor personnel not required to obtain a license shall apply for and obtain a work permit. Performing duties at the gaming facility without first obtaining the required work permit or after the work permit has expired, been rescinded, or suspended shall be deemed a violation of this subchapter of the Regulations.
- (b) Approval of a work permit by the Director constitutes an agreement on the part of the permittee to be bound by this subchapter of the Regulations.
- (c) All persons with an active work permit shall immediately notify the Director of any name changes and contact information changes including telephone numbers, physical addresses and mailing addresses. Persons with a work permit are responsible for any failure in receiving Commission communication due to a violation of this subchapter of the Regulations.
- (d) Each applicant or person with an active work permit shall promptly report to the Director any arrest or suspect of a crime, occurring subsequent to the date of the original application that may affect the permittee's suitability to hold a work permit.

2.6.2 Application provisions.

- (a) An applicant for a work permit is seeking the granting of a privilege, and acknowledges that the Commission may rely upon information obtained during a confidential background investigation, conducted in accordance with the provisions of this subchapter of the Regulations, and that the applicant shall not have any right to see or otherwise obtain or access such information.
- (b) All application forms shall be approved by the Director and shall contain and be supplemented by information as may be required including, but not limited to:
 - (1) authorizations and releases;
 - (2) personal and financial disclosures;
 - (3) current photograph; and
 - (4) fingerprints.
- (c) All applicants shall disclose to the Director, at a minimum, the following information:
 - (1) personal data;
 - (2) city and state of residences for the past five (5) years;
 - (3) current telephone numbers;
 - (4) licensing information including all licenses issued or denied and disciplinary actions taken by any licensing authority;
 - (5) all criminal proceedings, including arrests, except for minor traffic offenses, to which the applicant has been a party, including charge, location, agency and disposition; and
 - (6) any other information the Director shall deem relevant.

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

2.6.3 False, ambiguous or misleading statements by applicants.

- (a) All information provided by an applicant shall be true, complete, unambiguous and not misleading.
- (b) It is grounds for denial of an application or disciplinary action for any applicant to submit an application, which contains:
 - (1) any untrue statement of material fact; or
 - (2) any unclear, ambiguous or misleading information.

2.6.4 Background investigations.

- (a) The Director shall conduct a background investigation of the applicant, which shall remain confidential and not be disclosed to the applicant or any other parties, except as authorized by the applicant, or when required by order of a court of competent jurisdiction, or applicable law.
- (b) The Director may conduct background investigations of any person with a work permit at any time during the term the permit is active, which may include requests for additional information and documentation.

2.6.5 Determination guidelines.

- (a) In determining whether to approve a work permit the following factors shall be considered:
 - (1) any arrest, admission to, or conviction of the applicant for a sexual, violent or financial crime in any jurisdiction.
 - (2) any failure to disclose any material fact to the Director during initial or subsequent background investigations or any misstatement or untrue statement of material fact; and
 - (3) any outstanding warrants for the applicant's arrest;

2.6.6 Notification to applicant.

The Director shall provide written or electronic (e.g. email) notification to the applicant or permittee of any denial or suspension within fourteen (14) days of the decision.

2.6.7 Appeals to Commission.

Should an applicant disagree with the denial of a work permit, the applicant may submit an appeal to the Commission by submitting a written request to the Director not later than seven (7) days after receipt of notification of the Director's decision. The Commission's decision is final.

2.6.8 Term of work permit.

The term of any work permit shall not exceed one (1) year, and the work permit shall expire at the end of the term unless renewed or extended by the Director in accordance with this subchapter.

2.6.9 Identification badges.

- (a) The Director shall issue to permittees badges, which shall include the permit number, photograph, name, company, position, and identification number.

REGULATIONS
CHAPTER 2: LICENSING AND WORK PERMITS

(b) Permittees shall:

- (1) display the badge during work hours in a manner that is visible to surveillance; and
- (2) obtain a replacement badge if or when:
 - A. a significant physical change affects photographic identification; or
 - B. the badge is damaged or defaced, unreadable, or the photograph unidentifiable.

(c) Identification badges are the responsibility of the permittee employee and shall not be transferred to any other individual.

(d) Badges are the property of the Commission and shall be returned to the Director upon termination.

2.6.10 Permittee notification to Director

Permittees shall provide notification to the Director immediately upon any change in their status as Vendor Personnel.

2.6.11 Gaming by Permittees

Permittees shall have the same access to and restrictions from, gaming, promotions, and use of coyote club cards as Spirit Mountain Casino employees.

(End of Regulation 2)

REGULATIONS
CHAPTER 3: DISCIPLINARY ACTION

SUBCHAPTER 1
ACTION BY THE DIRECTOR

3.1.1 Disciplinary action.

- (a) The Director may take disciplinary action against a licensee if the Director finds that there are grounds for disciplinary action in accordance with Chapter 2, Subchapter 5 of the Regulations.
- (b) The Director may take any of the following disciplinary actions or combination of the following disciplinary actions:
 - (1) issue a warning;
 - (2) demand corrective action;
 - (3) suspend the license;
 - (4) petition the Commission for the assessment of a fine; or
 - (5) petition the Commission for any other disciplinary action.

3.1.2 Notice of Violation.

- (a) The Director shall initiate disciplinary action through the issuance of a “Notice of Violation”.
- (b) The “Notice of Violation” shall include the following:
 - (1) description of the violation prompting the notice;
 - (2) the action taken or to be taken by the Director;
 - (3) time period for a written response if the action taken or to be taken is for a warning or demand for corrective action; and
 - (4) notice of licensee’s right to an Informal Conference with the Director if the action is suspension of the license or notice of intent to petition the Commission for the assessment of a fine, notice of intent to petition the Commission for any other disciplinary action.
- (c) The Director may serve a “Notice of Violation” relating to warnings or corrective actions by regular or interoffice mail if the subject of the disciplinary action is a licensee of the gaming operation or a licensed vendor. All other Notices shall be served by registered or certified mail, or may be referred to an agent for service. Proof of service shall be provided by a certificate or affidavit of service, which shall specify the date, manner of service, and be signed by the agent. If a document is sent by mail, it shall be deemed to have been served five (5) days after it is mailed.

3.1.3 Informal conference with the Director.

- (a) When the Director has suspended a license or has issued a notice of intent to petition the Commission for the assessment of a fine, or has issued a notice of intent to petition the Commission for any other disciplinary action, the licensee may request an informal conference with the Director. The request shall:
 - (1) be identified as a “Request for an Informal Conference”;
 - (2) be in writing; and

REGULATIONS
CHAPTER 3: DISCIPLINARY ACTION

- (3) be filed with the Director not later than seven (7) days after receipt of the "Notice of Violation."
- (b) Failure to timely file a "Request for an Informal Conference" constitutes a waiver of the right to an informal conference.
- (c) No formal record of the informal conference need be maintained.

3.1.4 Final action of the Director.

- (a) When the Director has suspended a license, the Director shall either:
 - (1) rescind the suspension of the license upon licensee's compliance, or making provisions for compliance with the terms of licensure within the time frame provided on the "Notice of Violation";
 - (2) rescind the suspension of the license for other good cause;
 - (3) rescind the suspension of the license and request the Commission review its initial licensing decision in accordance with Section 2.1.15;
 - (4) request the Commission review its initial licensing decision in accordance with 2.1.15; or
 - (5) petition the Commission for revocation of the license.
- (b) When the Director has issued a notice of intent to petition the Commission for the assessment of a fine, the Director shall either:
 - (1) withdraw the notice of intent to petition the Commission for the assessment of a fine; or
 - (2) proceed to petition the Commission for the assessment of a fine.
- (c) When the Director has issued a notice of intent to petition the Commission for any other disciplinary action, the Director shall either:
 - (1) withdraw the notice of intent to petition the Commission for any other disciplinary action; or
 - (2) proceed to petition the Commission for any other disciplinary action.
- (d) The Director shall serve a copy of his decision upon the licensee not later than fourteen (14) days following the conclusion of the Informal Conference or, if no Informal Conference was requested, not later than twenty-one (21) days after the service of the "Notice of Violation."
- (e) If the decision of the Director is to petition the Commission for revocation of the license or to petition the Commission for the assessment of a fine, or to petition the Commission for any other disciplinary action, the decision shall include notice to the licensee of his right to file a written response to the petition.
- (f) The Director shall serve his decision in accordance with Section 3.2.2 below.

REGULATIONS
CHAPTER 3: DISCIPLINARY ACTION

SUBCHAPTER 2
HEARINGS BEFORE THE COMMISSION

3.2.1 Procedures.

Unless otherwise provided in the Regulations, all hearings before the Commission shall be heard and conducted according to the following procedures in this subchapter.

3.2.2 Service.

- (a) All pleadings, notices, and other papers shall be served by registered or certified mail, at the mailing address provided by the licensee, or by personal service. If a document is sent by mail, it shall be deemed to have been served five (5) days after it is mailed.
- (b) Proof of service shall be provided by a certificate or affidavit of service which shall be signed by the person effecting service and which shall specify the date and manner of service.

3.2.3 Initiation of hearing procedure: Notice of Hearing.

- (a) Any proceeding shall be initiated by the filing of a petition.
- (b) The respondent shall file and serve a written response within fourteen (14) days after being served with a copy of the petition.
- (c) Upon the filing of a petition, the Commission shall determine the date of the hearing, which shall be the next regularly scheduled Executive Session which is at least ten (10) days after the time for respondent to file and serve a written response to the petition has expired. An extension of the hearing date may be granted at the request of one of the parties.
- (d) Notice of the hearing date, time and place shall be served by the Commission on each of the parties at least ten (10) days before the hearing.
- (e) All Commission hearings shall be presided over by the Commission Chair.

3.2.4 Appearances.

Parties to proceedings governed by this Subchapter may appear personally or through an attorney or other representative, at the party's expense, except that the parties shall personally attend any hearing on the merits unless such attendance has been waived by the Commission. Any attorney appearing in such proceedings shall be admitted to a bar of any state.

3.2.5 Conduct of hearing.

- (a) Unless the Chair reasonably determines that a different procedure is appropriate, the hearing shall be conducted in accordance with the following procedures:
 - (1) The petitioner may present an opening statement on the merits and the respondent may then make an opening statement of the defense, or he may reserve the same until commencement of the presentation of the defense.

REGULATIONS
CHAPTER 3: DISCIPLINARY ACTION

- (2) The petitioner shall then present his case in chief in support of the petition.
 - (3) Upon conclusion of the petitioner's case in chief, the respondent may move for dismissal of the petition. The Commission may grant, deny, or reserve decision on the motion, with or without argument.
 - (4) If no motion to dismiss is made, or if such motion is denied or decision is reserved thereon, the respondent shall then present his case in defense.
 - (5) Upon conclusion of the respondent's case, the petitioner may present rebuttal evidence.
 - (6) After the presentation of the evidence by the parties, the petitioner may present a closing argument. The respondent may then present a closing argument and the petitioner may then present a rebuttal argument. Thereafter the matter shall stand submitted for decision.
- (b) All or part of the hearing may be conducted by telephone at the discretion of the Commission Chair.
 - (c) Unless otherwise ordered by the Chair, the parties may submit written memorandum of points and authorities at any time before the hearing. The Chair may order or allow the parties to file written memoranda of points and authorities after the conclusion of the hearing.
 - (d) Oral evidence may be taken only upon oath or affirmation.
 - (e) Affidavits may be received in evidence if ruled admissible by the Chair.
 - (f) Each party may:
 - (1) call and examine witnesses;
 - (2) introduce exhibits relevant to the issue of the case;
 - (3) cross-examine opposing witnesses on any matter relevant to the case, even though the matter was not covered in a direct examination;
 - (4) impeach any witness, regardless of which party first called the witness to testify; and
 - (5) offer rebuttal evidence.
 - (g) If a party does not testify on his own behalf he may be called and examined as if under cross-examination.

3.2.6 Admissibility of evidence.

- (a) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted and is sufficient in itself to support a finding if it is the sort of evidence on which reasonable persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any rule which might make improper the admission of such evidence over objection in a civil action.
- (b) Irrelevant and unduly repetitious evidence should not be admitted.

3.2.7 Subpoenas.

At the request of a party, subpoenas may be issued by the Chair.

REGULATIONS
CHAPTER 3: DISCIPLINARY ACTION

3.2.8 Discovery.

No discovery shall be permitted except upon a finding by the Commission of good cause justifying the discovery sought.

3.2.9 Official notice.

The Chair may take official notice of any generally accepted information or technical or scientific matter within the field of gaming, and of any other fact that may be judicially noticed. The parties shall be informed of any information, matters or facts so noticed and shall be given a reasonable opportunity, on request, to refute such information, matters or facts by evidence or by written or oral presentation of authorities. The manner of such refutation shall be determined by the Chair.

3.2.10 Amended or supplemental pleadings.

The Chair may, before submission of the case before decision, permit the filing of an amended or supplemental petition or response, including an amended or supplemental pleading that conforms to the evidence presented during the hearing. A request for permission to file an amended or supplemental pleading may be made orally during the hearing or in writing. If the request is in writing, a copy shall be served on the opposing party. The Chair thereafter shall provide the opposing party a reasonable opportunity to make objections thereto. If an application for leave to file an amended or supplemental pleading is granted, the Chair shall permit the parties to introduce additional evidence with respect to any new matter described in the pleading.

