

PROPOSED AMENDMENTS TO
NEVADA GAMING COMMISSION REGULATION 14

**REQUIREMENTS TO ASSUME RESPONSIBILITY FOR THE
MANUFACTURE OR MODIFICATION OF A GAMING DEVICE,
ASSOCIATED EQUIPMENT, A CASHLESS WAGERING SYSTEM, A
MOBILE GAMING SYSTEM, OR AN INTERACTIVE GAMING SYSTEM, OR
COMPONENT THEREOF, FOR USE OR PLAY IN NEVADA**

**REQUIREMENTS RELATING TO THE REGISTRATION OF
MANUFACTURERS OF ASSOCIATED EQUIPMENT**

MISCELLANEOUS NON-SUBSTANTIVE CORRECTIONS

Draft Dated: 2/23/2018

PURPOSE STATEMENT: To amend Nevada Gaming Commission (“NGC”) Regulations to provide the requirements for a licensed manufacturer to assume responsibility for the manufacture or modification of a gaming device, associated equipment, a cashless wagering system, a mobile gaming system, or an interactive gaming system, or component thereof, which is for use or play in Nevada and manufactured by a third-party manufacturer that does not hold a Nevada manufacturer’s license; To amend the requirements relating to the registration of manufacturers of associated equipment; To make various non-substantive changes to make the regulation consistent with the numbering format, language, and reference style used in the Nevada Revised Statutes (“NRS”) and Nevada Administrative Code; To replace language in regulatory definitions of terms that are also defined in the NRS with language that cites to the applicable statutory definitions; To remove redundant language that refers to the “chairman’s designee” since the definition of “chairman” includes his or her designee; to replace the term “Chairman” with “Chair” to match the term defined and used in the NRS and to replace related references for consistency purposes; To capitalize the terms “Board” and “Commission” to be consistent with the NRS; To provide a definition of “final action” as used in subsection 4 of section 14.025; To replace word “seriatim” with “serial” in paragraph (a) of subsection 2 of section 14.170 for consistency purposes; To add word “physical” before “size” in paragraph (b) of subsection 2 of section 14.170 for clarification purposes; And to take such additional actions as may be necessary and proper to effectuate this stated purpose.

EFFECTIVE DATE: Effective upon adoption by the Nevada Gaming Commission.

EXPLANATION: Matter in *blue italics* is new language; and matter between ~~red brackets with single strikethrough~~ is material to be omitted.

REGULATION 14

MANUFACTURERS, DISTRIBUTORS, OPERATORS OF INTER-CASINO LINKED SYSTEMS, GAMING DEVICES, NEW GAMES, INTER-CASINO LINKED SYSTEMS, ON-LINE SLOT METERING SYSTEMS, CASHLESS WAGERING SYSTEMS, MOBILE GAMING SYSTEMS, INTERACTIVE GAMING SYSTEMS AND ASSOCIATED EQUIPMENT; INDEPENDENT TESTING LABORATORIES

1 **14.010 Definitions.** As used in this regulation, unless the context otherwise
2 requires:

3 1. *“Acquire complete control over, or ownership of” for the purposes of NRS*
4 *463.01715 means the licensed manufacturer must obtain and thereafter maintain*
5 *the unqualified ability and authority to alter, change, or make a modification to any*
6 *element of the device, equipment, or system without having to obtain any form of*
7 *authorization to do so from, or otherwise involve in executing such action, a third-*
8 *party manufacturer who performed any form of manufacture described in paragraph*
9 *(a), (b), or (c) of subsection 1 of NRS 463.01715 on the device, equipment, or system.*
10 *Such control or ownership must:*

11 (a) *Include, but not be limited to, the ability to alter, change, or make a*
12 *modification to all hardware, software, or source code used in the device, equipment,*
13 *or system; and*

14 (b) *Exist for the entire time the gaming device, associated equipment, cashless*
15 *wagering system, mobile gaming system, or interactive gaming system, or component*
16 *thereof, is approved for use or play in the State of Nevada.*

17 2. “Assume responsibility” ~~means to acquire complete control over, or ownership~~
18 ~~of, a gaming device, cashless wagering system, mobile gaming system or interactive~~
19 ~~gaming system.]~~ *has the meaning ascribed to it in paragraph (a) of subsection 2 of*

1 *NRS 463.01715.*

2 ~~[2.]~~ 3. *“Board” has the meaning ascribed to it in NRS 463.0137.*

3 4. “Cashless wagering system” means the collective hardware, software,
4 communications technology, and other associated equipment used to facilitate
5 wagering on any game or gaming device including mobile gaming systems and
6 interactive gaming systems with other than chips, tokens or legal tender of the
7 United States. The term does not include any race and sports computerized
8 bookmaking system that accepts pari-mutuel wagers, or any other race and sports
9 book systems that do not accept wagering instruments, wagering credits or process
10 electronic money transfers. This type of associated equipment is further defined in
11 NRS 463.014.

12 ~~[3.]~~ 5. ~~["Chairman"]~~ *“Chair” means, except where otherwise provided, the*
13 ~~[chairman]~~ *Chair* of the Nevada ~~[gaming control board or his or her]~~ *Gaming*
14 *Control Board or the Chair’s* designee.

15 ~~[4.]~~ 6. *“Commission” has the meaning ascribed to it at NRS 463.0145.*

16 “Control program” means any software, source language or executable code
17 which affects the result of a wager by determining win or loss. The term includes,
18 but is not limited to, software, source language or executable code associated with
19 the:

- 20 (a) Random number generation process;
- 21 (b) Mapping of random numbers to game elements to determine game outcome;
- 22 (c) Evaluation of the randomly selected game elements to determine win or loss;
- 23 (d) Payment of winning wagers;
- 24 (e) Game recall;
- 25 (f) Game accounting including the reporting of meter and log information to on-
- 26 line slot metering system;
- 27 (g) Monetary transactions conducted with associated equipment;
- 28 (h) Software verification and authentication functions which are specifically
- 29 designed and intended for use in a gaming device;
- 30 (i) Monitoring and generation of game tilts or error conditions; and

1 (j) Game operating systems which are specifically designed and intended for use
2 in a gaming device.

3 ↪ The term does not include software used for artistic attributes of a game
4 including graphics, sound and animation providing entertainment unless such
5 elements are material to game play because they are necessary for the player to
6 understand the game or game outcome.

7 ~~{5.}~~ 7. “Distribution” or “distribute” means the sale, offering for sale, lease,
8 offering for lease, licensing or other offer of any gaming device, cashless wagering
9 system, mobile gaming system or interactive gaming system for use or play in
10 Nevada.

11 ~~{6.}~~ 8. “Distributor” means a person who operates, carries on, conducts or
12 maintains any form of distribution.

13 ~~{7.}~~ 9. “Distributor of associated equipment” is any person that sells, offers to
14 sell, leases, offers to lease, licenses, markets, offers, or otherwise offers associated
15 equipment in Nevada for use by licensees.

16 ~~{8. “Equipment associated with interactive gaming” means associated-~~
17 ~~equipment as defined within NRS 463.0136.}~~

18 ~~{9.}~~ 10. “Game of chance” means a game in which randomness determines all
19 outcomes of the game as determined over a period of continuous play.

20 ~~{10.}~~ 11. “Game of skill” means a game in which the skill of the player, rather
21 than chance, is the dominant factor in affecting the outcome of the game as
22 determined over a period of continuous play.

23 ~~{11.}~~ 12. “Game outcome” is the final result of the wager.

24 ~~{12.}~~ 13. “Game variation” means a change or alteration in a game or gambling
25 game that affects the manner or mode of play of an approved game. This includes,
26 but is not limited to, the addition or removal of wagering opportunities or a change
27 in the theoretical hold percentage of the game. The term game or gambling game is
28 defined in NRS 463.0152.

29 ~~{13.}~~ 14. “Gaming session” means the period of time commencing when a player
30 initiates a game or series of games on a gaming device by committing a wager and

1 ending at the time of a final game outcome for that game or series of game.

2 ~~[14.]~~ 15. “Hybrid game” means a game in which a combination of the skill of the
3 player and chance affects the outcome of the game as determined over a period of
4 continuous play.

5 ~~[15.]~~ 16. “Identifier” means any specific and verifiable fact concerning a player
6 or group of players which is based upon objective criteria relating to the player or
7 group of players, including, without limitation:

8 (a) The frequency, value or extent of predefined commercial activity;

9 (b) The subscription to or enrollment in particular services;

10 (c) The use of a particular technology concurrent with the play of a gaming
11 device;

12 (d) The skill of the player;

13 (e) The skill of the player relative to the skill of any other player participating in
14 the same game;

15 (f) The degree of skill required by the game; or

16 (g) Any combination of (a) to (f), inclusive.

17 ~~[16.]~~ 17. “Independent contractor” ~~[means any person who:~~

18 ~~(a) Is not an employee of a licensed manufacturer; and~~

19 ~~(b) Pursuant to an agreement with a licensed manufacturer:~~

20 ~~(1) Designs, develops, programs, produces or composes a control program on~~
21 ~~behalf of the licensed manufacturer; or~~

22 ~~(2) Designs, develops, produces or composes software, source language or~~
23 ~~executable code intended to be compiled into a control program by the licensed~~
24 ~~manufacturer.~~

25 ~~→ As used in this regulation “licensed manufacturer” includes any affiliate that is~~
26 ~~owned or controlled by or under common control with the licensee] has the meaning~~
27 ~~ascribed to it in paragraph (b) of subsection 2 of NRS 463.01715.~~

28 ~~[17.]~~ 18. “Independent testing laboratory” means a private laboratory that is
29 registered by the ~~[commission]~~ *Commission* to inspect and certify games, gaming
30 devices, associated equipment, cashless wagering systems, inter-casino linked

1 systems, mobile gaming systems or interactive gaming systems, and any
2 components thereof and modifications thereto, and to perform such other services
3 as the ~~{board}~~ *Board* and ~~{commission}~~ *Commission* may request.