3.2.11 Continuances.

Continuances of the hearing date may be granted by the Chair upon a showing of good cause by the party requesting the continuance.

3.2.12 Communications with the Commission.

- (a) Unless required for the disposition of ex parte matters:
 - (1) neither party nor his representative shall communicate, directly or indirectly, with any Commission member regarding any matter related to the hearing, except upon notice and opportunity to all parties to participate and upon the authority of the Chair; and
 - (2) a Commission member shall not communicate, directly or indirectly, with any party or his representative regarding any matter related to the hearing, except upon notice and opportunity to all parties to participate and upon the authority of the Chair.
- (b) This Section does not preclude any Commission member from consulting with Commission counsel concerning any matter related to the hearing.

3.2.13 Default.

- (a) The unexcused failure of a party to appear at the hearing may constitute a default and an admission of any facts that may have been alleged by the opposing party. The Commission may take action based on such default or admission or any other evidence without further notice to the defaulting party.

REGULATIONS
CHAPTER 3: DISCIPLINARY ACTION

- (b) If the Commission takes action based on an admission, the record shall include the evidence upon which the action is based.

3.2.14 Contempt.

If any person in proceedings before the Commission under this Section disobeys or resists any lawful order or refuses to respond to a subpoena, or refuses to take the oath or affirmation as a witness, or thereafter refuses to be examined, or is guilty of misconduct during the hearing or so near the place thereof as to obstruct the proceeding, the Commission may certify the facts to the Tribal Court and request that the Court issue an order directing the person to appear before the Court and show cause why he should not be punished for contempt. The application for citation for contempt shall be served on the person cited to appear.

3.2.15 Burden of proof.

The petitioner bears the burden of proof and the standard shall be a preponderance of the evidence.

3.2.16 Decision of the Commission.

- (a) After the hearing, the Commission shall render a written decision on the merits.
- (b) The decision of the Commission shall contain findings of fact and conclusions of law.
- (c) A copy of the decision shall be served on each party. The decision is effective and final upon service on all parties, unless otherwise ordered by the Commission. If the decision is sent by mail, it shall be deemed to have been served five (5) days after it is mailed.

3.2.17 Appeal of decision of the Commission.

- (a) Should any party disagree with the decision made by the Commission, the party may appeal the decision to the Tribal Court. Such appeal:
 - (1) shall be in writing;
 - (2) shall be only on grounds that the decision was arbitrary and capricious or a violation of Tribal Constitutional rights; and
 - (3) shall be filed with Tribal Court not later than fourteen (14) days following receipt of the Commission's written decision.
- (b) In an appeal to the Tribal Court, the Tribal Court:
 - (1) shall review on the record the decision of the Commission;
 - (2) may review privileged and confidential information obtained on the condition that the information and/or its source not be released to the parties; and
 - (3) may review information that is otherwise prohibited from disclosure by law.
- (c) No appeal beyond Tribal Court may be had.

REGULATIONS
CHAPTER 3: DISCIPLINARY ACTION

(d) Confidential information described in Sections (b)(2) and (3) of this Section shall not be released to the parties, unless by order of a court of competent jurisdiction.

3.2.18 Revocation of license.

If a license is revoked, the licensee is not eligible to apply again for licensing until after expiration of one (1) year from the date of such revocation, unless the Commission determines that the revocation is without prejudice as to delay in reapplication.

(End of Regulation 3)

REGULATIONS
CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

SUBCHAPTER 1
PROHIBITIONS

4.1.1 Games and gaming equipment.

- (a) The gaming operation shall not conduct any game or other form of gambling unless approved by the Commission in accordance with Chapter 6.
- (b) Any wager at any game other than a permissible wager allowed by the Game Rules is prohibited.
- (c) Employees and/or patrons shall not conduct any other form of gambling at the gaming facility.
- (d) Gaming equipment shall not be placed in or removed from the gaming facility unless approved by the Director.

4.1.2 Gaming by licensees and vendor representatives at the gaming facility.

- (a) Unless waived by the Director, licensees shall not play or wager on any table game, linked progressive system, or other games designated by the Director.
- (b) Unless waived by the Director, the following licensees shall not play or wager on any game:
 - (1) Primary Management Officials;
 - (2) Security;
 - (3) Casino Audit Services;
 - (4) Information Technology (IT) and Surveillance departments, including their vendor representatives having access to critical IT and Surveillance systems; and
 - (5) any other licensees as designated by the Director..
- (c) Licensees employed as VLT technicians or VLT auditors, their supervisors or vendor representatives shall not play or wager on any VLT game unless waived by the Director.
- (d) Any licensee in violation of this section shall be subject to disciplinary action and shall forfeit all winnings.

4.1.3 Cheating and deception.

It is prohibited to:

- (a) possess or permit to remain in the gaming facility any game equipment, mechanical device or any other cheating device, the use of which is not allowed by statute, ordinance or regulation;
- (b) conduct, carry on, operate or deal any cheating or thieving game or device in the gaming facility, either knowingly or unknowingly, which:
 - (1) may have in any manner been marked, tampered with or otherwise placed in a condition, or operated in a manner, which tends to deceive the public or which might make the game more liable to win or lose; or
 - (2) tends to alter the normal random selection criteria, which determine the results of the game; or

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

- (c) provide misleading or deceiving information on any payoff schedule or award card, or fail to make payment in strict accordance with posted payoff schedules or award cards.

4.1.4 Interference with surveillance.

Any influence over, or interference with the operation of the Surveillance Department's equipment or personnel in such a way as to hinder the Department's effective performance of its responsibilities or unauthorized access to the Surveillance Department is prohibited.

4.1.5 Unlicensed personnel and vendors.

It is prohibited to employ any individual or engage in any business transaction with any vendor who is not licensed in accordance with the Regulations.

4.1.6 Drop box removal.

The removal and count of drop box contents at times other than previously reported to the Director are prohibited unless the gaming operation provides advance written notice to the Director of a change in drop/count times or in the case of an emergency.

4.1.7 Credit.

- (a) Except as provided by Section (b), no person shall be extended credit for gaming nor shall the gaming operation permit any person or organization to offer such credit for a fee.
- (b) This Section shall not apply to:
 - (1) any retail business of the gaming operation, or any other person or organization offering check cashing or installing and accepting bank card or credit card transactions, in the same manner as is permitted at any retail business;
 - (2) the gaming operation cashing checks drawn on its own bank accounts or those of the Tribe;
 - (3) the gaming operation cashing checks issued and authorized by a provider of cash advance services through point-of-sale terminals, money orders, and checks in which payment is guaranteed;
 - (4) check cashing services authorized by the gaming operation and licensed by the Commission;
 - (5) credits won by players who activate play on VLT's after inserting currency into the games;
 - (6) the acceptance of a personal check from a non-profit organization or a political subdivision for a bingo fundraiser event;
 - (7) cashing checks through a third party vendor whose system verifies the availability of funds or secures funds in the name of the gaming operation; or
 - (8) the acceptance of credit cards as payment for reserved seating events, as approved by the Commission.

REGULATION 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

4.1.8 Chip redemption.

- (a) Chips shall not be accepted as payment for goods or services offered at the gaming facility with the exception of the specific use for which the chips were issued, and shall not be given as change in any other transaction.
- (b) Chips shall not be redeemed if presented by a person who the licensee knows, or reasonably should know, is not a patron.
- (c) Chips shall not be used for any other purpose than for which they were approved.

4.1.9 Photography and videotaping.

Photography and videotaping is prohibited in gaming areas, except as authorized by the Director.

4.1.10 Electronic communication devices.

Patron use of electronic communication devices is prohibited at table games.

4.1.11 Gaming by persons under the age of twenty-one (21).

- (a) No person under the age of twenty-one (21) years of age shall wager on or play any game.
- (b) Except as provided by Section 4.8.1, no person under the age of twenty-one (21) shall be permitted in the immediate area where gaming is being conducted.
- (c) If any person under the age of twenty-one (21) plays and otherwise qualifies to win any gaming prize or compensation, the prize or compensation shall not be paid.
- (d) VLT's shall be monitored by the gaming operation's personnel to prevent access or play by persons under the age of twenty-one (21).

4.1.12 Alcohol.

- (a) Alcoholic beverages shall not be served free or at a reduced price to any person at the gaming facility as an inducement to participate in any gaming activity.
- (b) Visibly intoxicated persons shall not be served alcohol.
- (c) Service and consumption of alcohol in the gaming facility shall be in accordance with the terms and conditions of the Tribal Liquor Ordinance.

4.1.13 Weapons.

- (a) Possession of weapons are prohibited at the gaming facility, with the exception of:
 - (1) federal, state, county, municipal, tribal law enforcement officers, armed couriers in performance of their official duties; or
 - (2) events held in non-gaming areas as approved by the Director.

4.1.14 Gratuities.

- (a) All licensed personnel are prohibited from soliciting any tip or gratuity from any patron.

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

- (b) The following licensed personnel are prohibited from accepting any tip or gratuity from any patron:
- (1) Management, supervisory or administrative personnel involved in gaming activities;
 - (2) Surveillance Department personnel;
 - (3) Corporate Audit Services; and
 - (4) Security personnel.

4.1.15 Excluded individuals.

Allowing any individual that has been excluded by the Director into the gaming facility is prohibited.

4.1.16 Shills and proposition players.

- (a) Shills are prohibited at the gaming facility.
- (b) Proposition players shall not be allowed unless:
 - (1) gaming operation policies and procedures contain any related restrictions required by the Director; and
 - (2) a sign is posted and clearly visible from each card table stating that proposition players are allowed by the Regulations and shall be identified by management upon request.

4.1.17 Obstruction of surveillance camera coverage.

Surveillance camera coverage required by the MICS shall not be obscured by any modifications or placement of objects. The Surveillance Department shall be notified prior to any modifications or the placement of objects, or moving of any gaming equipment, that affects camera coverage.

4.1.18 Reporting by licensees.

- (a) A licensee shall not be restricted by any other licensee from reporting wrongdoing or regulatory non-compliance.
- (b) No retaliation in any form shall be taken against a licensee for reporting wrongdoing or regulatory noncompliance.

SUBCHAPTER 2 PUBLIC NOTICES

4.2.1 Public notice governing conduct of patrons and employees.

Signs shall be conspicuously posted at all main entrances of the gaming facility that contain the prohibitions in Sections 4.1.9 -13.

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

4.2.2 Use of chips.

Conspicuous signs shall be posted notifying patrons that federal and tribal laws prohibit the use of chips outside the gaming facility for any monetary purpose whatsoever, and that chips are the sole property of the gaming operation.

4.2.3 Evacuation plans.

Evacuation plans shall be posted in locations conspicuous to the public and consistent with contemporary public safety standards.

4.2.4 Licenses and permits.

Any license or permit required by law or regulation shall be posted in accordance with applicable provisions of such law or regulation.

SUBCHAPTER 3 ACCESS REQUIREMENTS

4.3.1 Commission.

- (a) Any Commission member or agent shall be given immediate access to any portion of the gaming facility.
- (b) The gaming operation shall make available to any Commission member or agent upon request for purposes of examining or copying, if necessary:
 - (1) all records pertaining to the operation, management, and regulation of gaming;
 - (2) computer systems and data files; and
 - (3) gaming activities and related equipment.

4.3.2 Oregon State Police.

- (a) The gaming operation shall notify the Director upon receiving notice from OSP to provide information or documents.
- (b) The gaming operation shall make available for inspection to any OSP officer, upon reasonable notice and presentation of appropriate identification, all areas and records pertaining to the operation, management, and regulation of Class III gaming.
- (c) Copies of documents shall be provided to OSP upon request.
- (d) Any and all documents provided to OSP are confidential and shall at all times remain property of the Tribe and shall not be duplicated and/or disclosed to any other party without the Tribe's permission.
- (e) Copies of documents shall be returned to the Commission, or shredded in a secure manner, immediately after use.

REGULATIONS
CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

SUBCHAPTER 4
CASHIER CAGES AND COUNT ROOM

4.4.1 Cashier cages.

- (a) Cashier cages shall be constructed on or near the gaming floor.
- (b) Each cage shall be designed and constructed to provide maximum security for cage activities and assets.
- (c) Each cage shall be a fully enclosed structure with openings through which items such as chips, cash and documents can be passed.
- (d) Each cage shall be accessible through a mantrap, or other secure entry as approved by the Director.
- (e) Access to cages shall be authorized by management and approved by the Director.
- (f) Each cage ceiling shall be constructed or secured to prohibit access.
- (g) Each cage shall have a manually triggered silent alarm system immediately available to each cashier and directly connected to the Surveillance Department.

4.4.2 Count room.

- (a) The gaming facility shall have a count room designed for counting drop box contents.
- (b) Access to the count room shall be authorized by management and approved by the Director.
- (c) The count room shall:
 - (1) be designed and constructed to provide maximum security for the count;
 - (2) be equipped with a locking door securing the interior of the count room;
 - (3) be hardwired and supported by an uninterrupted power supply;
 - (4) have an emergency lighting system that is battery powered and be available as a back up to the uninterrupted power supply; and
 - (5) have painted walls and floor colors that contrast with the color of currency.
- (d) Count room tables shall be constructed of clear glass or similar transparent material.

SUBCHAPTER 5
SECURITY AND SURVEILLANCE

4.5.1 Gaming operation security.

The gaming operation shall provide for the security of the patrons, employees and gaming facility through comprehensive policies and procedures and adequate personnel.

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

4.5.2 Safety and health.

The gaming operation shall:

- (a) comply with all applicable federal, state, local and tribal safety, health and environmental laws, regulations, ordinances and codes;
- (b) temporary changes to the gaming facility, including hallways, shall be approved by the Facilities Department and plans forwarded to the Director prior to implementation;
- (c) report to the Director no later than thirty (30) days after each calendar year results of inspections as required by tribal standards; and
- (d) immediately report to the Director any significant instances of noncompliance with tribal standards.

4.5.3 Construction and renovation.

For all construction and renovation projects, the gaming operation shall:

- (a) submit a copy of the approved building plans, permits, and timeline for completion of the project to the Director before the project begins;
- (b) ensure the construction is performed by a contractor licensed in the state of Oregon;
- (c) ensure that construction or renovation meets all tribal building code standards;
- (d) submit "sole source justification" to the Director for any sole sourced project; and
- (e) make available to the Director the final inspection report or Certificate of Occupancy upon completion of the project.

4.5.4 Security incident records.

A permanent record shall be created of any incidents reported to, or observed by, Security Department personnel:

- (a) in indelible ink; and
- (b) in a bound notebook from which pages cannot be removed, with each side of each page sequentially numbered, including:
 - (1) assigned number of the incident;
 - (2) date;
 - (3) time;
 - (4) nature of the incident;
 - (5) person involved in the incident; and
 - (6) security employee assigned.

A permanent and secure electronic record containing the information in (b) may substitute for a handwritten record.

4.5.5 Surveillance systems.

- (a) The gaming operation shall install, maintain and operate a surveillance system in accordance with the Commission MICS.

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

- (b) Only individuals authorized by the Director shall be allowed in the Surveillance Department.

4.5.6 Surveillance system plan.

- (a) The Surveillance Director, within fifteen (15) days following each calendar quarter, shall submit to the Director a written surveillance system plan, which shall:
 - (1) be in a form approved by the Director;
 - (2) include a current inventory list;
 - (3) include a blueprint or diagram that shows all of the areas that are monitored;
 - (4) include the procedures utilized in the operation of the surveillance system; and
 - (5) include any other system documentation as required by the Director.
- (b) Modifications to the surveillance plan shall be included in each quarterly update and approved by the Director prior to implementation.
- (c) If the Director determines the plan does not comply with Section (a), the Director shall provide written notification to the Surveillance Director, and a revised plan complying with this Section shall be submitted within thirty (30) days after receipt of the Director's notice.

SUBCHAPTER 6 PLAYER DISPUTES

4.6.1 Player disputes.

- (a) The gaming operation shall put forth its best effort to resolve player disputes involving winnings.
- (b) Should the gaming operation be unable to resolve a player dispute involving winnings equal to or greater than \$500, the gaming operation shall immediately contact the Director.
 - (1) The Director shall perform an investigation and render a written decision within thirty (30) days.
 - (2) The Director shall serve a copy of the decision by registered or certified mail, or may refer the decision to an agent for personal service. Proof of service shall be provided by a certificate or affidavit of service which shall be signed by the person effecting service and which shall specify the date and manner of service.
 - (3) Should the player or the gaming operation disagree with the Director's decision, either may file and serve a petition for review with the Commission in accordance with Chapter 3, Subchapter 2, within fourteen (14) days from the date of receipt of the Director's decision.
- (c) Should the gaming operation be unable to resolve a player dispute involving winnings less than \$500, the gaming operation shall inform the player that a complaint may be filed with the Director within five (5) days of the dispute, and

REGULATION 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

provide the player with the Director's address, telephone number and regular office hours.

- (1) Upon receipt of a complaint, the Director shall perform an investigation and render a written decision within thirty (30) days.
- (2) The Director shall serve a copy of his decision by registered or certified mail, or may refer the decision to an agent for personal service. Proof of service shall be provided by a certificate or affidavit of service which shall be signed by the person effecting service and which shall specify the date and manner of service.
- (3) Should the player or the gaming operation disagree with the Director's decision, either may file and serve a petition for review with the Commission under the provisions of Chapter 3, Subchapter 2, within fourteen (14) days from the date of receipt of the Director's decision.

SUBCHAPTER 7 EXCLUDED INDIVIDUALS

4.7.1 Exclusions by the Director.

- (a) The Director may exclude any individual from the gaming facility due to his criminal acts, criminal history or association with career offenders or career offender organizations, which may pose a threat to the security and integrity of the gaming operation.
- (b) The Director shall serve a copy of the decision to exclude on the individual by registered or certified mail, by personal service or by publication once a day for seven (7) consecutive days in a newspaper of daily general circulation in Portland and Salem, Oregon. Proof of service shall be provided by a certificate or affidavit of service which shall be signed by the person effecting service and which shall specify the date and manner of service.
- (c) Should the individual disagree with the Director's decision, the individual may file and serve a petition for review with the Commission in accordance with Chapter 3, Subchapter 2, within fourteen (14) days from the date of receipt of the Director's decision.
- (d) The Director may exclude any individual from the gaming facility who has been barred from entering any gaming establishments or participating in any gaming activities by order of a court of competent jurisdiction, federal law enforcement agency, or the Oregon State Police without following the process set forth above.

4.7.2 Gaming operation exclusion policy.

This Subchapter does not prohibit the gaming operation from establishing and maintaining an exclusion policy and does not apply to individuals excluded by the gaming operation under its policy.

REGULATIONS
CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

SUBCHAPTER 8
LICENSED PERSONNEL

4.8.1 Licensee age restrictions.

- (a) No licensee under the age of twenty-one (21) shall have access to:
 - (1) gaming terminals;
 - (2) gaming cash;
 - (3) gaming wagers; or
 - (4) other gaming paraphernalia and supplies.
- (b) Licensees under the age of twenty-one (21) shall be allowed access to the gaming floor for the sole purpose of carrying out their assigned non-gaming duties.

4.8.2 Assignments to other positions.

- (a) Subject to any licensing conditions that may have been imposed by the Commission, gaming operation personnel may be assigned to other positions within their respective gaming license classification, or lower.
- (b) Licensees shall not be assigned to positions, even temporarily, outside of their home department without first notifying the Director and receiving approval of the assignment.
- (c) Unless waived by the Director, Surveillance Department employees:
 - (1) shall wait a period of one year from date of termination before they may be considered eligible for employment in any other department; and
 - (2) are not eligible for interdepartmental transfers.

4.8.3 Identification badges.

- (a) The Director shall issue to licensed personnel badges, which shall:
 - (1) at a minimum include the licensee's photograph, name, department, position and identification number; and
 - (2) be color coded in such a way as to identify the security level at which they are working.
- (b) A licensee shall:
 - (1) display the badge during work hours in a manner that is visible to surveillance, except for surveillance personnel who shall have their badges in their immediate possession;
 - (2) not place any item on the face of badge; and
 - (3) obtain a replacement badge if or when:
 - A. a significant physical change affects photographic identification; or
 - B. the badge is damaged or defaced, unreadable, or the photograph unidentifiable.

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

- (c) For personnel routinely assigned to other positions, the Director shall issue a badge for the secondary position(s). This requirement applies to:
 - (1) assignments that exceed fifteen (15) days in duration; or
 - (2) scheduled recurring assignments.
- (d) For personnel temporarily assigned to other positions, the Director shall issue a badge for the temporary position(s). This requirement applies to:
 - (1) Assignments that exceed fifteen (15) days in duration; or
 - (2) Assignments that result in a change in access rights to secured areas.
- (e) Identification badges are the responsibility of the licensee and shall not be transferred to any other individual during the licensee's term of employment.
- (f) Badges are the property of the Commission and shall be returned to the Director upon termination or license suspension.

4.8.4 Training.

The gaming operation shall ensure that all employees are adequately trained to perform their duties and responsibilities required by the Regulations, MICS and Game Rules.

4.8.5 Supervision.

The gaming operation shall ensure that all employees are adequately supervised. Supervision shall be by employees with greater authority than those being supervised.

SUBCHAPTER 9 **MINIMUM CASH AND INSURANCE** **REQUIREMENTS**

4.9.1 Minimum bankroll requirements.

- (a) The gaming operation shall maintain, in such manner and amount as the Director shall approve, cash or cash equivalents sufficient to reasonably protect the patrons against defaults in gaming debts owed.
- (b) The Director shall distribute and make available a formula by which the gaming operation shall determine the minimum bankroll requirements of this Section.
- (c) The minimum bankroll calculation shall be performed periodically.
- (d) If at any time available cash or cash equivalents should be less than the amount required by this Section, the gaming operation shall immediately notify the Director of this deficiency.

4.9.2 Liability insurance.

- (a) The gaming operation shall maintain public liability insurance which shall include the limits of the policy for any bodily injury or property damage shall be not less than:
 - (1) \$2,000,000 for one person; and
 - (2) \$10,000,000 for any one occurrence.

REGULATION 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

- (b) The gaming operation shall maintain liquor liability insurance of not less than \$1,000,000.
- (c) The gaming operation shall indemnify, defend and hold harmless the State and the Commission or its officers, Directors, employees and agents from and against any claims, damages, losses or expenses asserted against or suffered or incurred by the State or Commission, or its officers, Directors, employees and agents (except as may be the result of their own negligence) based upon or arising out of any bodily injury or property damage resulting or claimed to result in whole or in part from any act or omission of the gaming operation relating to the inspection or monitoring of the gaming facility.

SUBCHAPTER 10 REPORTING REQUIREMENTS

4.10.1 Licensee's duty to report.

- (a) A licensee shall report any known or observed instances of wrongdoing or regulatory noncompliance by one or more licensees.

4.10.2 Notification.

- (a) The gaming operation shall immediately notify the Director of:
 - (1) Known or suspected cheating, theft, embezzlement, and other illegal activities in the gaming facility; and
 - (2) Any emergency involving the safety of anyone in the gaming facility.
 - (3) the discovery of a violation, or suspected violation, of any gaming Regulation or Minimum Internal Control Standard;
- (b) The gaming operation shall notify the Director within twenty-four (24) hours of:
 - (1) any information that may reflect upon the suitability of a licensee under the criteria described in Chapter 2;
 - (2) bankroll deficiency in accordance with Section 4.9.1(c);
 - (3) jackpot payouts in accordance with Section 6.4.1(b); and
 - (4) VLT system malfunctions in accordance with Section 7.5.6.
- (c) The gaming operation shall notify the Director of personnel changes as follows:
 - (1) Changes in job assignments prior to transfer;
 - (2) high or low security personnel terminations within three (3) days; and
 - (3) Primary Management Official terminations by 5:00 p.m. of the next day.
- (d) The gaming operation shall forward to the Director, promptly upon completion, written reports of:
 - (1) all notifications in Sections (a) and (b);
 - (2) any MICS or Game Rules violation;
 - (3) variances when a cash-handling employee has an unreconciled overage or shortage of \$100 or more.;

REGULATION 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

REGULATIONS

CHAPTER 4: GAMING OPERATION STANDARDS AND REQUIREMENTS

- (4) suspicious activities in accordance with Section 5.3.4;
- (5) new personnel;
- (6) discontinued chip redemption plans in accordance with Section 6.6.5;
- (7) significant instances of noncompliance with tribal building standards in accordance with Section 4.5.2(c);
- (8) drop times in accordance with Section 4.1.6;
- (9) job descriptions for any new positions or changes in positions; and
- (10) any surveillance camera that has malfunctioned for more than twenty-four (24) hours.

4.10.3 Monthly reports.

The following monthly reports shall be submitted after the close of the month for which the report pertains, unless extended by the Director:

- (a) a report that identifies every individual who is, or who has been since the filing of the previous report, actively employed listing the name, job position, title, hire date, social security number;
- (b) financial statements, including balance sheet and statement of revenues and expenditures; and
- (c) revenue and statistical reports requested by the Director.

4.10.4 Annual reports.

The following reports shall be submitted to the Director not later than January 31st unless extended by the Director:

- (a) a report regarding removal of drop boxes showing the time or times each day that such drop boxes will be removed and the contents counted;
- (b) a report of health and safety inspections within thirty (30) days after each calendar year as required by Section 4.5.2(c);
- (c) surveillance system plan in accordance with Section 4.5.5; and
- (d) a report identifying individuals who have met the requirement to be table games instructors in accordance with Section 6.5.3.

4.10.5 Other reports.

- (a) Annual audited financial statements shall be required to be submitted to the Director in accordance with Section 5.2.3.
- (b) Minutes of the meetings of the Board of Directors of the gaming operation shall be submitted to the Director within five (5) days of the next meeting date.
- (c) Building plans as required by 4.5.3(b).
- (d) The Director may request other reports necessary to determine the gaming operation's compliance with the Regulations, MICS and Game Rules.