4 ~~{18.}~~ 19. “Inter-casino linked system” means:

5 (a) A network of electronically interfaced similar games which are located at
6 two or more licensed gaming establishments that are linked to:

7 (1) Conduct gaming activities, contests or tournaments; or

8 (2) Facilitate participation in a common progressive prize system,

9 ↪ and the collective hardware, software, communications technology and other
10 associated equipment used in such system to link and monitor games or devices
11 located at two or more licensed gaming establishments, including any associated
12 equipment used to operate a multi-jurisdictional progressive prize system.

13 (b) Systems that solely record a patron’s wagering activity among affiliated
14 properties are not inter-casino linked systems.

15 (c) The term "multi-jurisdictional progressive prize system" means the collection
16 of hardware, software, communications technology and other associated equipment
17 used to link and monitor progressive slot machines or other games among licensed
18 gaming establishments in this state participating in an inter-casino linked system
19 and one or more lawfully operated gaming locations in other jurisdictions that
20 participate in a similar system for the purpose of participation in a common
21 progressive prize system.

22 ~~{19.}~~ 20. “Inter-casino linked system modification” means a change or alteration
23 to an inter-casino linked system made by an operator who has been previously
24 approved by the ~~{commission}~~ *Commission* to operate that system. With regard to
25 inter-casino linked systems that link progressive payout schedules, the term
26 includes, but is not limited to:

27 (a) A change in a system name or theme; or

28 (b) A change in gaming device denomination.

29 ~~{20.}~~ 21. “Interactive gaming system” is a gaming device and means the
30 collective hardware, software, communications technology, and proprietary

1 hardware and software specifically designed or modified for, and intended for use
2 in, the conduct of interactive gaming. The core components of an interactive gaming
3 system, including servers and databases running the games on the interactive
4 gaming system and storing game and interactive gaming account information, must
5 be located in the State of Nevada except as otherwise permitted by the ~~chairman or~~
6 ~~his designee~~ *Chair*.

7 ~~[21.]~~ 22. “Manufacture” ~~[means:~~

8 ~~(a) To manufacture, produce, program, design, control the design of or make~~
9 ~~modifications to a gaming device, associated equipment, cashless wagering system,~~
10 ~~mobile gaming system or interactive gaming system for use or play in Nevada;~~

11 ~~(b) To direct, control or assume responsibility for the methods and processes~~
12 ~~used to design, develop, program, assemble, produce, fabricate, compose and~~
13 ~~combine the components and other tangible objects of any gaming device,~~
14 ~~associated equipment, cashless wagering system, mobile gaming system or~~
15 ~~interactive gaming system for use or play in Nevada; or~~

16 ~~(c) To assemble, or control the assembly of, a gaming device, associated~~
17 ~~equipment, cashless wagering system, mobile gaming system or interactive~~
18 ~~gaming system for use or play in Nevada.]~~ *has the meaning ascribed to it in*

19 *NRS 463.01715.*

20 ~~[22.]~~ 23. “Manufacturer” ~~[means a person who operates, carries on, conducts or~~
21 ~~maintains any form of manufacture.]~~ *has the meaning ascribed to it in*

22 *NRS 463.0172.*

23 ~~[23.]~~ 24. “Manufacturer of associated equipment” is any person that
24 manufactures, assembles, or produces any associated equipment, including inter-
25 casino linked systems, for use in Nevada by licensees.

26 ~~[24. “Manufacturer of equipment associated with interactive gaming” means~~
27 ~~any person that manufactures, assembles, or produces any equipment associated~~
28 ~~with interactive gaming.]~~

29 25. “Mobile gaming system” or “system” means a system that allows for the
30 conduct of games through mobile communications devices operated solely within a

1 licensed gaming establishment by the use of communications technology that
2 allows a patron to bet or wager, and corresponding information related to the
3 display of the game, gaming outcomes or other similar information.

4 26. “Mobile gaming system modification” means any change or alteration to a
5 mobile gaming system made by a manufacturer from its approved configuration.

6 27. “Modification” means a change or alteration in a gaming device previously
7 approved by the ~~[commission]~~ *Commission* for use or play in Nevada that affects
8 the manner or mode of play of the device. The term includes a change to control
9 programs and, except as provided in paragraphs (c) and (d) of this subsection, in the
10 theoretical hold percentage. The term does not include:

11 (a) Replacement of one component with another, pre-approved component;

12 (b) The rebuilding of a previously approved device with pre-approved
13 components;

14 (c) A change in the theoretical hold percentage of a mechanical or electro-
15 mechanical device, provided that the device as changed meets the standards of
16 ~~[Regulation 14.040(1)]~~ *subsection 1 of section 14.040*;

17 (d) A change in the theoretical hold percentage of an electronic device which is
18 the result of a top award jackpot or bonus jackpot payment which is paid directly
19 by an attendant and which is not accounted for by the device; or

20 (e) A change to software used for artistic attributes of a game, including
21 graphics, sound and animation providing entertainment unless such elements are
22 material to game play because they are necessary for the player to understand the
23 game or game outcome.

24 28. “On-line slot metering system” means the collective hardware, software and
25 other associated equipment used to monitor, accumulate, and record meter
26 information from gaming devices within a licensed establishment.

27 29. “Operator” means, except as otherwise provided, any person or entity
28 holding a license to operate:

29 (a) An inter-casino linked system or mobile gaming system in Nevada;

30 (b) A slot machine route that operates an inter-casino linked system for slot

1 machines only;

2 (c) A nonrestricted gaming operation that operates an inter-casino linked system
3 of affiliates; or

4 (d) An inter-casino linked system under the preceding paragraphs (a) or (b) of
5 this ~~[section]~~ *subsection* which system also is linked to or otherwise incorporates a
6 multi-jurisdictional progressive prize system.

7 30. "Private residence" means a noncommercial structure used by a natural
8 person as a place of abode and which is not used for a commercial purpose.

9 31. "Proprietary hardware and software" means hardware or software
10 specifically designed for use in a gaming device including a mobile gaming system
11 and interactive gaming system.

12 32. "Randomness" is the observed unpredictability and absence of pattern in a
13 set of elements or events that have definite probabilities of occurrence.

14 33. "Rules of play" means those features of a game necessary for a reasonable
15 person to understand how a game is played including, but not limited to, the
16 following:

17 (a) Help screens;

18 (b) Award cards; and

19 (c) Pay-line information.

20 ↪ The term does not include those inherent features of a game that a reasonable
21 person should know or understand prior to initiating the game.

22 34. "Skill" means the knowledge, dexterity or any other ability or expertise of a
23 natural person.

24 35. "Theme" means a concept, subject matter and methodology of design.

25 *36. "Third-party manufacturer" means a manufacturer or independent*
26 *contractor described in subsection 6 or 7 of NRS 463.650.*

27 **14.015 Policy.** Gaming devices and associated equipment that incorporate
28 innovative, alternative and advanced technology are beneficial to and in the best
29 interests of the State of Nevada and it is the policy of the ~~[commission]~~
30 *Commission* to encourage the development and deployment of such technologies by

1 manufacturers, distributors and gaming establishments to the extent consistent
2 with the declared policy of this state as set forth in NRS 463.0129 and section 1 of
3 Chapter 108 of the 2015 Statutes of Nevada.

4 **14.020 License required; applications; investigative fees; registration**
5 **of a manufacturer or distributor of associated equipment.**

6 1. A person may act as a manufacturer, distributor, or manufacturer of an
7 interactive gaming system, or as an operator, only if that person holds a license
8 specifically permitting the person to act as a manufacturer, distributor, or
9 manufacturer of an interactive gaming system, or as an operator except as
10 provided for in *subsection 2 of NRS 463.160*~~[(2)]~~ *and subsections 2 to 7 of NRS*
11 *463.650.*

12 2. ~~Applications~~ *An application* for a manufacturer's, distributor's,
13 manufacturer of interactive gaming systems, or operator's ~~licenses~~ *license* shall
14 be made, processed, and determined in the same manner as ~~applications~~ *an*
15 *application* for a nonrestricted gaming ~~licenses~~ *license*, using such forms as the
16 *Chair* may require or approve.

17 3. ~~Applications~~ *An application* for a manufacturer's, distributor's,
18 manufacturer of interactive gaming systems, *or* operator's ~~licenses, or for a finding~~
19 ~~of suitability to be a manufacturer of equipment associated with interactive~~
20 ~~gaming~~ *license* shall be subject to the application and investigative fees
21 established pursuant to ~~Regulation~~ *section* 4.070.

22 4. Any manufacturer or distributor of associated equipment for use in this
23 State, *other than a licensee as defined under NRS 463.0171*, must register with the
24 ~~commission~~ *Board* pursuant to NRS 463.665 if such associated equipment:

25 (a) Is used directly in gaming;

26 (b) Has the ability to add or subtract cash, cash equivalents or wagering credits
27 to a game, gaming device or cashless wagering system;

28 (c) Interfaces with and affects the operation of a game, gaming device, cashless
29 wagering system or other associated equipment;

30 (d) Is used directly or indirectly in the reporting of gross revenue;

1 (e) Records sales for use in an area subject to the tax imposed by NRS 368A.200;
2 or

3 (f) Is otherwise determined by the ~~[commission]~~ *Commission* to create a risk to
4 the integrity of gaming and protection of the public if not inspected.