(End Chapter 4)

REGULATIONS
CHAPTER 5: INTERNAL CONTROL AND ACCOUNTING

SUBCHAPTER 1
INTERNAL CONTROLS

5.1.1 Commission Minimum Internal Control Standards.

- (a) The Commission shall adopt MICS that meet or exceed the Tribal/State compact and Minimum Internal Control Standards.
- (b) MICS shall be adopted as follows:
 - (1) The Director or gaming operation shall submit proposed MICS for adoption on forms approved by the Commission and shall include:
 - A. the existing MICS;
 - B. the proposed MICS;
 - C. the impact of the proposed MICS on the internal control of the gaming operation; and
 - D. a statement on consistency with provisions of the NIGC and State standards.
 - (2) The Commission shall post the proposed MICS and notify the gaming operation at least thirty (30) days prior to the General Session at which the proposed MICS will be considered for adoption.
 - (3) The Commission shall consider comments, and take action on the proposed MICS at the scheduled General Session.
 - (4) The Commission shall determine an effective date not to exceed thirty (30) days after adoption.
- (c) Section (b) shall not apply to:
 - (1) the adoption of MICS required by applicable federal law;
 - (2) non-substantive changes or corrections to MICS which action may be made by the Director.
- (d) The Director shall provide written notice to the gaming operation of the action taken by the Commission or Director.
- (e) The gaming operation shall begin to comply with any adopted MICS not later than the effective date.
- (f) Revisions to MICS shall be made available to OSP within ten days of implementation.

5.1.2 Policies and procedures.

- (a) The gaming operation shall adopt and implement administrative, financial, operation security, and gaming area control policies and procedures governing gaming activities and non-gaming activities that the Director determines to affect the integrity, security, honesty or fairness of the gaming operation.
- (b) The gaming operation shall submit to the Director, not later than 5:00 p.m. on the effective date of the Regulations, MICS or Game Rules, all related changes to procedures.
- (c) The procedures shall be designed to reasonably ensure that:
 - (1) financial records are accurate and reliable;
 - (2) transactions are properly authorized by management and recorded;
 - (3) assets are safeguarded and only accessed with proper authorization;

REGULATIONS
CHAPTER 5: INTERNAL CONTROL AND ACCOUNTING

- (4) recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action taken with respect to any discrepancies; and
 - (5) functions, duties and responsibilities are appropriately segregated and performed consistent with adopted procedures.
- (d) Prior to implementing changes in gaming activities, the gaming operation shall comply with any written requirements imposed by the Director.
- (e) Policies and procedures shall be made readily available to all employees.

5.1.3 Required departments.

- (a) The gaming operation shall be organized to provide independent departments with an appropriate level of management for each department.
- (b) The gaming operation shall include the following departments:
 - (1) Accounting Department responsible for financial accounting and control.
 - (2) Cage Department, independent of all other departments, responsible for cage transactions and inventory.
 - (3) Gaming Department responsible for the operation of Class II and Class III games.
 - (4) Security Department, independent of all other departments, responsible for the safety and security of the gaming facility, patrons, and employees.
 - (5) Surveillance Department responsible for the clandestine monitoring and recording of gaming facility assets and activities. The Surveillance Department shall be independent of other departments. The Surveillance Department Director shall not be disciplined, involuntarily terminated or have employment separated without cause and without the consent of the Commission. The Surveillance Department Director shall report to the Tribe, Commission or the governing body of the gaming operation.
 - (6) Information Technology Department, independent of all other departments, responsible for administration and maintenance of the network infrastructure and connected systems.

SUBCHAPTER 2
ACCOUNTING

5.2.1 Accounting records.

- (a) The gaming operation shall prepare and maintain accounting records in accordance with generally accepted accounting principles and the Regulations and MICS.
- (b) A double-entry accounting system shall be maintained with supporting journal entries and detailed subsidiary records for identifying and tracking all assets, liabilities, equity, revenues, and expenses.

5.2.2 Record retention and inspection by Commission.

- (a) All records shall be maintained for at least five (5) years after they are prepared, unless waived by the Director.
- (b) The Commission or its agents, upon request, shall be provided with such records.

REGULATIONS
CHAPTER 5: INTERNAL CONTROL AND ACCOUNTING

- (c) This Section does not limit the Director's authority to require that additional records be created and retained.

5.2.3 Annual audit requirements.

- (a) The Commission shall ensure an annual financial audit is performed of the gaming operation.
- (1) The audit shall:
- A. be performed in accordance with generally accepted auditing standards by an independent Certified Public Accountant (CPA) and include all financial activities for the two preceding business years; and
 - B. include all gaming contracts that annually exceed \$25,000.
- (2) If the gaming operation changes its business year, the audit shall:
- A. cover the period from the end of the preceding business year to the beginning of the new business year (stub period); or
 - B. incorporate the results of the preceding business year with the stub period.
- (b) The Commission shall ensure that an annual Minimum Internal Control Standards compliance audit is performed by an independent CPA in accordance with Statements on Standards for Attestation Engagements promulgated by the American Institute of Certified Public Accountants.
- (1) The CPA shall perform procedures as determined necessary by the Director, and shall be included in the terms of the engagement.
- (2) The CPA's final report on the results of agreed upon procedures shall:
- A. include internal controls in effect for the preceding business year;
 - B. list each instance of non-compliance with Commission Minimum Internal Control Standards; and
 - C. identify any material weaknesses found in the internal controls with a narrative description, the number of exceptions, sample size tested and include recommendations for improvements.
- (c) Two copies of all reports shall be submitted to the Director within 110 days after the end of the preceding business year.
- (d) The Director shall submit required reports to NIGC, if required, not later than 120 days after the end of the preceding business year.
- (e) The Director shall make all reports available to OSP for review upon request.

SUBCHAPTER 3
CURRENCY TRANSACTIONS

5.3.1 Compliance program.

- (a) The gaming operation shall adopt and implement a compliance program to ensure compliance with Title 31 and this Subchapter.
- (b) The compliance program shall, at a minimum, include:

REGULATIONS
CHAPTER 5: INTERNAL CONTROL AND ACCOUNTING

- (1) a designated individual, independent of any department involved with the recording of, or accounting for, Title 31 transactions, responsible for compliance;
- (2) the designated 24-hour gaming day;
- (3) a training program; and
- (4) independent compliance audits.

5.3.2 Prohibited currency transactions.

- (a) The gaming operation shall not issue cash, checks or other negotiable instruments to a patron, or otherwise effect any transfer of funds on behalf of a patron, in exchange for cash in any transaction(s) in which the amount of the exchange, or series of exchanges, is more than \$3,000.
- (b) This Section does not prohibit:
 - (1) the payment of a player's winnings by negotiable instrument, electronic wire, or other transfer of funds if payment is made payable to the order of the player and if the player has not taken physical possession of any cash, or has not removed any cash from the sight of the employee who paid the winnings, or the player has been paid with chips or tokens;
 - (2) a player from exchanging large denominations of cash for smaller denominations in connection with wagering on a VLT game; or
 - (3) the exchange of cash for cash with another legally operating gaming operation if the entity completes the identification and Title 31 currency transaction record-keeping procedures.

5.3.3 Currency transaction reports.

- (a) Currency transaction reports required by Title 31 shall be completed and filed for cash-in and cash-out transactions that exceed \$10,000.
- (b) Cash-in transactions:
 - (1) include, but are not limited to, purchases of chips, bets of currency, foreign currency exchanges, currency received via wire transfer for a patron and safekeeping deposits; and
 - (2) should be aggregated together, in accordance with Section 5.3.5, when multiple cash-in transactions are conducted with a single individual, regardless of whether or not the total transfer of cash from the individual to the gaming operation is from dissimilar currency transactions.
- (c) Cash-out transactions:
 - (1) include, but are not limited to, redemption of chips, payments on bets, payments of promotions, prizes and pools, payments of wire transfers to a patron, cashing of checks and safekeeping withdrawals; and
 - (2) should be aggregated together, in accordance with Section 5.3.5, when multiple transactions are conducted with a single individual, regardless of whether or not the total transfer of cash from the gaming operation to the individual is from dissimilar currency transactions.

REGULATIONS
CHAPTER 5: INTERNAL CONTROL AND ACCOUNTING

- (d) Before completing any transaction described in Sections (b) or (c), the gaming operation shall:
 - (1) obtain, or reasonably attempt to obtain, the patron's name, permanent street address, and social security number;
 - (2) verify the accuracy of the information obtained by examining:
 - A. the patron's valid driver's license;
 - B. the patron's passport or other reliable identity credential evidencing nationality and residence; or
 - C. some other document normally acceptable as a means of identification when cashing checks; and
 - (3) verify the accuracy of the patron's social security number by examining:
 - A. the patron's social security card;
 - B. any other picture identification that includes the patron's social security number; or
 - C. an IRS W-9 form signed by the patron attesting to their social security number.
 - (4) if a patron refuses to provide his name, address, proof of identity, social security number, or other information that is required, the gaming operation shall not complete the transaction.
- (e) Within fifteen (15) days of the transaction date, the gaming operation shall file the completed currency transaction report with the federal government.

5.3.4 Suspicious transaction reporting.

- (a) Whenever the gaming operation detects that a patron is involved in a suspicious transaction, a Suspicious Activity Report shall be completed and submitted to the federal government and Director within thirty (30) days of the transaction if the patron is known, or sixty (60) days if the patron is unknown.
- (b) As used in Section (a), a suspicious transaction shall include, but not be limited to a suspected attempt or act by a patron:
 - (1) to circumvent a reportable transaction that could or reasonably should be considered suspicious by the gaming operation; or
 - (2) similar to any attempt or act described in the Department of the Treasury guidelines, which could be considered suspicious.

5.3.5 Multiple currency transactions.

- (a) The gaming operation, its employees or agents shall not knowingly allow the circumvention of any of the sections of this Chapter relating to multiple currency transactions with an individual patron, or the confederate or agent of an individual patron within a 24-hour gaming day.
- (b) The gaming operation shall make reasonable efforts to prevent, detect and document multiple currency transactions, including a series of transactions that are designed to accomplish indirectly that which could not be accomplished directly.
- (c) The gaming operation shall within a 24-hour gaming day aggregate all cash transactions of \$3,000 or more, or any transactions the gaming operation has knowledge that such

REGULATIONS
CHAPTER 5: INTERNAL CONTROL AND ACCOUNTING

transactions will result in meeting the record keeping requirements of this Chapter, between the gaming operation and a patron, or a person who the gaming operation knows or has reason to know is the patron's confederate or agent, including transactions:

- (1) at any cage; or
 - (2) at any gaming area within the gaming facility.
- (d) For any transactions aggregated the gaming operation shall complete the identification and record-keeping procedures described within this Chapter.
- (e) The gaming operation is subject to disciplinary action for any violation of this Chapter. However, the Director may consider lesser action if:
- (1) reasonable procedures have been implemented to prevent such violations;
 - (2) the violation is isolated and minor;
 - (3) the violation does not involve an officer, department director, internal audit staff employee, a person with authority commensurate with or greater than that of a shift supervisor or cage shift supervisor; and
 - (4) reasonable steps are taken to correct any defects in its procedures that contributed to the violation.

5.3.6 Negotiable instruments.

- (a) Any negotiable instrument issued in payment of a player's winnings shall be made payable to the order of the player.
- (b) The gaming operation shall maintain a log of all negotiable instruments cashed or deposits equal to or greater than \$3,000, regardless of the amount of cash involved in any such transaction.

5.3.7 Reporting of gaming winnings.

The gaming operation shall report all winnings paid to any person to the appropriate state, federal and international agency, as required.

SUBCHAPTER 4
INFORMATION TECHNOLOGY

5.4.1 Software and hardware.

- (a) All gaming software and hardware acquisitions shall be subject to review and approval by the Director.
- (b) All gaming, cage, count and accounting software shall be shipped directly to the Director from the manufacturer, distributor or other source using a secure method to prevent unauthorized access.
- (c) For new applications to be added to the network environment, the developer must support the application and its software components for security updates.

REGULATIONS
CHAPTER 5: INTERNAL CONTROL AND ACCOUNTING

5.4.2 Network security validation.

- (a) The network shall be evaluated by a qualified independent agency every three years. The evaluation shall include:
 - (1) Internal and external vulnerability assessment; and
 - (2) network and application layer penetration testing.

5.4.3 Passwords

- (a) Computer systems, including application software, shall be secured through the use of passwords or other authentication methods as approved by the Director.
- (b) Security requirements, if configurable, shall be as follows:
 - (1) each user shall have their own individual password;
 - (2) passwords shall be at least eight (8) characters in length and contain a combination of at least two of the following criteria:
 - A. upper case letters;
 - B. lower case letters;
 - C. numeric; and/or
 - D. special characters.
 - (3) passwords shall be changed at least quarterly with changes documented;
 - (4) passwords may not be re-used for a period of 18 months;
 - (5) user accounts shall be automatically locked out after three (3) failed login attempts; and
 - (6) the system may release a locked out account after 30 minutes has elapsed.
- (c) User accounts with lost or compromised passwords shall be deactivated immediately upon notification.

5.4.4 Remote access

- (a) The methods of remote access to the IT and Surveillance network shall be approved by the Director.
- (b) Remote access for scheduled maintenance or for new installations and upgrades to software or systems certified by an approved independent test laboratory shall be approved by the Director at least three (3) days prior to the proposed access.
- (c) Remote access for unscheduled or emergency purposes shall be reported to the Director within twenty-four (24) hours and include the reason for the access and the resolution.
- (d) An automated or manual log shall be maintained that includes:
 - (1) name of authorized employee accessing the network or authorizing network access for vendors;
 - (2) name of vendor employee accessing the network, if applicable;
 - (3) reason for network access, including a detailed description of work performed;
 - (4) systems accessed; and
 - (5) date and start and stop time of access.

REGULATIONS
CHAPTER 5: INTERNAL CONTROL AND ACCOUNTING

(e) Vendor user accounts shall be disabled on all systems and equipment upon completion of a remote access session.

(End of Regulation 5)

REGULATIONS
CHAPTER 6: GAMES

SUBCHAPTER 1
GAME APPROVALS

6.1.1 Approval required by Commission.

- (a) The gaming operation shall not operate any game, unless approved by the Commission.
- (b) Games approved by the Commission are described in the Game Rules.
- (c) All games shall conform to the Regulations, MICS and Game Rules.
- (d) The number of Class III games shall not exceed the number allowed by the Compact.

6.1.2 Application to Commission for approval.

- (a) The gaming operation shall apply in writing to the Commission requesting approval for the operation of any game.
- (b) The application shall include the following supporting documentation:
 - (1) game rules including:
 - A. a description of the game;
 - B. equipment specifications;
 - C. payouts and jackpots;
 - D. maximum bet limits;
 - E. rules establishing how the game is to be played;
 - (2) computer hardware and software specifications;
 - (3) how the rules are to be posted or made available to patrons;
 - (4) proposed MICS;
 - (5) policies and procedures regarding the operation of the game(s);
 - (6) physical location of the game;
 - (7) job descriptions for any new positions proposed;
 - (8) training curriculum necessary to implement the game;
 - (9) training curriculum for surveillance personnel;
 - (10) surveillance plan for monitoring the proposed game; and
 - (11) player dispute resolution process.
- (c) Upon receipt, the Director shall review the request for completeness and any incomplete request will be returned to the gaming operation.

6.1.3 Commission approval.

- (a) The Director shall:
 - (1) petition the Commission at its next General Session to consider the request; and
 - (2) submit a recommendation for approval or denial.
- (b) The Commission shall unconditionally approve, conditionally approve or deny the request.
- (c) For Class III games, Commission approval is contingent upon OSP's concurrence as provided in the Compact.

REGULATIONS
CHAPTER 6: GAMES

(d) Subject to any conditions, the gaming operation may open a game upon approval.

SUBCHAPTER 2
GAME RULE AMENDMENTS

6.2.1 Adoption of Game Rule amendments.

(a) Amendments to Game Rules shall be adopted as follows:

- (1) The Director or gaming operation shall submit proposed amendments to the Game Rules on forms approved by the Commission and shall include:
 - A. the existing Game Rule;
 - B. the proposed amendment; and
 - C. the impact of the proposed amendment on the game.
- (2) The Commission shall post the proposed amendment and notify the gaming operation at least thirty (30) days prior to the General Session at which the proposed amendment will be considered for adoption;
- (3) The Commission shall consider comments and take action on the proposed amendment at the scheduled General Session; and
- (4) The Commission shall determine an effective date not to exceed thirty (30) days after adoption.

(b) Section (a) shall not apply to non-substantive changes or corrections to Game Rules which action may be made by the Director.

(c) The Director shall provide written notice to the gaming operation of the action taken by the Commission or Director.

(d) The gaming operation shall begin to comply with any adopted Game Rule amendment not later than the effective date.

6.2.2 Provision for increases to bet limits.

(a) Increases to bet limits shall not be approved unless:

- (1) personnel involved have sufficient experience and knowledge to ensure the integrity of the game, including cheating and forms of unacceptable play;
- (2) the conduct of the game has been free from any significant violations of the Regulations, MICS and Game Rules.

(b) The bet limit for any Class III game shall not exceed the maximum limit allowed by the Compact.

REGULATIONS
CHAPTER 6: GAMES

SUBCHAPTER 3
PUBLIC POSTING OF RULES

6.3.1 General requirements.

- (a) The general rules, payout schedules and betting limits for each game shall be conspicuously posted and clearly legible or otherwise made available to players at each gaming station. All odds stated on any layout, in any brochure or other publication distributed by the gaming operation shall be stated with the word “to” and not the word “for.”
- (b) A meter that shows the amount of a progressive jackpot shall be conspicuously displayed at or near the gaming station to which the jackpot applies.
- (c) The minimum and maximum bet shall be posted at the gaming station, where applicable.

6.3.2 Periodic payments.

The gaming operation shall declare terms of periodic payments, as allowed by Section 6.4.3, offered as a prize to a player for any approved game, tournament, contest or promotional activity for which periodic payments are utilized by:

- (a) displaying signs at the gaming stations; and
- (b) including the terms in any advertising media used.

SUBCHAPTER 4
PAYMENT OF WINNINGS

6.4.1 Payment of winnings.

- (a) The gaming operation shall pay all winnings in accordance with applicable game rules as the result of any approved game, tournament, contest or promotional activity, upon validation of the win.
- (b) The gaming operation shall notify the Director of any jackpot payout of \$25,000 or more for Keno and Bingo, \$10,000 or more for table games and card games, and VLT payouts in accordance with Section 7.3.1(b).

6.4.2 Minimum cash reserves.

- (a) Unless the Director has approved periodic payments, the gaming operation shall maintain cash reserves to fund all non-linked progressive jackpots. Such cash reserves shall be used in calculating the minimum bankroll in accordance with Section 4.9.
- (b) Vendors responsible for payment of any jackpot shall maintain a restricted account with a balance equal to the jackpot amount, or in another manner that would ensure payment of the jackpot amount as approved by the Director.

REGULATIONS
CHAPTER 6: GAMES

6.4.3 Periodic payments.

- (a) The total winnings awarded to a player as a result of any approved game, and the terms by which a single cash payment or periodic payments will be provided, shall be disclosed upon validation of the jackpot win, as follows:
 - (1) A written qualified prize option may be provided to the player within five (5) business days following the validation of the win;
 - (2) The qualified prize option shall include disclosure of the method used to compute the single cash payment, including the discount rate on the date of calculation; and
 - (3) A disclosure shall be made to the player that the player is under no obligation to accept any offer of a single cash payment, and may receive periodic payments to which the player is entitled under the terms of the approved game.
- (b) The funding of periodic payments shall be completed within thirty (30) days of the conclusion of the validation period, or where a qualified prize option is offered for such prize payout, within thirty (30) days of the date the player makes an election thereunder. Where a single cash payment is elected, the full amount, less any prior payment(s), shall be paid to the player in cash, check, certified check or electronic funds transfer within fifteen (15) days after receiving the player's written notification of such election.
- (c) The first payment shall be made upon validation of the win, even though the player may later exercise a qualified prize option. The initial payment shall not be construed as a forced selection that requires the player to receive periodic payments.
- (d) Periodic payments shall not be used for winnings of cash or non-cash prizes worth \$50,000 or less.
- (e) Periodic payments for total amounts won greater than \$50,000 shall be paid as follows:
 - (1) For amounts won greater than \$50,000, but less than \$200,000, payments shall be at least \$10,000 annually.
 - (2) For amounts won of \$200,000 or more, payments shall be made in equal annual installments over a period not to exceed twenty-five (25) years.
 - (3) For amounts won equal to or in excess of \$1,000,000, payments shall be made in the manner set forth in (e)(2) of this Section, or in a manner approved by the Director.
 - (4) The first payment shall be made upon validation of the win.
- (f) For periodic payments where a player has elected to receive a cash equivalent of a non-cash prize:
 - (1) the cash equivalent shall be the actual cost to the licensee of the non-cash prize on the day such prize is won; and
 - (2) the amount of the periodic payments to be funded shall be determined by the present value of the cash equivalent of the non-cash prize.
- (g) The present value of all winnings offered payable by a periodic payment shall be used in calculating the minimum bankroll of the gaming operation in accordance with Section 4.9.1 until funding of periodic payments is established.
- (h) The payor shall execute an appropriate signed document within fifteen (15) days prior to the commencement of any gaming or promotional activity for which periodic payments

REGULATIONS
CHAPTER 6: GAMES

are to be offered, and periodically thereafter as required by the Director, that shall irrevocably and unconditionally remise, release, indemnify and forever discharge the Tribe and the Commission, and their members, employees, agents and representatives, of and from any and all claims, actions, causes of action, losses, damages, liabilities, costs, expenses, and suits of any nature whatsoever, in law or equity, including reasonable attorneys fees, arising from any act or omission of the Commission, and its members, employees, agents and representatives.

6.4.4 Irrevocable funding options for periodic payments.

Periodic payments of winnings awarded to a player as a result of any approved game, tournament, contest or promotional activity may be made if the method of funding the periodic payments provides for:

- (a) An irrevocable surety bond or an irrevocable letter of credit with an independent financial institution which provides periodic payments to a winner should the establishment default for any reason. The written agreement establishing an irrevocable surety bond or irrevocable letter of credit shall be submitted to the Director for approval;
- (b) An irrevocable trust with an independent financial institution in accordance with a written trust agreement approved by the Director which provides periodic payments from an unallocated pool of assets to a group of winners which shall expressly prohibit the winner from encumbering, assigning or otherwise transferring in any way his right to receive the deferred portion of the winnings except to his estate. The assets of the trust shall consist of federal government securities including but not limited to treasury bills, treasury bonds, savings bonds or other federally guaranteed securities in an amount sufficient to meet the periodic payment(s) as required; or
- (c) Another irrevocable method of providing the periodic payments to a winning player consistent with the purpose of this Section and which is approved by the Director.

6.4.5 Reserve funding option for periodic payments.

- (a) Upon approval by the Director, balances of winnings owed to players may be funded by the payor in a reserve consisting of approved funding of not less than the sum of the following amounts:
 - (1) the present value of the aggregate remaining balances owed on all winnings; and
 - (2) an amount sufficient to fully fund the present value of all jackpot amounts, including amounts currently reflected on progressive meters.
- (b) The payor shall notify the Director of a reserve funding option not less than forty-five (45) days prior to the commencement of any new gaming or promotional activity for which periodic payments may be used. The conditions under which a reserve funding option may be used shall be prescribed by the Director in a written notice to the licensee.
- (c) Any method of funding the reserve, other than by the use of approved funding, shall be approved in advance in writing by Director.
- (d) Any failure to maintain full compliance at all times with each and every condition set forth above, or any failure to immediately notify the Director of any deficiencies, may subject the payor to appropriate disciplinary proceedings.

REGULATIONS
CHAPTER 6: GAMES

SUBCHAPTER 5
TRAINING REQUIREMENTS

6.5.1 General

- (a) The gaming operation shall establish and maintain training programs for all personnel involved in gaming activities.
- (b) All personnel involved in gaming activities, shall successfully complete, or otherwise demonstrate that they have met the requirements of the gaming operation's training program.

6.5.2 Dealers.

- (a) Prior to hiring, promoting or transferring a person to a dealer position, the gaming operation shall ensure that the person is tested and evaluated by a qualified instructor. The testing and evaluation shall be commensurate with the position.
- (b) Dealers shall be required to demonstrate game knowledge of:
 - (1) game rules and play;
 - (2) game protection;
 - (3) card handling;
 - (4) the Regulations, MICS and Game Rules; and
 - (5) policies and procedures relevant to the game.
- (c) The gaming operation training program shall be approved by the Director before implementation or any change.
- (d) The program shall be designed to provide dealers with the knowledge and skills necessary to satisfy regulatory requirements and standards established by the gaming operation.

6.5.3 Instructors.

- (a) The instructor of the training program shall be a certified instructor or be approved by management to have the necessary experience and demonstrated ability.
- (b) Instructors, at a minimum, shall:
 - (1) demonstrate sufficient knowledge and skills to meet minimum requirements consistent with industry standards; and
 - (2) have graduated from a school, academy or college recognized by the industry as having expertise in the areas of casino management and table games, and/or card games, or have an acceptable substitute of actual experience and demonstrated ability to teach the games and games protection.

6.5.4 Table game and card game supervisors and managers.

All table game and card game supervisors and managers shall have dealing experience in a live gaming environment and/or demonstrated knowledge commensurate for the level of supervision.

REGULATIONS
CHAPTER 6: GAMES

SUBCHAPTER 6
CHIPS AND TOKENS

6.6.1 Approval of chips.

- (a) The gaming operation shall not issue, modify or redeem any chips unless the chips have been approved in writing by the Director.
- (b) Application for approval or modification of chips shall be made using forms approved by the Director. Each application shall include:
 - (1) an exact drawing of each side and edge of the proposed chip, drawn to actual size, or larger in scale, showing the measurements of the proposed chip in each dimension;
 - (2) written specifications of the proposed chips;
 - (3) the name and address of the manufacturer;
 - (4) the intended use for the proposed chips; and
 - (5) any additional information the Director require.
- (c) The Director shall approve an application for chips consistent with this Section.

6.6.2 Chip specifications.

- (a) Chips shall be designed, manufactured and constructed in compliance with all applicable statutes, regulations, and policies of the United States, State of Oregon and Tribe so as to:
 - (1) not deceptively resemble any current or past coinage of the United States or any other nation; and
 - (2) prevent counterfeiting of the chips to the extent reasonably possible.
- (b) In addition to other specifications as the Director may approve:
 - (1) The name of the gaming operation shall be inscribed on each side of each chip.
 - (2) At least one side of each chip shall have an inscription "The Confederated Tribes of Grand Ronde" or an inscription approved by the Director.
 - (3) Each side of each chip issued exclusively for a particular game shall bear an inscription, clearly indicating that use of the chip is so restricted.
 - (4) The manufacturer's name or a distinctive logo or other mark identifying the manufacturer shall be inscribed on each side of each chip with a security feature approved by the Director.
 - (5) The denomination shall be inscribed on each side of each chip.
 - (6) Each chip shall be designed so that when stacked with chips of other denominations, the denomination of the chip can be clearly distinguished from that of the other chips in the stack when viewed by surveillance cameras.
- (c) Unless the Director approves otherwise, chips shall be disk-shaped, .130 inch thick and have diameter of 1.55 inches.