5 *5. An application for registration or renewal of registration as a manufacturer or*
6 *distributor of associated equipment shall be made and processed using such forms as*
7 *the Chair may require or approve, and shall include a written statement, signed*
8 *under penalty of perjury, from the person seeking the registration or renewal of*
9 *registration:*

10 (a) *Acknowledging the person is governed by the laws of the State of Nevada and*
11 *the regulations of the Nevada Gaming Commission;*

12 (b) *Stating that the person will cooperate with all requests, inquiries and*
13 *investigations of the Board or Commission; and*

14 (c) *Attesting that the person has provided complete and accurate information.*

15 *6. The following fees, as authorized by paragraph (c) of subsection 2 of NRS*
16 *463.665, shall be imposed for the application, issuance, or renewal of a registration*
17 *as a manufacturer or distributor of associated equipment and must accompany each*
18 *application for registration or renewal of registration:*

19 (a) *Application fee of \$1,000;*

20 (b) *Issuance fee of \$1,000; or*

21 (c) *Renewal fee of \$1,000.*

22 *7. The Chair may object to the registration of a manufacturer or distributor of*
23 *associated equipment for any cause the Chair deems reasonable. If the Chair objects*
24 *to the registration, the Chair shall send written notice of the objection to the*
25 *manufacturer or distributor of associated equipment.*

26 (a) *An objection by the Chair to the registration of a manufacturer or distributor*
27 *of associated equipment shall be considered an administrative decision, and*
28 *therefore reviewable pursuant to the procedures set forth under sections 4.185, 4.190,*
29 *and 4.195 of these regulations.*

30 (b) *A manufacturer or distributor of associated equipment whose registration has*

1 *been objected to by the Chair may not re-file for registration with the Board prior to*
2 *one year from the date of the notice of the objection by the Chair to the registration of*
3 *the manufacturer or distributor of associated equipment.*

4 *8. A person registered as a manufacturer or distributor of associated equipment,*
5 *or who has a pending filing for registration or renewal of registration shall report*
6 *any change to the information provided pursuant to subsection 5 to the Board within*
7 *30 days of such change. The Chair may, in the Chair's sole and absolute discretion,*
8 *require a new registration as a manufacturer or distributor of associated equipment*
9 *if a change of ownership of the registrant occurs.*

10 *9. If the Board seeks disciplinary action against a registered manufacturer or*
11 *distributor of associated equipment and the disciplinary action results in the*
12 *revocation of the registration of the manufacturer or distributor of associated*
13 *equipment the following shall apply:*

14 *(a) Upon revocation of the registration of a manufacturer of associated equipment:*

15 *(1) No new associated equipment manufactured by the manufacturer shall be*
16 *approved; and*

17 *(2) Any previously approved associated equipment manufactured by the*
18 *manufacturer shall be subject to having its approval revoked if the reasons for the*
19 *revocation of the registration also apply to the associated equipment.*

20 *(b) Upon revocation of the registration of a distributor of associated equipment,*
21 *the distributor shall no longer distribute associated equipment for use or play in*
22 *Nevada.*

23 *10. If a person registered with the Board pursuant to this section is required by*
24 *the Board to file an application for a finding of suitability to be a manufacturer or*
25 *distributor of associated equipment pursuant to subsection 4 or 5 of NRS 463.665*
26 *but fails to do so within 30 days following the receipt of notice to file such*
27 *application, the Chair may temporarily suspend the person's registration until such*
28 *time as the person files the required application in full, the Commission lifts the*
29 *temporary suspension, or the Commission finds the person unsuitable. A suspension*
30 *issued by the Chair pursuant to this subsection shall:*

1 (a) *Have the same consequences as a revocation of a registration as set forth*
2 *under paragraphs (a) and (b) of subsection 9, while in effect.*

3 (b) *Be considered an administrative decision, and therefore reviewable pursuant*
4 *to the procedures set forth under sections 4.185, 4.190, and 4.195 of these*
5 *regulations.*

6 11. *If a person is required by the Board to file an application for finding of*
7 *suitability to be a manufacturer or distributor of associated equipment pursuant to*
8 *subsection 4 or 5 of NRS 463.665 and the Commission finds the person unsuitable:*

9 (a) *The registration of the manufacturer or distributor, if any, shall be thereupon*
10 *cancelled.*

11 (b) *For manufacturers of associated equipment found unsuitable by the*
12 *Commission:*

13 (1) *No new associated equipment manufactured by the manufacturer shall be*
14 *approved; and*

15 (2) *Any previously approved associated equipment manufactured by the*
16 *manufacturer shall be subject to having its approval revoked if the reasons for the*
17 *finding of unsuitability also apply to the associated equipment.*

18 (c) *For distributors of associated equipment found unsuitable by the Commission,*
19 *the distributor shall no longer distribute associated equipment for use or play in*
20 *Nevada.*

21 (d) *For a person who directly or indirectly involves himself or herself in the sale,*
22 *transfer, or offering of associated equipment for use or play in Nevada that is found*
23 *unsuitable by the Commission, the person shall no longer conduct such activities.*

24 12. *The Commission retains jurisdiction to determine the suitability of a person*
25 *described in subsections 4 and 5 of NRS 463.665 even if the person is no longer*
26 *registered as a manufacturer of associated equipment or otherwise functioning in a*
27 *capacity described therein.*

28 13. *A person seeking registration as a manufacturer or distributor of associated*
29 *equipment, or who has been required by the Board to file an application for finding*
30 *of suitability to be a manufacturer or distributor of associated equipment pursuant*

1 *to subsection 4 or 5 of NRS 463.665, does not have a right to the granting of the*
2 *application. Any registration or finding of suitability as a manufacturer or*
3 *distributor of associated equipment is a revocable privilege, and no holder acquires*
4 *any vested right therein or thereunder. Judicial review is not available for decisions*
5 *of the Board or Commission regarding an application for registration or finding of*
6 *suitability as a manufacturer or distributor of associated equipment.*

7 ***14.0205 Assume responsibility; qualifications; finding.***

8 *1. For the purposes of NRS 463.650, the burden is on the licensed manufacturer*
9 *to establish to the satisfaction of the Chair that it has acquired complete control over*
10 *or ownership of the applicable gaming device, associated equipment, cashless*
11 *wagering system, mobile gaming system, or interactive gaming system, or component*
12 *thereof, manufactured by the third-party manufacturer.*

13 *2. To be found by the Chair to have assumed responsibility for the device,*
14 *equipment, or system, or component thereof, manufactured by the third-party*
15 *manufacturer:*

16 *(a) The licensed manufacturer must complete a due diligence investigation of the*
17 *third-party manufacturer to determine whether doing business with the third-party*
18 *manufacturer would be consistent with the public policy set forth in NRS 463.0129*
19 *and would not pose an unacceptable level of risk to the State of Nevada, the public,*
20 *or the gaming industry.*

21 *(1) The due diligence investigation shall take into consideration, at a*
22 *minimum, researching and analyzing the third-party manufacturer's:*

23 *(I) Ownership, management, and key employees;*

24 *(II) Reputation;*

25 *(III) Past and present business dealings; and*

26 *(IV) Finances, including the sources thereof.*

27 *(2) Upon request, the licensed manufacturer must make available to the Board*
28 *all documentation evidencing the due diligence investigation performed and the*
29 *findings therefrom.*

30 *(3) If the licensed manufacturer's due diligence investigation of the third-party*

1 *manufacturer leads to the conclusion that doing business with the third-party*
2 *manufacturer would not be consistent with the criteria set forth in this subsection,*
3 *the Chair shall not find that the licensed manufacturer has assumed responsibility*
4 *of the device, equipment, or system, or component thereof, manufactured by the third-*
5 *party manufacturer for the purposes of NRS 463.650.*

6 *(b) The licensed manufacturer must provide the following information to the*
7 *Board:*

8 *(1) The name, address, and other identifying information of the third-party*
9 *manufacturer;*

10 *(2) A complete and detailed description of the gaming device, associated*
11 *equipment, cashless wagering system, mobile gaming system, or interactive gaming*
12 *system, or relevant component thereof, for which the licensed manufacturer intends*
13 *to assume responsibility;*

14 *(3) A copy of any contract entered into between the licensed manufacturer and*
15 *the third-party manufacturer and any other document that provides the terms of the*
16 *assumption of responsibility;*

17 *(4) A statement, signed under penalty of perjury, stating that the third-party*
18 *manufacturer has either complied with the requirements of subsection 11 of NRS*
19 *463.650 or is not required to register with the Attorney General of the United States*
20 *pursuant to Title 15 of U.S.C; and*

21 *(5) Any other information requested by the Board to establish that the licensed*
22 *manufacturer has acquired complete control over, or ownership of the gaming device,*
23 *associated equipment, cashless wagering system, mobile gaming system, or*
24 *interactive gaming system, or component thereof.*

25 *(c) The licensed manufacturer must submit to the Board an attestation, signed*
26 *under penalty of perjury, acknowledging that it accepts full, continuing, and*
27 *absolute legal responsibility for the gaming device, associated equipment, cashless*
28 *wagering system, mobile gaming system, or interactive gaming system, or applicable*
29 *component thereof, and that it fully understands that it will be held to the same*
30 *standard of care and liability as it would had it manufactured the device,*

1 *equipment, or system, or applicable component thereof, itself under its Nevada*
2 *manufacturer's license.*

3 *(d) In regards to the hardware of the device, equipment, or system, or component*
4 *thereof, manufactured by the third-party manufacturer, the licensed manufacturer*
5 *must:*

6 *(1) Provide the Board with a list of the significant components and designate*
7 *the name of the third-party manufacturer who manufactured or will manufacture*
8 *each component, including who designed, assembled, or will assemble each*
9 *component.*

10 *(2) Physically inspect the device, equipment, or system, or component thereof,*
11 *manufactured by the third-party manufacturer for compliance with the Nevada*
12 *Gaming Control Act, the regulations adopted thereunder, and all applicable*
13 *standards and policies related thereto.*

14 *(e) In regards to the control program, or software, source language, or executable*
15 *code intended to be integrated into a control program, the licensed manufacturer*
16 *must:*

17 *(1) Complete a review of the software, source language, or executable code*
18 *designed, developed, produced, or composed by a third-party manufacturer to ensure:*

19 *(I) It complies with the Nevada Gaming Control Act, the regulations adopted*
20 *thereunder, and all applicable standards and policies related thereto; and*

21 *(II) It does not contain any nefarious content.*

22 *(2) Submit an attestation, signed under penalty of perjury, that the software,*
23 *source language, or executable code was reviewed by an employee of the licensed*
24 *manufacturer for compliance with subparagraph (1) of this paragraph.*

25 *3. After reviewing the information provided by the licensed manufacturer, the*
26 *Chair shall, at the Chair's sole and absolute discretion, make a determination as to*
27 *whether the licensed manufacturer has assumed responsibility of the applicable*
28 *gaming device, associated equipment, cashless wagering system, mobile gaming*
29 *system, or interactive gaming system, or component thereof, for the purposes of NRS*
30 *463.650.*

1 4. A determination by the Chair that the licensed manufacturer has assumed
2 responsibility for the gaming device, associated equipment, cashless wagering
3 system, mobile gaming system, or interactive gaming system, or component thereof,
4 does not create a vested right. The Chair may, at any time and for any reason,
5 reevaluate the arrangement between the licensed manufacturer and the third-party
6 manufacturer, based on previous or new information, and make a different
7 determination.

8 5. A licensed manufacturer may request a review of the Chair's determination
9 under this section pursuant to the administrative approval review and appeal
10 process set forth under sections 4.185, 4.190, and 4.195 of these regulations.

11 6. A change of the third-party manufacturer of the device, equipment, or system,
12 or component thereof, or to the agreements between the licensed manufacturer and
13 the third-party manufacturer shall require a separate determination by the Chair
14 under this section before any device, equipment, or system, or component thereof,
15 manufactured by the new third-party manufacturer or under the amended
16 agreement may be exposed for use or play in Nevada.

17 7. The submission of the information to the Board pursuant to this section, the
18 subsequent review of that information by the Chair, and the resulting determination
19 does not, in any way, constitute a representation by the Board or the Chair as to the
20 accuracy or completeness of that information or the effect or legality of any
21 agreements contained therein.

22 **14.0207 Assume responsibility; ongoing requirements.** If a licensed
23 manufacturer is found by the Chair to have assumed responsibility of a gaming
24 device, associated equipment, cashless wagering system, mobile gaming system, or
25 interactive gaming system, or component thereof, manufactured by a third-party, the
26 following requirements shall apply:

27 1. The licensed manufacturer shall maintain physical possession of all software,
28 source language, and executable code as submitted to the Board, and as approved or
29 disapproved by the Board.

30 2. An employee of the licensed manufacturer shall have and maintain the ability

1 to modify any software, source language, and executable code for which the licensed
2 manufacturer has assumed responsibility, including the ability to make
3 modifications to correct deficiencies and ensure continued compliance with the
4 Nevada Gaming Control Act, and all applicable regulations and technical standards
5 adopted thereunder without any form of authorization from, or involvement of, the
6 third-party manufacturer.

7 3. Service to or repair of any gaming device, associated equipment, cashless
8 wagering system, mobile gaming system, or interactive gaming system, or component
9 thereof, for which the licensed manufacturer has assumed responsibility, may only be
10 performed by a person who is registered as a gaming employee as set forth under
11 NRS 463.0157.

12 4. The Board and its staff shall be provided the same level of access to the
13 premises on which a third-party manufacturer assembles any device, equipment, or
14 system, or component thereof, for which the licensed manufacturer has assumed
15 responsibility, as it would have to the licensed manufacturer's premises had the
16 licensed manufacturer performed such assembly.

17 5. The third-party manufacturer shall conduct its operations relating to the
18 manufacture of the device, equipment, or system, or component thereof, for which the
19 licensed manufacturer has assumed responsibility, in compliance with the laws of
20 the State of Nevada and the regulations of the Nevada Gaming Commission.

21 6. The third-party manufacturer shall cooperate with all requests, inquiries, and
22 investigations of the Board or Commission relevant to its manufacture of the device,
23 equipment, or system, or component thereof, for which the licensed manufacturer has
24 assumed responsibility.

25 7. The licensed manufacturer shall continue to monitor the third-party
26 manufacturer to ensure that doing business with the third-party manufacturer
27 remains consistent with the public policy set forth in NRS 463.0129 and does not
28 pose an unacceptable level of risk to the State of Nevada, the public, or the gaming
29 industry. The licensed manufacturer shall immediately report to the Board any
30 information it obtains that calls into question whether doing business with the third-

1 *party manufacturer threatens those standards.*
2 *↳ The licensed manufacturer shall be responsible to ensure that the third-party*
3 *manufacturer complies with this section where applicable. Failure by the licensed*
4 *manufacturer to reasonably ensure that the third-party manufacturer complies with*
5 *those subsections, or a failure by the licensed manufacturer to adequately remedy*
6 *any such noncompliance of which it has knowledge, shall constitute an unsuitable*
7 *method or operation on the part of the licensed manufacturer.*

8

9 **14.0215 Determination of suitability of third-party manufacturer.**

10 1. A person is not subject to licensing pursuant to subsection 1 of NRS 463.650
11 in connection with activities performed as ~~[an independent contractor]~~ *a third-*
12 *party manufacturer* provided that person complies with the requirements of this
13 regulation governing ~~[independent contractors]~~ *third-party manufacturers*. Any
14 other person who ~~[designs, develops, programs, produces or composes a control-~~
15 ~~program for use in a gaming device]~~ *manufactures a gaming device, associated*
16 *equipment, cashless wagering system, mobile gaming system, or interactive gaming*
17 *system, or component thereof, for use or play* in Nevada must be licensed in
18 accordance with NRS 463.650.

19 2. ~~[An independent contractor]~~ *A third-party manufacturer* may be required by
20 the ~~[commission]~~ *Commission*, upon recommendation of the ~~[board]~~ *Board*, to file
21 an application for a finding of suitability to be ~~[an independent contractor]~~ *a third-*
22 *party manufacturer* for a licensed manufacturer.

23 3. The ~~[commission]~~ *Commission* shall give written notice to the ~~[independent-~~
24 ~~contractor]~~ *third-party manufacturer* of its decision to require the filing of an
25 application for a finding of suitability. Unless otherwise stated by the ~~[commission]~~
26 *Commission* in its written notice, ~~[an independent contractor]~~ *a third-party*
27 *manufacturer* who has been ordered to file an application for a finding of
28 suitability to be ~~[an independent contractor]~~ *a third-party manufacturer* may
29 continue to perform under a contract with a manufacturer unless and until the
30 ~~[commission]~~ *Commission* finds the ~~[independent contractor]~~ *third-party*

1 *manufacturer* unsuitable.

2 4. If the ~~{commission}~~ *Commission* finds ~~{an independent contractor}~~ *a third-*
3 *party manufacturer* to be unsuitable:

4 (a) All licensed manufacturers shall, upon written notification, immediately
5 terminate any existing relationships, direct or indirect, with such ~~{independent-~~
6 ~~contractor}~~ *third-party manufacturer*;

7 (b) No new gaming device ~~{with a control program that contains software,-~~
8 ~~source language, or executable code created}~~, *associated equipment, cashless*
9 *wagering system, mobile gaming system, or interactive gaming system, or*
10 *component thereof, manufactured* in whole or in part by the unsuitable
11 ~~{independent contractor}~~ *third-party manufacturer* shall be approved; and

12 (c) Any previously approved gaming device ~~{with a control program that~~
13 ~~contains software, source language, or executable code created}~~, *associated*
14 *equipment, cashless wagering system, mobile gaming system, or interactive gaming*
15 *system, or component thereof, manufactured* in whole or in part by the
16 ~~{independent contractor}~~ *unsuitable third-party manufacturer* is subject to
17 revocation of its approval if the reasons for the finding of unsuitability also apply
18 to that gaming device, *associated equipment, cashless wagering system, mobile*
19 *gaming system, or interactive gaming system, or applicable component thereof.*

20 5. Failure of a licensed manufacturer to terminate any association or agreement
21 with ~~{an independent contractor}~~ *a third-party manufacturer* after receiving notice
22 of the determination of unsuitability constitutes an unsuitable method of
23 operation.

24 6. The ~~{commission}~~ *Commission* retains jurisdiction to determine the
25 suitability of ~~{an independent contractor}~~ *a third-party manufacturer* regardless of
26 whether or not the ~~{independent contractor}~~ *third-party manufacturer* has any
27 active agreements with licensed manufacturers or is otherwise no longer
28 functioning as ~~{an independent contractor}~~ *a third-party manufacturer*.

29 7. A failure on the part of ~~{an independent contractor}~~ *a third-party*
30 *manufacturer* to submit an application for a finding of suitability within 30 days

1 after being ~~demanded~~ *required* to do so by the ~~commission~~ *Commission* shall
2 constitute grounds for a finding of unsuitability of the ~~independent contractor~~
3 *third-party manufacturer*.

4 8. ~~An independent contractor~~ *A third-party manufacturer*, or employee thereof,
5 is not considered a gaming employee under NRS 463.0157 in relation to any ~~work-~~
6 ~~conducted designing, programming, producing or composing a control program~~
7 *manufacturing performed* within the scope of an agreement entered into with a
8 licensed manufacturer. ~~An independent contractor~~ *A third-party manufacturer* or
9 employee thereof, is in no way exempt from being classified as a gaming employee
10 under NRS 463.0157 for ~~such work~~ *manufacturing* performed outside the scope of
11 an agreement with a licensed manufacturer or for other work performed related to
12 gaming.