REGULATIONS
CHAPTER 6: GAMES

6.6.3 Use of chips.

- (a) Chips shall remain the property of the gaming operation and shall be provided to players as evidence of a debt owed.
- (b) Chips shall be used for their intended purpose and shall only be accepted as payment for goods or services at table games and card games and shall not be used or redeemed for any other transaction.

6.6.4 Chip redemption.

- (a) The gaming operation shall promptly redeem its chips from its patrons by cash or check.
- (b) Chips shall be redeemed only if presented as follows:
 - (1) in the normal course of business; or
 - (2) by another gaming operation.

6.6.5 Discontinued chips.

- (a) The gaming operation shall prepare a plan for redeeming discontinued chips that remain outstanding at the time of discontinuance.
- (b) The plan shall be submitted in writing to the Director for approval not later than thirty (30) days before the proposed removal, unless the cause for discontinuance of the chips cannot reasonably be anticipated, in which case the plan shall be submitted as soon as reasonably practical.
- (c) The plan shall include provisions for redemption of outstanding discontinued chips:
 - (1) for at least one hundred twenty (120) days after the removal of the chips or other period approved by the Director; and
 - (2) at the gaming facility or other location approved by the Director.
- (d) Publication of the proposed redemption shall:
 - (1) be in at least two newspapers of general circulation in Oregon;
 - (2) be published at least twice during each week of the redemption period;
 - (3) be subject to the Director's approval;
 - (4) provide information concerning discontinuance of the chips and the redemption procedure, including pertinent times and locations; and
 - (5) be conspicuously posted at the gaming facility or other redemption location.

6.6.6 Chip disposal.

- (a) The manner of the disposal of worn, defective or discontinued chips shall be approved by the Director.
- (b) The disposal of chips and tokens shall be witnessed by the Director or his designee and representatives of the gaming operation's management, security and accounting departments.

REGULATIONS
CHAPTER 6: GAMES

6.6.7 Destruction of counterfeit chips.

- (a) The gaming operation shall dispose of counterfeit chips in a manner approved by the Director.
- (b) The Director, law enforcement officer or court of competent jurisdiction may order suspension of the disposal.
- (c) The gaming operation shall record:
 - (1) the number and denominations of the counterfeit chips;
 - (2) the time period during which they were discovered;
 - (3) the date, place and method of disposal;
 - (4) the names of the persons involved in the disposal; and
 - (5) any other information as required by the Director.

6.6.8 Promotional and tournament chips.

- (a) Promotional and tournament chips shall be designed, manufactured, approved and used in accordance with Section 6.6.3, except as follows:
 - (1) Each side of each chip shall conspicuously bear the inscription, "No Cash Value"; and
 - (2) the value need not be inscribed on each side of each chip.
- (b) Sections 6.6.4 and 6.6.5 shall not apply to promotional or tournament chips.

SUBCHAPTER 7
PROGRESSIVE JACKPOTS

6.7.1 Progressive jackpot meters.

A meter showing the progressive jackpot amount shall be conspicuously placed at or near the game.

6.7.2 Progressive jackpot limits and reductions.

- (a) Progressive jackpots may be limited to an amount that is equal to or greater than the amount of the jackpot when the limit is imposed. A conspicuous notice of the limit shall be placed at or near the game or games to which the limit applies.
- (b) The amount displayed on a progressive jackpot meter shall not be reduced unless:
 - (1) a player wins the jackpot;
 - (2) the progressive jackpot meter is adjusted to correct a malfunction, or to prevent the display of an amount greater than the jackpot limit of the game, and the nature of the adjustment is documented;
 - (3) the incremental amount is distributed to another similar progressive jackpot at the gaming facility, and in such case:
 - A. the distribution is documented;
 - B. any game offering a jackpot to which the incremental amount is distributed requires no additional money be played on a single play to win the jackpot beyond

REGULATIONS
CHAPTER 6: GAMES

- the amount required by the game from which the incremental amount is distributed; and
- C. the distribution is completed within thirty (30) days after the progressive jackpot is removed from play.
- (4) the incremental amount is distributed within ninety (90) days through a concluding contest, tournament or promotion for players participating in a game(s) similar to the game(s) from which the amount is distributed; or
- (5) the Director, upon a showing of exceptional circumstances, approves a reduction, elimination, distribution, or procedure not otherwise described in this Section, which approval is confirmed in writing.

(End of Regulation 6)

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

SUBCHAPTER 1
GENERAL PROVISIONS

7.1.1 Independent testing and approval of game software and electronic gaming devices.

- (a) Game software and electronic gaming devices shall not be purchased, leased, or otherwise acquired by the gaming operation unless:
 - (1) the vendor is licensed by the Commission;
 - (2) certification has been obtained from the Commission and OSP approved independent gaming laboratory, if applicable, meeting requirements of the Regulations and MICS; and
 - (3) meets any additional certification standards required by the Director.
- (b) Modifications to the assembly, or operational functions of electronic gaming devices shall not be made unless certification has been obtained from an independent gaming laboratory as meeting the requirements of the Regulations and MICS.
- (c) The Director may require that the vendor provide specialized testing equipment or the services of an independent expert.
- (d) The vendor shall pay all costs of any testing of game software and electronic gaming devices including examination, analysis and transportation.

7.1.2 Game software.

- (a) All game software certified by an independent test laboratory, with related par sheets, shall be shipped directly to the Director from the manufacturer, distributor or other source using a secure method to prevent unauthorized access.
- (b) Shipment of game software shall be made to ensure arrival not later than two business days prior to the scheduled arrival of the electronic gaming device.
- (c) The vendor shall provide written notification of pending shipments of game software including:
 - (1) name and address of supplier;
 - (2) date of shipment;
 - (3) method of shipment and expected date of delivery; and
 - (4) description and version of software being shipped.
- (d) For replacement game software the gaming operation shall:
 - (1) request replacement game software by notifying the Director at least four days prior to any new installation, removal or game conversion;
 - (2) surrender to the Director the game software being replaced; and
 - (3) if applicable, identify the related electronic gaming device by name, machine number, manufacturer, serial number, program identification, and inventory decal number in conjunction with the request.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- (e) Game software not residing in the game shall remain in the custody of the Director.
- (f) Game software shall be labeled with the appropriate identifying information.
- (g) Game software residing within the game shall be secured with a locked protective cover or cabinet which requires Director approval to access.

7.1.3 Random selection standards.

- (a) Electronic gaming devices which have a random number generator shall comply with the independent testing and approval standards.
- (b) Unless otherwise designated by the game, all outcomes shall be available for random selection for each game.
- (c) Near misses produced by a variable secondary decision and displayed to the player are prohibited.
- (d) The random number generator and selection process shall be impervious to external influences including, but not limited to, electromagnetic interference, electrostatic discharge and radio frequency interference.
- (e) It is the responsibility of the gaming operation to ensure that all games with a random number generator continue to meet the random selection standards.

7.1.4 Commission decals and seals.

- (a) Each electronic gaming device, as required by the Director, shall display a decal that:
 - (1) signifies the equipment has been approved for operation by the Director.
 - (2) shall be affixed, removed or replaced by authorized Commission personnel only; and
 - (3) shall not be altered.
- (b) Authorized personnel shall seal all areas containing game software, as required by the Director, with tamper-proof seals which shall:
 - (1) be uniquely numbered; and
 - (2) removed or replaced only by authorized personnel.

7.1.5 External display.

- (a) All VLT payout tables and rules of play shall be clearly displayed in a manner as follows:
 - (1) on the screen; or
 - (2) on the external housing, under glass or other transparent substance.
- (b) Electronic gaming device numbers shall be placed on the device, plainly visible to the surveillance cameras, if applicable.
- (c) VLT and ticket redemption kiosks shall have the manufacturer name, manufactured date, model number and serial number permanently affixed on the exterior housing of the device.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- (d) Electronic bingo card devices shall exhibit a serial number and date of manufacture.

7.1.6 Safety requirements.

- (a) Electronic gaming devices shall not present a physical, mechanical, electrical or fire hazard when used in its intended mode of operation.
- (b) The power supply used shall be designed to minimize current leakage in the event of intentional or inadvertent disconnection of the AC power ground and be appropriately fused or protected by circuit breakers.

7.1.7 Installation requirements.

- (a) Upon certification and approval of the game software or electronic gaming device, the device shall be tested to verify proper installation including communication with the gaming, accounting and player tracking systems.
- (b) Prior to releasing a VLT for service, dedicated camera coverage required by the MICS shall be verified by the Director or Surveillance management.
- (c) A player card shall be required for any kiosk that is configurable, unless waived by the Director.

7.1.8 Inventory control.

Electronic gaming devices, if applicable:

- (a) shall not be removed from the gaming area without approval from the Director;
- (b) when not in use shall be stored in a secure area approved by the Director;
- (c) shall be inventoried by the gaming operation, whether in use or in storage, including:
 - (1) game title, type and manufacturer;
 - (2) serial number;
 - (3) game chip program identification, version or series number and current denomination;
 - (4) decal number;
 - (5) asset number and/or location;
 - (6) date placed into service or made available for play;
 - (7) date placed into storage;
 - (8) date removed from storage; and
 - (9) initial meter readings, if applicable.

7.1.9 Transportation of VLTs.

- (a) The gaming operation shall not receive VLTs unless the shipper can demonstrate proof of the required written approval from the OSP, if required, including:

REGULATION 7: ELECTRONIC GAMING DEVICES AND HARDWARE

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- (1) serial number of each device being transported and where applicable, par sheet including program identification number, game title, denomination, game percentages and cabinet style;
 - (2) full name and address of the vendor from which the VLT is obtained;
 - (3) full name and address of the gaming facility; and
 - (4) date of shipment and receipt.
- (b) The gaming operation shall provide written notification of pending shipments, provided by the supplier, of VLTs. The shipping notification shall include:
- (1) name and address of supplier;
 - (2) date of shipment;
 - (3) method of shipment and expected date of delivery; and
 - (4) description of shipment including serial numbers;
- (c) The vendor shall:
- (1) demonstrate that all approvals have been obtained from all regulatory agencies as may be required by the state of origin, and verification of all such approvals shall be provided to the gaming operation and be available for inspection by the Director prior to shipment or in conjunction with shipment;
 - (2) ensure all VLTs are shipped in a secure manner to prevent unauthorized access;
 - (3) ensure all VLT shipments are secured with a uniquely numbered seal securing the shipping container. The seal number shall be included with the shipping notification and documentation; and
 - (4) if applicable, provide proof of a valid registration with the United States Attorney General in accordance with the Gaming Devices Act of 1962, codified at 15 U.S.C., Section 1173, for the current year either prior to shipment or in conjunction therewith.
- (d) The gaming operation shall notify the Director immediately upon receipt of such shipments for inspection.
- (e) In the event devices are sold, traded, or returned to the original seller, the gaming operation shall obtain approval from the Director and the OSP (if required) not less than ten (10) days prior to the date of transportation.

7.1.10 Destruction of VLTs.

The Director shall approve any plan for the destruction of VLTs.

- (a) At a minimum, the plan shall include detailed identification of all devices scheduled for destruction, the method of destruction, witnesses from the gaming operation's management and Security Department, and the date(s) of destruction.
- (b) The plan shall be submitted to the Director not later than thirty (30) days prior to the planned date(s) of destruction and transportation requirements.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- (c) Records shall be maintained verifying the destruction of the devices and shall be verified with employee signatures and identification numbers of the witnesses attesting to the accuracy of the records. The Director shall notify OSP within ten (10) days of the destruction including serial numbers, quantity, and date of destruction.
- (d) VLTs transported to a site for destruction require the approvals of Section 7.1.9.

7.1.11 Storage of VLTs.

The storage location and security controls for VLTs shall be approved by the Director.

SUBCHAPTER 2
VIDEO LOTTERY TERMINALS

7.2.1 Technical standards.

- (a) Each VLT game shall pay out a mathematically demonstrable percentage of all amounts wagered, which shall not be less than seventy-five (75) percent for each wager available for play on the device.
- (b) Games that may be affected by player skill shall meet this standard when using a method of play that will provide the greatest return to the player over a period of continuous play.
- (c) No hardware switches shall be installed which alter the pay tables or payout percentages for the game.
- (d) Each VLT shall be equipped with a single printing mechanism, which shall be capable of printing an original ticket that, at a minimum, shows:
 - (1) gaming operation name, city and state;
 - (2) VLT number;
 - (3) serial number, validation number, or any machine readable code representing the validation number;
 - (4) current date and time;
 - (5) the alpha and numeric dollar amount; and
 - (6) expiration period or date of expiration.
- (e) Each VLT shall be equipped with electronic meters to accumulate the "in," "out," and "drop," values in units equal to the denomination of the VLT, and which:
 - (1) cannot be reset;
 - (2) display at least six digits; and
 - (3) accumulates the same values in electronic digital storage and provides the means for on-demand display of the stored information.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- (f) Meters shall have an accuracy rate of not less than 99.99 percent.
- (g) Each VLT shall be able to electronically store and display the number of plays since power on and the number of plays since door closure.
 - (1) This value shall be displayed on a meter capable of displaying at least three (3) digits.
 - (2) When the maximum value has been reached, the meters shall remain at the value until reset by occurrence of the appropriate event.
- (h) Unless a tilt condition or other malfunction exists, each VLT shall have meters continuously displaying to a player the number of credits:
 - (1) wagered and available for wagering;
 - (2) won; and
 - (3) cashed out.
- (i) Electronically stored meter information required by Subsections (g) and (h) shall be preserved for a minimum of seventy-two (72) hours after a power loss to the electronic gaming device.
- (j) Each VLT shall be capable of continuation with all current game features after a malfunction is cleared. If a VLT is inoperable, the played wager and all accumulated credits shall be returned to the player.