13 **14.023 Manufacturer’s agreements with independent ~~contractors~~**
14 ***contractor or third-party manufacturer***. Any agreement between a licensed
15 manufacturer and an independent contractor *or third-party manufacturer* shall
16 provide for termination without continuing obligation of the licensed manufacturer
17 in the event the independent contractor *or third-party manufacturer*:

- 18 1. Refuses to respond to information requests from the ~~board~~ *Board*;
- 19 2. Fails to file an application for a finding of suitability as required by the
20 ~~commission~~ *Commission*; or
- 21 3. Is found unsuitable by the ~~commission~~ *Commission*.

22 **14.024 Manufacturer’s responsibilities for independent ~~contractors~~**
23 ***contractor or third-party manufacturer***. Each licensed manufacturer must:

- 24 1. Complete a review of any software, source language or executable code
25 designed, developed, produced or composed by an independent contractor *or third-*
26 *party manufacturer* for compliance with all applicable regulations and technical
27 standards of the ~~commission~~ *Commission* and ~~board~~ *Board* prior to submission
28 to the ~~board~~ *Board*; and
- 29 2. As to such submission, maintain a record of the general subject matter
30 description of the software, source language or executable code that was designed,

1 developed, produced or composed by an independent contractor *or third-party*
2 *manufacturer*, by *independent* contractor *or third-party manufacturer* name.
3 ↪ Unless the ~~{chairman}~~ *Chair* approves or requires otherwise in writing, such
4 records shall be maintained for a minimum of five years from the date of the
5 relevant submission and must be made available to the ~~{board}~~ *Board* upon
6 request. Failure to keep and provide such records is an unsuitable method of
7 operation.

8 **14.025 Certain themes prohibited in association with gaming devices ~~for~~**
9 **~~slot machines~~.**

10 1. A gaming device or gaming device modification submitted for approval by a
11 manufacturer or made available for play by a licensee must not use a theme that:

12 (a) Is derived from or based on a product that is currently and primarily
13 intended or marketed for use by persons under 21 years of age, or

14 (b) Depicts a subject or material that:

15 (1) Is obscene;

16 (2) Offensively portrays persons based on race, religion, national origin,
17 gender, or sexual preference; or

18 (3) Is otherwise contrary to the public policy of this state as set forth in NRS
19 463.0129.

20 2. A manufacturer, licensee or other person holding the intellectual property
21 rights to a theme may, concurrent with or independent of an application for
22 approval of or modification to a gaming device, file a request with the ~~{chairman}~~
23 *Chair*, in such manner and using such forms as the ~~{chairman}~~ *Chair* may
24 prescribe, for a determination as to whether subsection 1 prohibits use of the theme
25 in connection with a gaming device.

26 (a) The request for determination must be accompanied by a nonrefundable fee
27 of \$500 for each separate theme.

28 (b) The requesting party shall articulate the reasons that the theme is not
29 prohibited by subsection 1 along with any additional information it deems relevant

1 to the determination. Information submitted pursuant to this section is confidential
2 and subject to the provisions of NRS 463.120 and NRS 463.3407~~[.]~~.

3 3. Within 30 days of the submission of the request for determination pursuant to
4 subsection 2, the ~~[chairman or his designee]~~ *Chair* shall administratively approve,
5 approve with modification or condition, or deny the request for determination.

6 4. A written request for withdrawal of the request for determination may be
7 made by the requesting party at any time prior to the ~~[chairman's]~~ *Chair's* final
8 action on such request. A request for withdrawal is effective upon delivery to the
9 ~~[chairman]~~ *Chair* and is without prejudice. *For purposes of this subsection, "final*
10 *action" means the Chair's administrative approval, with or without modification or*
11 *condition, or denial of the request for determination made pursuant to subsection 3.*

12 5. The requesting party may appeal to the ~~[commission]~~ *Commission* the
13 administrative decision of the ~~[chairman or his designee]~~ *Chair*. The appeal shall be
14 made and processed pursuant to ~~[regulation]~~ *section* 4.195, except such an appeal
15 may be taken without first submitting the matter to the ~~[board]~~ *Board* for review of
16 such administrative decision in accordance with ~~[regulation]~~ *section* 4.190.

17 6. This section does not apply to any themes that were used in connection with
18 gaming devices that were approved for play prior to January 27, 2000.

19 **14.030 Approval of gaming devices and the operation of new inter-**
20 **casino linked systems; applications and procedures.**

21 1. A manufacturer or distributor shall not distribute a gaming device in Nevada
22 and a licensee shall not offer a gaming device for play unless it has been approved
23 by the ~~[commission]~~ *Commission* or is offered for play pursuant to a field test
24 ordered by the ~~[chairman]~~ *Chair*.

25 2. An operator of an inter-casino linked system shall not install and operate a
26 new inter-casino linked system in Nevada and a licensee shall not offer any gaming
27 device or game for play that is part of such a system unless operation of the inter-
28 casino linked system and all gaming devices or games that are part of or connected
29 to the inter-casino linked system have been approved by the ~~[commission]~~

1 *Commission* or are offered for play pursuant to a field test ordered by the
2 ~~{chairman}~~ *Chair*.

3 3. Applications for approval of a new gaming device or to operate a new inter-
4 casino linked system shall be made and processed in such manner and using such
5 forms as the ~~{chairman}~~ *Chair* may prescribe. Only licensed manufacturers may
6 apply for approval of a new gaming device. Only operators may apply for approval
7 to operate a new inter-casino linked system.

8 4. At the ~~{chairman's}~~ *Chair's* request an applicant for a manufacturer's or inter-
9 casino linked system operator's license shall, or upon the ~~{chairman's}~~ *Chair's* prior
10 approval an applicant for a manufacturer's or operator's license may, apply for a
11 preliminary determination that a new gaming device or new inter-casino linked
12 system meets the standards required by this regulation.

13 5. Each application shall include, in addition to other items or information as the
14 ~~{chairman}~~ *Chair* may require:

15 (a) A complete, comprehensive, and technically accurate description and
16 explanation in both technical and lay language of the manner in which the *gaming*
17 device or inter-casino linked system operates and complies with all applicable
18 statutes, regulations and technical standards, signed under penalty of perjury;

19 (b) A statement under penalty of perjury that, to the best of the manufacturer's
20 knowledge, the gaming device meets the standards of section 14.040 or, in the case
21 of an inter-casino linked system, that to the best of the operator's knowledge the
22 system meets the standards of section 14.045;

23 (c) In the case of a gaming device, a copy of all executable software, including
24 data and graphic information, and a copy of all source code for programs that
25 cannot be reasonably demonstrated to have any use other than in a gaming device,
26 submitted on electronically readable, unalterable media;

27 (d) In the case of a gaming device, a copy of all graphical images displayed on the
28 gaming device including, but not limited to, reel strips, rules, instructions and
29 paytables;

30 (e) In the case of an inter-casino linked system:

- 1 (1) An operator's manual;
- 2 (2) A network topology diagram;
- 3 (3) An internal control system;
- 4 (4) A hold harmless agreement;
- 5 (5) A graphical representation of the system theme and all related signage;
- 6 (6) Information sufficient to calculate a theoretical payoff schedule amount
- 7 including, but not limited to, the base and reset amounts, the total contribution
- 8 percentage and a breakdown of that percentage including contribution rates to all
- 9 progressive payoff schedules and all reset funds, the odds of winning the
- 10 progressive payoff schedule and the amount of the wager required to win the
- 11 progressive payoff schedule; and
- 12 (7) The form of any agreement or written specifications permitted or required
- 13 of an operator by any other state or tribal government and affecting a multi-
- 14 jurisdictional progressive prize system.

15 (f) In the case of a mobile gaming system:

- 16 (1) An operator's manual;
- 17 (2) A network topology diagram; *and*
- 18 (3) An internal control system; and
- 19 ~~[(4) A description of the method used to isolate game function to the areas~~
- 20 ~~listed in Regulation 5.220(1)(i)]; and]~~

21 (g) All materials relating to the results of the registered independent testing

22 laboratory's inspection and certification process that are required under section

23 14.400.

24 **14.040 Minimum standards for gaming devices.**

25 1. All gaming devices must:

26 (a) Theoretically pay out a mathematically demonstrable percentage of all

27 amounts wagered, which must not be less than 75 percent for each wager available

28 for play on the device.

29 (b) Determine game outcome solely by the application of:

- 30 (1) Chance;

- 1 (2) The skill of the player; or
- 2 (3) A combination of the skill of the player and chance.
- 3 (c) Display in an accurate and non-misleading manner:
 - 4 (1) The rules of play;
 - 5 (2) The amount required to wager on the game or series of games in a gaming
 - 6 session;
 - 7 (3) The amount to be paid on winning wagers;
 - 8 (4) Any rake-off percentage or any fee charged to play the game or series of
 - 9 games in a gaming session;
 - 10 (5) Any monetary wagering limits for games representative of live gambling
 - 11 games;
 - 12 (6) The total amount wagered by the player;
 - 13 (7) The game outcome; and
 - 14 (8) Such additional information sufficient for the player to reasonably
 - 15 understand the game outcome.
- 16 (d) Satisfy the technical standards adopted pursuant to ~~Regulation~~ *section*
- 17 14.050.

18 2. Once a game is initiated by a player on a gaming device, the rules of play for
19 that game, including the probability and award of a game outcome, cannot be
20 changed. In the event the game or rules of play for the game, including probability
21 and award of a game outcome, change between games during a gaming session,
22 notice of the change must be prominently displayed to the player.

23 3. Gaming devices connected to a common payoff schedule shall:

- 24 (a) All be of the same denomination and have equivalent odds of winning the
- 25 common payoff schedule/common award based as applicable on either or both of the
- 26 combined influence of the attributes of chance and skill; or
- 27 (b) If of different denominations, equalize the expected value of winning the
- 28 payoff schedule/common award on the various denominations by setting the odds of
- 29 winning the payoff schedule in proportion to the amount wagered based as

1 applicable on either or both the combined influence of the attributes of chance and
2 skill, or by requiring the same wager to win the payoff schedule/award regardless of
3 the device's denomination. The method of equalizing the expected value of winning
4 the *common* payoff schedule/*common* award shall be conspicuously displayed on
5 each device connected to the common payoff schedule/common award. For the
6 purposes of this requirement, equivalent is defined as within a ~~{5}~~ *five* percent
7 tolerance for expected value and no more than a ~~{1}~~ *one* percent tolerance on return
8 to player or payback.

9 4. All possible game outcomes must be available upon the initiation of each play
10 of a game upon which a player commits a wager on a gaming device.

11 5. For gaming devices that are representative of live gambling games, the
12 mathematical probability of a symbol or other element appearing in a game
13 outcome must be equal to the mathematical probability of that symbol or element
14 occurring in the live gambling game.

15 6. Gaming devices that offer games of skill or hybrid games must indicate
16 prominently on the gaming device that the outcome of the game is affected by
17 player skill.

18 7. Gaming devices must not alter any function of the device based on the actual
19 hold percentage.

20 8. Gaming devices may use an identifier to determine which games are
21 presented to or available for selection by a player.

22 9. For gaming devices manufactured and distributed before September 28, 1989,
23 the ~~{chairman}~~ *Chair* may waive the requirements of *paragraph (d) of* subsection
24 ~~1{(d) of section 14.040}~~ for a licensee exposing a gaming device to the public for play,
25 if the licensee can demonstrate to the ~~{chairman's}~~ *Chair's* satisfaction that:

26 (a) After the waiver the aggregate theoretical payout for all amounts wagered on
27 all gaming devices exposed for play by the licensee at a single establishment meets
28 the 75 percent standard of *paragraph (a) of* subsection ~~1{(a) of section 14.040}~~, and

1 (b) The licensee is unable to bring the device into compliance with the
2 requirements of *paragraph (a) of subsection 1* ~~[(a) of section 14.040]~~ because of
3 excessive cost or the unavailability of parts.

4 10. The ~~chairman~~ *Chair* may waive for good cause shown the requirements of a
5 technical standard for a game. The ~~chairman~~ *Chair* has full and absolute
6 authority to condition or limit a waiver granted under this section for any cause
7 deemed reasonable.

8 **14.045 Minimum standards for inter-casino linked systems.** All inter-
9 casino linked systems submitted for approval:

10 1. Shall, in the case of an inter-casino linked system featuring a progressive
11 payoff schedule that increases as the inter-casino linked system is played, have a
12 minimum rate of progression for the primary jackpot meter of not less than .4 of one
13 percent of amounts wagered. In the case of an inter-casino linked system featuring
14 a progressive payoff schedule that increases over time, have a minimum rate of
15 progression for the primary jackpot meter of not less than one hundred dollars per
16 day. The provisions of this subsection do not prevent an operator from limiting a
17 progressive payoff schedule as allowed by ~~Regulation~~ *subsection 5 of section*
18 *5.112* ~~[(5)]~~.

19 2. Shall have a method to secure data transmissions between the games and
20 devices and the main computer of the operator, as approved by the ~~board~~ *Board*.

21 3. Shall display the rules of play and the payoff schedule.

22 4. Shall meet the applicable minimum standards for internal control that have
23 been adopted pursuant to ~~Regulation~~ *section 6.090*.

24 **14.045 Minimum standards for inter-casino linked systems.** All inter-
25 casino linked systems submitted for approval:

26 1. Shall, in the case of an inter-casino linked system featuring a progressive
27 payoff schedule that increases as the inter-casino linked system is played, have a
28 minimum rate of progression for the primary jackpot meter of not less than .4 of
29 one percent of amounts wagered. In the case of an inter-casino linked system
30 featuring a progressive payoff schedule that increases over time, have a minimum

1 rate of progression for the primary jackpot meter of not less than one hundred
2 dollars per day. The provisions of this subsection do not prevent an operator from
3 limiting a progressive payoff schedule as allowed by ~~{Regulation 5.112(5)}~~
4 *subsection 5 of section 5.112*.

5 2. Shall have a method to secure data transmissions between the games and
6 devices and the main computer of the operator, as approved by the ~~{board}~~ *Board*.

7 3. Shall display the rules of play and the payoff schedule.

8 4. Shall meet the applicable minimum standards for internal control that have
9 been adopted pursuant to ~~{Regulation}~~ *section* 6.090.

10 **14.050 Technical standards.**

11 1. The ~~{chairman}~~ *Chair* shall publish technical standards for approval of
12 gaming devices, on-line slot metering systems, cashless wagering systems, and
13 associated equipment.

14 2. The ~~{chairman}~~ *Chair* shall:

15 (a) Publish notice of proposed technical standards or revisions by posting the
16 proposed changes or revisions on the ~~{board's}~~ *Board's* website;

17 (b) Mail notice of the posting of the proposed technical standards or revisions on
18 the ~~{board's}~~ *Board's* website and a copy of this section ~~{of Regulation 14}~~ to every
19 nonrestricted licensee, licensed manufacturer and every person who has filed a
20 request with the ~~{commission}~~ *Commission*; and

21 (c) Provide a copy of the proposed technical standards or revisions to the
22 ~~{commission}~~ *Commission*.

23 3. The ~~{chairman}~~ *Chair* shall consider all written statements, arguments, or
24 contentions submitted by interested parties within 30 days of service of the notice
25 provided for in subsection 2.

26 4. Not later than 45 days after service of written notice that the ~~{chairman}~~
27 *Chair* has proposed the technical standards or revisions, any nonrestricted licensee
28 or licensed manufacturer may object to the technical standards or revisions by
29 filing a written objection with the ~~{commission}~~ *Commission*.

30 5. The ~~{commission}~~ *Commission* shall consider any objections filed to the

1 technical standards or revisions proposed by the ~~{chairman}~~ *Chair*. If the
2 ~~{commission}~~ *Commission* does not concur with any of the technical standards, the
3 ~~{chairman}~~ *Chair* shall revise the technical standards to reflect the order of the
4 ~~{commission}~~ *Commission*.

5 6. The ~~{chairman}~~ *Chair* shall send written notice of the effective date of the
6 standards or revisions to all nonrestricted licensees, licensed manufacturers and
7 every person who has filed a request with the ~~{commission}~~ *Commission*.

8 7. Nonrestricted licensees or licensed manufacturers may propose the adoption,
9 revision, or deletion of technical standards by submitting a written request to the
10 ~~{chairman}~~ *Chair* who will consider the request at ~~{his}~~ *the Chair's* discretion. If
11 the ~~{chairman}~~ *Chair* does not propose the technical standard, the nonrestricted
12 licensee or licensed manufacturers may file a request with the ~~{commission}~~
13 *Commission* to adopt, revise, or delete a technical standard. The ~~{commission}~~
14 *Commission* may consider the request at its discretion.

15 **14.060 Employment of individual to respond to inquiries from the**
16 ~~{board}~~ *Board*.

17 1. Each manufacturer and operator shall employ or retain an individual who
18 understands the design and function of each of its gaming devices, cashless
19 wagering systems, inter-casino linked systems, mobile gaming systems, or
20 interactive gaming systems who shall respond within the time specified by the
21 ~~{chairman}~~ *Chair* to any inquiries from him concerning the gaming device, cashless
22 wagering system, inter-casino linked system, mobile gaming system, or interactive
23 gaming system or any modifications to the gaming device, cashless wagering
24 system, inter-casino linked system, mobile gaming system, or interactive gaming
25 system. Each manufacturer or operator shall on or before December 31st of each
26 year report in writing the name of the individual designated pursuant to this
27 section and shall report in writing any change in the designation within 15 days of
28 the change.

29 2. Each registered independent testing laboratory shall employ an individual
30 who understands the inspection and certification methodology, procedures, and

1 operation of the registered independent testing laboratory. Such person shall be
2 available during regular Nevada business hours to respond to requests from the
3 ~~{chairman}~~ *Chair*. Each registered independent testing laboratory shall provide
4 the ~~{board}~~ *Board* with the name of the employee performing this function as part
5 of their initial registration application materials, and shall report in writing any
6 subsequent change in the employee designated to perform this function within 15
7 days of the change.

8 **14.070 Board evaluation of new gaming devices.** The ~~{chairman}~~ *Chair*
9 may require transportation of not more than two working models of a new gaming
10 device to the new game lab of the ~~{board}~~ *Board* or some other location for review
11 and inspection. The manufacturer seeking approval of the device must pay the cost
12 of the inspection and investigation. The lab may dismantle the models and may
13 destroy electronic components in order to fully evaluate the device. The ~~{chairman}~~
14 *Chair* may require that the manufacturer provide specialized equipment or the
15 services of an independent technical expert to evaluate the device.

16 **14.075 Board evaluation of inter-casino linked systems.** The ~~{chairman~~
17 ~~or his designee}~~ *Chair* may require transportation of not more than one working
18 model of an inter-casino linked system to the ~~{board's}~~ *Board's* offices or some
19 other location for review and inspection pursuant to ~~{Regulation}~~ *section* 14.260.
20 The associated equipment manufacturer seeking approval of the system shall pay
21 the cost of the inspection and investigation. The ~~{board}~~ *Board* may dismantle the
22 model and may destroy electronic components in order to fully evaluate the inter-
23 casino linked system. The ~~{chairman}~~ *Chair* may require that the operator of an
24 inter-casino linked system provide specialized equipment or the services of an
25 independent technical expert to evaluate the inter-casino linked system.