7.2.2 Ticket validation systems.

- (a) The ticket validation system may be entirely integrated into the monitoring and control system or may be a separate system.
- (b) A ticket validation system shall:
 - (1) be certified by an independent testing laboratory; and
 - (2) be approved by the Director.
- (c) All system hardware and software component specifications, at a minimum shall in detail address:
 - (1) Secure environment for communication;
 - (2) ticket issuance;
 - (3) ticket redemption;
 - (4) invalid ticket events;
 - (5) password controls over validation terminals;
 - (6) offline ticket redemption;
 - (7) reports including ticket issuance, ticket redemption, ticket liability, ticket drop, jackpot ticket, transaction detail, and cashier activity;
 - (8) encrypted or password protected database, including an audit log of user activity, to prevent unauthorized access; and
 - (9) any device that holds ticket information shall not allow removal of the information unless it has first transferred that information to the database or other secured components of the validation system.
- (d) Ticket redemption kiosks.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- (1) Kiosks shall be configured to limit ticket validation to less than \$3,000 per transaction.
- (2) Each kiosk shall be uniquely identified to prevent commingling of funds.
- (3) Kiosks shall have electronic meters that accumulate and display values for bills in/out by denomination and in total, tickets in, and coin-out.
- (4) Each kiosk shall be capable of producing a history for the last 35 transactions, which shall include date, time, description, and amount.
- (5) The following reports shall be available upon demand:
 - A. Summary of tickets in by reconciliation period; and
 - B. Reconciliation report.

SUBCHAPTER 3
INTERNAL AND LINKED
PROGRESSIVE SYSTEMS

7.3.1 Linked progressive systems.

- (a) An electronic gaming device may be operated as part of a linked progressive system with progressive jackpots if:
 - (1) the system:
 - A. is capable of bi-directional communication with external associated equipment;
 - B. utilizes a communication protocol which ensures that erroneous data or signals shall not adversely affect the operation of the game;
 - C. is certified by an independent gaming laboratory; and
 - (2) each participating jurisdiction:
 - A. has in force a compact with its respective state, if required; and
 - B. utilizes security standards agreed upon by the tribes and their respective states.
- (b) The gaming operation shall immediately notify the Director upon a primary jackpot win on a linked progressive system VLT.
 - (1) Access to the circuit board by a linked progressive system vendor representative is prohibited unless the Director is present.
 - (2) When accessing the linked progressive system communication unit, the vendor representative shall be accompanied by a gaming operation technician and security officer, under surveillance coverage.

7.3.2 Progressive controllers.

- (a) The progressive controller shall continuously monitor each VLT for credits wagered, and update the progressive jackpot by the increment computed, by applying the rate of progression to the credits wagered.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- (b) Each progressive controller linking two or more VLT's shall be housed in a secure compartment, access to which shall:
 - (1) require a key or other means of access control;
 - (2) be documented in a progressive entry authorization log that shall:
 - A. be maintained with each controller;
 - B. be completed by any person gaining entrance to the controller; and
 - C. include the date, time, reason for access, and the first initial and last name of the person gaining access.
- (c) Each VLT shall have a separate key and key switch to reset the progressive meter or meters or another reset mechanism approved by the Director.

7.3.3 Server controlled progressive system.

- (a) A request for approval shall be submitted to the Director prior to any server controlled VLT or Table Game progressive being placed into service. The request shall include:
 - (1) a description of the progressive;
 - (2) graphics and/or audio that contains any information pertaining to payouts or game rules;
 - (3) progressive math model; and
 - (4) all other parameters, including must hit by information.
- (b) Any changes to an approved progressive shall meet the requirements of 7.3.3(a).

SUBCHAPTER 4
HARDWARE

7.4.1 Bill validators.

- (a) Each VLT and ticket redemption kiosk shall have at least one bill validator with a meter which records the number of bills accepted by denomination.
- (b) All bill validators shall be certified by an independent testing laboratory.
- (c) The currency compartment shall be secured with a different key than is used for any other compartment of the VLT or ticket redemption kiosk.

7.4.2 Surge protectors.

All electronic gaming devices shall be adequately protected from electric current surges.

7.4.3 Battery protection.

Circuit boards shall contain an auxiliary battery that shall allow for retention of data for a minimum of one hundred eighty (180) days in the case of a loss of power.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

7.4.4 VLT door-open lights.

Each VLT shall be equipped with a door-open light, such that the light shall be visible on top of the machine and visible to surveillance cameras while the main cabinet door is open.

7.4.5 Secure cabinet.

The cabinet or interior area of each VLT and kiosk shall be locked and not accessible by unauthorized individuals.

7.4.6 On/off switch.

An on/off switch that controls the electrical current used in the operation of a VLT and kiosk and any associated equipment shall be located in a place which is readily accessible within the interior of the device.

7.4.7 Electro-magnetic interference.

Electronic gaming devices shall not be adversely affected by static discharge, radio frequency or other electro-magnetic interference.

7.4.8 Keno printer.

- (a) The Keno printer shall indicate when paper is low, allow for completion of ticket printing, and prevent continued printing until paper is sufficiently replenished.
- (b) The system shall have the capability to recognize when the printer is off-line, and not allow for the start of a new game until the printer is capable of printing a ticket.

SUBCHAPTER 5
MONITORING AND CONTROL SYSTEMS

7.5.1 Monitoring and Control System Requirement.

Each VLT shall communicate to a monitoring and control system (MCS).

7.5.2 Certification and approval.

A MCS shall be:

- (a) certified by an independent testing laboratory; and
- (b) approved by the Director.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

7.5.3 System specifications.

A MCS shall conform to system hardware and software component specifications as required by the Director that, at a minimum, include the following:

- (a) an interface element installed inside a secure area of each VLT that provides for secure communication between the VLT and an external data collector, which conforms to the following:
 - (1) if not directly communicating VLT meters, separate electronic meters of sufficient length to preclude loss of information from rollover;
 - (2) retention of meter data after a power or communication loss for a period of seventy-two (72) hours;
 - (3) information buffering and integrity checking and;
 - (4) association of a unique identification number used in conjunction with a VLT file on the MCS;
- (b) server(s), networked system or distributed systems that direct overall operation and an associated database(s) that stores all entered and collected information;
- (c) contain a system clock that includes current date and time;
- (d) no built-in facility whereby the gaming operation can bypass system auditing to modify the database directly;
- (e) an application that captures and processes every hand pay jackpot message from each VLT;
- (f) an interrogation program that enables on-line comprehensive searching of significant event log for the present and for the previous thirty (30) days;
- (g) a master VLT file that is a database of every VLT in operation and, for each entry, includes the unique interface element identification number, gaming operation number, VLT denomination, VLT theoretical hold and control programs within the VLT;
- (h) communication protocols that ensure accuracy, through error detection and correction, and provide security of transmitted data;
- (i) transmission and storage of significant game events, including power resets or failure, hand pay conditions, door openings, bill acceptor errors, low RAM battery error, printer errors, loss of communication with interface element, loss of communication with VLT, memory and RAM corruption;
- (j) reading and storing, on demand and at time of drop, VLT meter data, including:
 - (1) credits in, credits out, total dropped;
 - (2) hand paid jackpots and cancelled credits;
 - (3) hand paid and VLT paid progressive jackpots;
 - (4) bills in by denomination and total;
 - (5) total tickets in and tickets out; and
 - (6) games played;

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- (k) protection from unauthorized use or errors resulting in the loss of stored accounting meter information;
- (l) recording and securely storing audit data documenting user changes to system data;
- (m) generation of standard system reports for the management, accounting and auditing of system activity including:
 - (1) daily or on demand capability showing day, month, year-to-date, and previous two-year cumulative information;
 - (2) title, date, time, print date and time, and version number of system software;
 - (3) VLT number, game type, denomination, meter or actual drop, credit in/out, jackpot slips issued, win, theoretical hold percentage, actual hold percentage and variance percentage, and projected dollar variance;
 - (4) meter to actual hand paid jackpots, cancelled credits, and progressive jackpots;
 - (5) tickets redeemed by cashier station and shift;
 - (6) tickets issued by date, amount, sequence number and VLT number;
 - (7) system ticket liabilities by date issued and sequence number;
 - (8) meter win to taxable win;
 - (9) daily meter reports for each VLT showing meter drop to actual, tickets in to tickets counted, meter win to actual;
 - (10) meter hand paid and VLT paid progressive jackpots to actual;
 - (11) meter cancelled credits to actual;
 - (12) all required meter amounts by VLT read and recorded; and
 - (13) audit logs showing changes to accounting data or system parameters that include identification of the data or parameters changed, pre and post-change values, date and time of change, and user identification;
- (n) security over access to stored data through the use of passwords and user rights management.;
- (o) restricted access to accounting or significant event log information that was communicated from the VLT; and
- (p) backup and recovery of data.

7.5.4 VLT Promotional systems.

- (a) Promotional systems shall be subject to security and audit requirements of the MCS and conform to system hardware and software component specifications as required by the Director.
- (b) Each VLT participating in promotional events shall be configured to ensure security of data communicated to/from the MCS.
- (c) VLT's shall either have a sign posted or electronically displayed message that notifies players of the VLT's availability to participate in promotional events.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

- An electronic message shall display the amount of the promotional award received.
- (d) Promotional transactions that exceed configured game limits shall be rejected.
 - (e) VLT's shall contain electronic meters for promotional awards in and out, which do not directly affect other required meters values. For VLT's that do not have separate cashable and non-cashable promotional award meters, cashable amounts shall be used first.
 - (f) Error events shall be monitored and the VLT shall display to players any disqualifying information, such as, invalid or unrecognized accounts.
 - (g) The system shall have the capability that allows for the following:
 - (1) a maximum number of entries for incorrect/invalid player identification numbers;
 - (2) flagging of player accounts with lost or stolen cards;
 - (3) invalidation of accounts;
 - (4) and related balance transfers;
 - (5) removal of promotional credits from player accounts through downloading to VLT's, redemption, or expiration;
 - (6) electronic transfer of promotional credits to/from VLT's through player account transactions;
 - (7) current promotion award balance and activity information on demand to players; and
 - (8) configurable user access parameters to allow for separation of responsibilities.
 - (h) VLT's shall have the ability to recall the last twenty-five received/transmitted promotion transactions, or 100-event log for all transactions, to the MCS, which include:
 - (1) transaction type;
 - (2) transaction amount;
 - (3) date and time; and
 - (4) player's account number, or other identifier, to allow for authentication of source/distribution of funds.
 - (i) The system shall have the capability to generate reports as follows:
 - (1) player account detail and summary reports with beginning/ending balances, VLT number, amount, date/time, and type;
 - (2) liability report with prior day balance, total promotion amounts in/out totals, expired amounts, and day-end balance; and
 - (3) meter summary and detail reconciliation reports that show VLT promotion meters to system activity.

REGULATIONS
CHAPTER 7: ELECTRONIC GAMING DEVICES, RELATED SYSTEMS AND
HARDWARE

7.5.5 VLT Bonus systems.

- (a) Bonus systems shall be subject to security and audit requirements of the MCS and conform to system hardware and software component specifications as required by the Director.
- (b) Each VLT authorized for bonus awards shall:
 - (1) be configured to ensure security of the communication of data to/from the MCS;
 - (2) either have a sign posted or electronic message that notifies players of the VLT's availability to award bonuses;
 - (3) notify the player the amount of the bonus award won;
 - (4) notify the player and/or authorized system maintenance personnel about a communication failure that prevents the VLT from awarding a bonus;
 - (5) increment coin out meters to reflect system generated bonus awards;
 - (6) increment hand pay meters to reflect hand paid bonus awards; and
 - (7) include bonus meters that show bonus awards in and hand paid bonus awards.
- (c) The bonus system shall record VLT bonus meter data for VLT paid and hand paid bonus awards and generate meter-to-actual system reports.
- (d) The bonus system shall generate audit logs for all bonus transactions with reporting capability by VLT number, date/time and bonus type.

7.5.6 System malfunctions.

Any system malfunction or failure of the MCS for more than four (4) hours shall be reported to the Director within twenty-four (24) hours. The report shall include the VLT(s) affected, required remedial action and estimated time to repair the malfunction or failure.

(End of Regulation 7)

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

SUBCHAPTER 1
SYSTEM REQUIREMENTS

8.1.1 System requirements

- (a) The event wagering system shall be:
 - (1) Certified by an independent testing laboratory meeting the requirements of Regulation 7.1.1; and
 - (2) Approved by the Director.
- (b) The Event Wagering System shall maintain an internal clock that reflects the current date and time that shall be used to provide for the following:
 - (1) Time stamping of all transactions and events;
 - (2) Time stamping of significant events; and
 - (3) Reference clock for reporting.
- (c) The Event Wagering System shall be equipped with a mechanism to ensure the time and dates between all components that comprise the system are synchronized.

8.1.2 Control program requirements

- (a) The Event Wagering System shall be capable of verifying that all critical control program components contained on the system are authentic copies of the approved components of the system, upon installation, at least once every twenty-four (24) hours, and on demand using a method approved by the Director. The critical control program authentication mechanism shall:
 - (1) Employ a hash algorithm which produces a message digest of at least 128 bits;
 - (2) Include all critical control program components which may affect wagering operations, including executables, libraries, wagering or system configurations, operating system files, components that control required system reporting, and database elements that affect system operations; and
 - (3) Provide an indication of the authentication failure if any critical control program component is determined to be invalid.
- (b) Each critical control program component of the Event Wagering System shall have a method to be verified via an independent third-party verification procedure. The Third-party verification process shall operate independently of any process or security software within the system. The independent test laboratory, prior to system approval, shall approve the integrity check method.
- (c) The Event Wagering System shall be able to perform a graceful shut down, and only allow automatic restart on power up after the following procedures have been performed:
 - (1) Program resumption routines(s), including self-tests completed successfully;
 - (2) All critical control program components of the system have been authenticated using a method approved by the Director; and
 - (3) Communication with all components necessary for system operation have been established and authenticated.

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

8.1.3 Wagering management

- (a) The Event Wagering System shall be able to suspend the following on demand:
- (1) All wagering activity;
 - (2) Individual events;
 - (3) Individual wager types;
 - (4) Individual wagering devices (if applicable); and
 - (5) Individual player logins (if applicable).

8.1.4 Player account management

- (a) Where Player account registration and verification are supported by the Event Wagering System either directly by the system or in conjunction with a third-party service provider's software, the following requirements shall be met:
- (1) Only players 21 years of age or older may register for a player account;
 - (2) Identity verification shall verify the legal name, physical address, age, and confirmation that the player is not on the exclusion list held by the gaming operation and the review shall be documented;
 - (3) Prior to activating the account, the player shall acknowledge the necessary privacy policies;
 - (4) Each player shall have only one active player account; and
 - (5) The system shall allow the ability to update passwords and registration information utilizing a multi-factor authentication process.

8.1.5 Location service provider monitoring

- (a) Location monitoring shall ensure all wagers are conducted within the gaming facility.
- (b) The service provider shall ensure the geo-location services maintain an alert system to detect any activity that may be occurring outside the gaming facility.

8.1.6 Player access

- (a) A player accesses their player account utilizing a username and password or other alternative method(s) approved by the Director. Access shall conform to the following:
- (1) If the system does not recognize a username and/or password when entered, a message shall be displayed which prompts the player to re-enter the information;
 - (2) If a player does not remember their username and/or password, a multi-factor authentication process shall be employed for the retrieval of the username/resetting of password.

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

- (3) Player account balance information and transaction options shall be available to the player once authenticated.
- (4) The system shall have a mechanism that allows for an account to be locked in the event of suspicious activity (e.g., too many failed login attempts). A multi-factor authentication process shall be required to unlock the account.

8.1.7 Player inactivity

- (a) For player accounts accessed remotely for wagering account management, after 30 minutes of inactivity on that device, or a period determined by the Director, the player shall be required to re-authenticate to perform further wagering or financial transactions.
- (b) A simpler means may be offered for a player to re-authenticate on that device, such as operating system-level authentication (e.g., biometrics) or a personal identification number (PIN). Each means for re-authentication will be evaluated on a case-by-case basis by the independent test laboratory. The following shall apply:
 - (1) This functionality may be disabled based on preference of the player and/or Director; and
 - (2) Once every thirty (30) days, or a period specified by the Director, the player will be required to provide full authentication on that device.

8.1.8 Limitations and exclusions

- (a) The Event Wagering System shall be able to correctly implement any limitations and/or exclusions put in place by the player and/or gaming operation including:
 - (1) The self-imposed limitations set by a player shall not override more restrictive gaming operation-imposed limitations; and
 - (2) Limitations shall not be compromised by internal status events, such as self-imposed exclusion orders and revocations.

8.1.9 Player funds maintenance

- (a) For financial transactions that can be performed automatically by the Event Wagering System the following requirements shall be met:
 - (1) The system shall provide confirmation/denial of every financial transaction initiated;
 - (2) Funds shall not be available for wagering until they are received from the issuer or the issuer provides an authorization number indicating that the funds are authorized. The authorization is maintained in an audit log;
 - (3) If a player initiates a player account transaction and that transaction would exceed limits put in place by the gaming operation and/or Director, this transaction shall be rejected by the system.
 - (4) It shall not be possible to transfer funds between two player accounts.

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

8.1.10 Account statement

- (a) An account statement shall be provided to guests upon request with sufficient information to allow the player to reconcile the statement against their personal records:
- (1) Financial transactions including a time stamp with a unique transaction identification number:
 - i. Deposits and withdrawals from the account;
 - ii. Promotional or bonus credits added to/removed from the account; and
 - iii. Manual adjustments or modifications to the account.
 - (2) Wagering transactions including a unique identification number for the wager:
 - i. The date and time the wager was placed;
 - ii. The date and time the event started and ended or is expected to occur for future events (if known);
 - iii. The date and time the results were confirmed unless it is a future event;
 - iv. Any player choices involved in the wager, including wager type and line postings, wager selection, and any special condition(s) applying to the wager;
 - v. The results of the wager unless it is a future event;
 - vi. Total amount wagered, including any promotional/bonus credits (if applicable);
 - vii. Total amount won, including any promotional/bonus credits (if applicable);
 - viii. Commission or fees collected (if applicable); and
 - ix. The date and time the winning wager was paid to the player.

8.1.11 Information to be maintained

- (a) The Event Wagering System shall be capable of maintaining and backing up all recorded data including:
- (1) The system clock shall be used for all time stamping; and
 - (2) The system shall provide a mechanism to export the data for the purposes of data analysis and auditing.
- (b) For each individual wage placed by the player the system must maintain and back up the following data:
- (1) Date and time the wager was placed;
 - (2) Any player choices involved in the wager including wager type and line postings, wager selection and any special conditions applying to the wager;
 - (3) The results of the wager, if confirmed;
 - (4) Total amount wagered including any promotional/bonus credits;
 - (5) Commission or fees collected;
 - (6) Date and time the winning wager was paid to the player;

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

- (7) Unique identification number of the wager;
 - (8) User identification or unique wagering device identification which issued the wager;
 - (9) Location information;
 - (10) Event and wager type identifiers;
 - (11) Current wager status;
 - (12) Unique player identification for wagers conducted using a player account;
 - (13) Redemption period; and
 - (14) Open text field for attendant input of player description or picture file.
- (c) For each individual wager type available for wagering the system shall maintain and back up the following:
- (1) The date and time the wagering period started and ended;
 - (2) The date and time the event started and ended or is expected to occur for future events;
 - (3) The date and time the results were confirmed;
 - (4) Total amount of wagers collected, including any promotional/bonus credits;
 - (5) The line postings that were available throughout the duration of a wager type and the confirmed result;
 - (6) The total amount of winnings paid to players, including any promotional/bonus credits;
 - (7) Total amount of wagers voided or cancelled, including any promotional/bonus credits;
 - (8) Commission or fees collected;
 - (9) Event status; and
 - (10) Event and wager type identifiers.
- (d) For Event Wagering Systems that support contest/tournaments the system shall maintain and back up the following:
- (1) Name of contest or tournament;
 - (2) The date and time the contest /tournament occurred or will occur;
 - (3) Unique player identification and name of each registered player, amount of entry fee paid, and the date paid;
 - (4) Unique player identification and name of each winning player, amount paid, and the date paid;
 - (5) The total amount of entry fees collected including any promotional/bonus credits;
 - (6) The total amount of winnings paid to players, including any promotional/bonus credits;
 - (7) Commission or fees collected; and
 - (8) Contest/tournament status.
- (e) For player account management the following information shall be backed up and maintained:

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

- (1) Unique player identification number and player name;
 - (2) Player data including verification method;
 - (3) The date of player agreement to the gaming operation's terms and conditions and privacy policy
 - (4) Account details and current balance;
 - (5) Open text field for attendant input of player description;
 - (6) Previous accounts, if any, and reason for de-activation;
 - (7) The date and method from which the account was registered;
 - (8) The date and time of last log-in.
 - (9) Exclusion information including:
 - i. The date and time of the request;
 - ii. Description and reason for the exclusion;
 - iii. Type of exclusion;
 - iv. Date the exclusion commenced and ended;
 - (10) Financial Transaction information including:
 - i. Type of transaction;
 - ii. The date and time of the transaction;
 - iii. Unique Transaction identification;
 - iv. Amount of transaction;
 - v. Total account balance before and after transaction;
 - vi. Total amount of fees paid for transaction;
 - vii. User identification or unique wagering device identification which handled the transaction;
 - viii. Transaction status;
 - ix. Method of deposit/withdrawal;
 - x. Deposit authorization number; and
 - xi. Relevant location information.
- (f) For Event Wagering Systems that support promotions and/or bonuses that are redeemable for cash, wagering credits or merchandise, the following shall be maintained and backed up:
- (1) Date and time the promotion/bonus period started and ended or will end;
 - (2) Current balance;
 - (3) Total amount issued, redeemed, and expired;
 - (4) Total amount of adjustments; and
 - (5) Unique identification for the promotion/bonus.
- (g) For each individual self-service wagering or point-of-sale device the following information is to be maintained and backed up:
- (1) Unique wagering device identification;
 - (2) Wager record purchases;
 - (3) Winning wager record redemptions, if supported;
 - (4) Wager record voids and cancellations; and
 - (5) User identification and session information, for POS wagering devices.

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

- (h) Significant event information shall be maintained and backed up as follows:
- (1) Failed login attempts;
 - (2) Program error or authentication mismatch;
 - (3) Significant periods of unavailability of any critical component of the system;
 - (4) System voids, overrides and corrections;
 - (5) Changes to live data files occurring outside of normal program and operating system execution;
 - (6) Changes that are made to the download data library, including the addition, changing or deletion of software, where supported;
 - (7) Changes to operating system, database, network, and application policies and parameters;
 - (8) Changes to previously established criteria for an event or wager type (not including line posting changes for active wager types);
 - (9) Changes to the results of an event or wager type;
 - (10) Changes to promotion and/or bonus parameters;
 - (11) Player account management:
 - i. Adjustments to a player account balance;
 - ii. Changes made to player data and sensitive information recorded in a player account;
 - iii. Deactivation of a player account; and
 - (12) Irrecoverable loss of sensitive information;
 - (13) Any other activity requiring user intervention and occurring outside of the normal scope of system operation; and
 - (14) Other significant or unusual events as deemed applicable by the Director.
- (i) User access information shall be maintained and backed up by the Event Wagering System including:
- (1) Employee name and title;
 - (2) User identification;
 - (3) Full list and description of functions that each group or user account may execute;
 - (4) Date and time the account was created;
 - (5) Date and time of last log in;
 - (6) Date and time of last password change;
 - (7) Date and time the account was disabled/deactivated; and
 - (8) Group membership of user account, if applicable.

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

SUBCHAPTER 2
WAGERING DEVICE REQUIREMENTS

8.2.1 Authorized wagering devices

- (a) A wager may be placed utilizing one of the following devices:
 - (1) An attendant station to place wagers on behalf of a player;
 - (2) A kiosk that will be used for the execution or formalization of wagers placed directly by the player and may be used for the redemption of winning wagers.

8.2.2 Wagering software

- (a) Wagering software shall contain sufficient information to identify the software and its version.
- (b) Wagering software shall not be adversely affected by the simultaneous or sequential activation of the various inputs and outputs which might cause malfunctions or invalid results.
- (c) Wagering software shall be designed to only communicate with authorized components through secure communications. If communication between the Event Wagering System and the wagering device is lost, the software shall prevent further wagering and display an appropriate error message.
- (d) For software installed locally on the wagering device, it shall be possible to authenticate that all critical components contained in the software are valid each time the software is loaded for use including wagering rules, elements that control communications between the wagering device and the Event Wagering System, or other components that are needed to ensure proper operation of the software. If the authentication fails, the software shall prevent wagering operation and display an appropriate error message.
- (e) Program verification methods shall be approved by the Director.

8.2.3 User interface requirements

- (a) The User interface shall meet the following requirements:
 - (1) All functions on a user interface shall be clearly indicated with the area of the button, touch/click point, or within the help menu.
 - (2) Any resizing or overlay of the user interface shall be mapped accurately to reflect the revised display, touch and click points.
 - (3) User interface instructions, as well as information on the functions and services provided by the software shall be clearly communicated and shall not be misleading or inaccurate.

REGULATIONS
CHAPTER 8: SPORTS POOL SYSTEM

8.2.4 Wagering devices

- (a) Wagering devices can be either self-service or attendant point-of-sale devices. These devices shall meet the following requirements:
- (1) If touch screen displays are utilized, the displays shall support a calibration method to maintain accuracy or the display hardware may support automatic self-calibration;
 - (2) The printer and/or wagering software shall be able to detect and indicate error conditions such as out of paper, paper low, and printer disconnected.