26 **14.080 Field test of new gaming devices and new inter-casino linked**
27 **systems.**

28 1. The ~~{chairman}~~ *Chair*, in accordance with section 14.015, may allow or
29 require that one or more models of a new gaming device or inter-casino linked
30 system be tested at a licensed gaming establishment(s) for not more than 180 days

1 under terms and conditions that ~~he or she~~ *the Chair* may approve or require.
2 Upon written request of the manufacturer, distributor or operator, the ~~chairman~~
3 *Chair* may, by written agreement, allow the test period to be continued an
4 additional 90 days beyond the 180-day maximum field test period, for the purpose
5 of allowing the application for approval of the new gaming device or application to
6 operate a new inter-casino linked system to be acted upon by the ~~board~~ *Board*
7 and ~~commission~~ *Commission*. The ~~chairman~~ *Chair* shall report all field tests on
8 the agenda of the next regularly scheduled meeting of the ~~board~~ *Board* and
9 ~~commission~~ *Commission*.

10

11 2. In the interests of expediting the introduction of innovative, alternative and
12 advanced technology for gaming devices and inter-casino linked systems for use or
13 play in Nevada, a manufacturer may request its new gaming device or inter-casino
14 linked system be considered for evaluation under New Innovation Beta as an
15 alternative to the field testing process set forth under subsection 1.

16 (a) For purposes of this section only, the term “New Innovation Beta” means a
17 process of evaluating a new gaming device or inter-casino linked system utilizing a
18 field testing period under conditions and limitations described in this subsection.

19 (b) The terms and conditions imposed under the New Innovation Beta will be
20 set forth by the ~~chairman~~ *Chair*, and may include the requirement that a licensee
21 notify patrons that the new gaming device is part of such a field test and is being
22 exposed for play prior to finalization of the product in order to allow the evaluation
23 of the gaming device or inter-casino linked system at an earlier stage of the
24 regulatory approval process.

25 (c) The decision whether to permit a new gaming device or inter-casino linked
26 system to be evaluated utilizing New Innovation Beta is at the sole and absolute
27 discretion of the ~~chairman~~ *Chair*.

28 (d) When considering the request to evaluate a new gaming device or inter-
29 casino linked system utilizing New Innovation Beta, the ~~chairman~~ *Chair* will
30 consider factors including, without limitation, the ability of the gaming device to

1 accurately determine, evaluate, and display the game outcome, the ability of the
2 gaming device to accurately process the acceptance and award of all payments, and
3 the extent to which an inter-casino linked system complies with the requirements
4 of section 14.045.

5 (e) The ~~{chairman}~~ *Chair* may also consider the approval status of the gaming
6 device or inter-casino linked system in another state or foreign jurisdiction in
7 which gaming is legal and regulated by a government agency with standards for
8 gaming devices and inter-casino linked systems materially the same as those in
9 Nevada, the determination of which is within the sole discretion of the ~~{chairman}~~
10 *Chair*.

11 3. A manufacturer shall not modify a gaming device and an operator shall not
12 modify a new inter-casino linked system during the test period without the prior
13 written approval of the ~~{chairman}~~ *Chair*.

14 4. The ~~{chairman}~~ *Chair* may order termination of the test period, if ~~{he}~~ *the*
15 *Chair* determines, in ~~{his}~~ *the Chair's* sole and absolute discretion, that the
16 manufacturer, operator, or licensed gaming establishment has not complied with
17 the terms and conditions of the order allowing or requiring a test period or for any
18 cause deemed reasonable.

19 (a) If the test period is terminated due to the licensed gaming establishment's
20 failure to comply with the terms and conditions of the order allowing or requiring a
21 test period, the ~~{chairman}~~ *Chair* may order that the test be conducted at another
22 licensed gaming establishment.

23 (b) A manufacturer or operator may object to the termination of the test period
24 by filing a written objection with the ~~{commission}~~ *Commission*. The filing of an
25 objection shall not stay the order terminating the test. If the ~~{commission}~~
26 *Commission* fails to order resumption of the test within 60 days of the written
27 objection, the objection will be deemed denied. If the ~~{commission}~~ *Commission*
28 sustains the objection, the testing may be resumed under terms that may be
29 approved or required by the ~~{commission}~~ *Commission*.

30 5. A licensee or manufacturer, or their agent shall not play a new gaming

1 device during a test period. A licensee or operator, or their agent, shall not play a
2 gaming device or game connected to a new inter-casino linked system during a test
3 period.

4 6. If the ~~{chairman}~~ *Chair* has made a determination that a new gaming device
5 or new inter-casino linked system is not eligible for testing at a licensed gaming
6 establishment, ~~{he or she}~~ *the Chair* shall notify the manufacturer or operator in
7 writing. Not later than 10 days after receipt of such notification, the manufacturer
8 or operator may object to such a determination by filing written objection with the
9 ~~{commission}~~ *Commission*. If the ~~{commission}~~ *Commission* fails to order a test
10 period within 60 days of the written objection, the objection will be deemed denied.
11 If the ~~{commission}~~ *Commission* sustains the objection, the new gaming device or
12 new inter-casino linked system may be tested at a licensed gaming establishment
13 under terms and conditions that may be approved or required by the ~~{commission}~~
14 *Commission*.

15 **14.090 Certification by manufacturer.**

16 1. After completing its evaluation of a new gaming device, the ~~{board's}~~ *Board's*
17 new games lab shall send a report of its evaluation to the manufacturer seeking
18 approval of the device. The report must include an explanation of the manner in
19 which the device operates. The report must not include a position as to whether
20 the device should be approved. The manufacturer shall return the report within 15
21 ~~{working}~~ *business* days and shall either:

22 (a) Certify under penalty of perjury that to the best of its knowledge the
23 explanation is correct; or

24 (b) Make appropriate corrections, clarifications, or additions to the report and
25 certify under penalty of perjury that to the best of its knowledge the explanation
26 of the gaming device is correct as amended.

27 2. The ~~{chairman}~~ *Chair* may order additional evaluation and a field test of the
28 new gaming device of up to 60 days in addition to the test period provided for in
29 section 14.080 if ~~{he}~~ *the Chair* determines, based upon the manufacturer's
30 certification, that such additional evaluation is necessary.

1 **14.100 Final approval of new gaming devices and new inter-casino**
2 **linked systems.**

3 1. After completing its evaluation of the new gaming device or the operation of a
4 new inter-casino linked system, the ~~{board}~~ *Board* shall recommend to the
5 ~~{commission}~~ *Commission* whether the application for approval of the new gaming
6 device or operation of a new inter-casino linked system should be granted.

7 2. In considering whether a new gaming device or operation of a new inter-casino
8 linked system will be given final approval, the ~~{board}~~ *Board* and ~~{commission}~~
9 *Commission* shall consider whether:

10 (a) Approval of the new gaming device or operation of a new inter-casino linked
11 system is consistent with the public policy of this state.

12 (b) The terms of any agreement or written specifications permitted or required of
13 an operator by any other state or tribal government and affecting a multi-
14 jurisdictional progressive prize system:

15 (1) Comply with the provisions of these regulations; and

16 (2) Include procedures satisfactory to the ~~{commission}~~ *Commission* for:

17 ~~{(A)}~~ *(I)* Ensuring compliance with the requirements of subsection 3 of
18 section 14.040;

19 ~~{(B)}~~ *(II)* Resolution of patron disputes under procedural and substantive
20 requirements equal to or greater than the standards applied by the ~~{board}~~ *Board*;

21 ~~{(C)}~~ *(III)* Surveillance and security of gaming devices connected to such
22 system;

23 ~~{(D)}~~ *(IV)* Record-keeping and record-retention;

24 ~~{(E)}~~ *(V)* Control of access to any internal mechanism of gaming devices
25 connected to such system;

26 ~~{(F)}~~ *(VI)* Prior administrative approval of the ~~{chairman}~~ *Chair* for any
27 adjustments to progressive meters;

28 ~~{(G)}~~ *(VII)* Access by the ~~{board}~~ *Board* to audit compliance with the
29 requirements of this subparagraph; and

1 ~~{(H)}~~*(VIII)* Any special procedures necessary for a multi-jurisdictional
2 progressive prize system with lawfully operated gaming locations participating
3 outside the United States, including without limitation matters of currency
4 conversion and the availability of English translations of all relevant and material
5 documentation and information.

6 (c) For an inter-casino linked system of games of skill or hybrid games:

7 (1) The types of games that will be connected to such a system are compatible;

8 (2) The communications technology used to connect participating gaming
9 devices is adequate for the operating environment for such a system; and

10 (3) The progressive payoff schedules used for such systems are accurately
11 described for players and comply with subsection 3 of section 14.040.

12 Notwithstanding the provisions of ~~{regulation}~~ *sections* 5.110 and ~~{regulation}~~ 5.112,
13 such schedules may broaden and encourage participation in games with skill
14 attributes, by providing, without limitation, for partial prize awards, and prize
15 awards for games with different themes or based on the use of identifiers.

16 3. Commission approval of a gaming device or inter-casino linked system does
17 not constitute certification of the device's or inter-casino linked system's safety.

18 Commission approval of a multi-jurisdictional progressive prize system shall
19 include approval of any agreement or written specifications permitted or required
20 by any other state or tribal government and affecting such system. The ~~{chairman}~~
21 *Chair* will complete any written acknowledgement necessary to document the
22 ~~{commission's}~~ *Commission's* approval of any such agreement or written
23 specifications. The prior administrative approval of the ~~{chairman}~~ *Chair* is
24 required of any modification to such agreement or written specifications.

25 4. A manufacturer or distributor who becomes aware that a gaming device or
26 ~~{associated equipment}~~ *inter-casino linked system* approved by the ~~{commission}~~
27 *Commission* or the ~~{board}~~ *Board* no longer complies with the regulations of the
28 ~~{commission}~~ *Commission* or the technical standards adopted pursuant to
29 ~~{regulation}~~ *section* 14.050 shall notify the ~~{board}~~ *Board* in writing within ~~{3}~~ *three*
30 business days.

1 **14.105 Installation of a system based game or a system supported game.**

2 A licensee shall not install or use a system based game or system supported game
3 without prior written approval of the system network implementation from the
4 ~~{chairman or his designee}~~ *Chair*. Additionally, any modifications to the approved
5 network implementation must be approved by the ~~{chairman or his designee}~~
6 *Chair*. Applications for approval to install or modify a system based game or
7 system supported game shall be made and processed in such manner and using
8 such forms as the ~~{chairman}~~ *Chair* may prescribe. The applicant seeking approval
9 of the installation shall pay the cost of the investigation.

10 **14.110 Approval to modify gaming devices or inter-casino linked**
11 **systems; applications and procedures.**

12 1. Modifications to gaming devices may only be made by licensed manufacturers
13 who have received prior written approval of the ~~{chairman}~~ *Chair*. Inter-casino
14 linked system modifications may only be made by operators of such systems who
15 have received prior written approval of the ~~{chairman}~~ *Chair*.

16 ↪ The ~~{chairman}~~ *Chair*, in ~~{his}~~ *the Chair's* sole and absolute discretion, may refer
17 an inter-casino linked system modification to the full ~~{board}~~ *Board* and
18 ~~{commission}~~ *Commission* for consideration of approval. In an emergency when a
19 modification is necessary to prevent cheating or malfunction, the ~~{chairman}~~ *Chair*
20 may, in ~~{his}~~ *the Chair's* sole and absolute discretion, orally approve a modification
21 to be made by a manufacturer or operator. Within 15 days of the emergency
22 modification, the manufacturer or operator making such modification shall submit a
23 written request for approval of the modification that shall contain the information
24 required by subsection 3 and such other information as required by the ~~{chairman}~~
25 *Chair*.

26 2. A manufacturer shall not modify a gaming device unless the device, as
27 modified, meets the standards of section 14.040. An operator shall not modify an
28 inter-casino linked system unless the system, as modified, meets the standards of
29 section 14.045. The ~~{chairman}~~ *Chair* may, in ~~{his}~~ *the Chair's* sole and absolute
30 discretion, waive all or some of the standards of section 14.040 or section 14.045,

1 respectively, if the modification is necessary to prevent cheating or malfunction. A
2 waiver shall be effective when the manufacturer or operator receives a written
3 notification from the ~~chairman~~ *Chair* that all or some of the standards will be
4 waived pursuant to this subsection. A waiver of all or some of the standards
5 pursuant to this subsection is not an approval of the modification.

6 3. Applications for approval to modify a gaming device or an inter-casino linked
7 system shall be made by a manufacturer and processed in such manner and using
8 such forms as the ~~chairman~~ *Chair* may prescribe. Each application shall include,
9 in addition to such other items or information as the ~~chairman~~ *Chair* may require:

10 (a) A complete, comprehensive, and technically accurate description and
11 explanation of the modification in both technical and lay language signed under
12 penalty of perjury;

13 (b) Unless the standards of section 14.040 or section 14.045 have been waived
14 pursuant to subsection 2, a statement under penalty of perjury that to the best of
15 the manufacturer's knowledge, the gaming device, as modified, meets the standards
16 of section 14.040 or, in the case of an inter-casino linked system, a statement under
17 penalty of perjury that to the best of the operator's knowledge the inter-casino
18 linked system, as modified, meets the standards of section 14.045;

19 (c) In the case of a gaming device:

20 (1) A copy of all executable software, including data and graphic information,
21 and a copy of all source code for programs that cannot be reasonably demonstrated
22 to have any use other than in a gaming device, submitted on electronically readable,
23 unalterable media;

24 (2) A copy of all graphical images displayed on the gaming device including,
25 but not limited to, reel strips, rules, instructions and paytables;

26 (d) In the case of a modification to the control program of a gaming device that
27 includes software, source language or executable code designed or developed by an
28 independent contractor:

29 (1) The name of the independent contractor; and

1 (2) A general subject matter description of such software, source language or
2 executable code compiled into the control program as part of the submission to the
3 ~~{board}~~ *Board*;

4 (e) In the case of an inter-casino linked system:

5 (1) An operator's manual;

6 (2) An internal control system;

7 (3) A hold harmless agreement;

8 (4) A graphical representation of the system theme and all related signage;

9 and

10 (5) Information sufficient to calculate a theoretical payoff schedule amount.

11 (f) All materials relating to the results of the registered independent testing
12 laboratory's inspection and certification process that are required under section
13 14.400.

14 **14.120 Board evaluation of modifications.**

15 1. The ~~{chairman or his designee}~~ *Chair* may require transportation of not more
16 than two working models of a modified gaming device or not more than one working
17 model of a modified inter-casino linked system, or any component thereof, to the
18 ~~{board's}~~ *Board's* offices or some other location for review and inspection. The
19 manufacturer or operator seeking approval of the modification shall pay the cost of
20 the inspection and investigation. The ~~{board}~~ *Board* may dismantle the models and
21 may destroy electronic components in order to fully evaluate the modified gaming
22 device or inter-casino linked system, or component. The ~~{chairman}~~ *Chair* may
23 require that the manufacturer or operator provide specialized equipment or the
24 services of an independent technical expert to evaluate the modification.

25 2. The ~~{chairman}~~ *Chair* has sole and absolute discretion to determine whether
26 the requested modification of a gaming device renders the device sufficiently
27 different so that the modified device should be treated as a new gaming device. If
28 the ~~{chairman}~~ *Chair* makes such a determination, ~~{he}~~ *the Chair* shall notify the
29 manufacturer in writing. The manufacturer may file an application for approval of a
30 new gaming device.

1 3. The manufacturer or operator shall submit materials relating to the results of
2 the registered independent testing laboratory's inspection and certification process
3 that are required under section 14.400.

4 **14.130 Field test of modified gaming devices and modified inter-casino**
5 **linked systems.**

6 1. The ~~{chairman}~~ *Chair* may allow or require that one or more models of a
7 modified gaming device or modified inter-casino linked system be tested at a
8 licensed gaming establishment for not more than 180 days under terms and
9 conditions that ~~{he or she}~~ *the Chair* may approve or require.

10 2. In the interests of expediting innovative, alternative and advanced
11 technology in the modification of gaming devices and inter-casino linked systems
12 approved for use or play in Nevada, a manufacturer may request a modification to
13 its gaming device or inter-casino linked system be considered for evaluation under
14 New Innovation Beta as an alternative to the field testing process set forth under
15 subsection 1.

16 (a) For purposes of this section only, the term “New Innovation Beta” means a
17 process of evaluating a modification to a gaming device or inter-casino linked
18 system utilizing a field testing period under conditions and limitations described in
19 this subsection.

20 (b) The terms and conditions imposed under New Innovation Beta will be set
21 forth by the ~~{chairman}~~ *Chair*, and may include the requirement that a licensee
22 notify patrons that the modification to an approved gaming device or inter-casino
23 linked system is part of such a field evaluation and is being exposed for play prior
24 to finalization of the product in order to allow the evaluation of the modification to
25 the gaming device or inter-casino linked system at an earlier stage of the
26 regulatory approval process.

27 (c) The decision whether to permit a modification to an approved gaming device
28 or inter-casino linked system to be evaluated utilizing New Innovation Beta is at
29 the sole and absolute discretion of the ~~{chairman}~~ *Chair*.

30 (d) When considering the request to evaluate a modification to an approved

1 gaming device or inter-casino linked system utilizing New Innovation Beta, the
2 ~~{chairman}~~ *Chair* will consider factors including, without limitation, the ability of
3 the gaming device to accurately determine, evaluate, and display the game
4 outcome, the ability of the gaming device to accurately process the acceptance and
5 award of all payments, and the extent to which an inter-casino linked system
6 complies with the requirements of section 14.045.

7 (e) The ~~{chairman}~~ *Chair* may also consider the approval status of the
8 modification to an approved gaming device or inter-casino linked system in
9 another state or foreign jurisdiction in which gaming is legal and regulated by a
10 government agency with standards for modifications of gaming devices and inter-
11 casino linked systems materially the same as those in Nevada, the determination
12 of which is within the sole discretion of the ~~{chairman}~~ *Chair*.

13 3. A manufacturer shall not further modify a gaming device and an operator
14 shall not further modify an inter-casino linked system during the test period
15 without the prior written approval of the ~~{chairman}~~ *Chair*.

16 4. The ~~{chairman}~~ *Chair* may order termination of the test period if ~~{he or she}~~
17 *the Chair* determines, in ~~{his or her}~~ *the Chair's* sole and absolute discretion, that
18 the manufacturer, operator, or licensed gaming establishment has not complied
19 with the terms and conditions of the order allowing or requiring a test period or for
20 any cause deemed reasonable.

21 5. A licensee or manufacturer, or their agent shall not play a modified gaming
22 device during a test period. A licensee or operator, or their agent shall not play a
23 gaming device or game connected to a modified inter-casino linked system during a
24 test period.

25 6. If the ~~{chairman}~~ *Chair* has made a determination that the modified gaming
26 device or modified inter-casino linked system is not eligible for testing at a licensed
27 gaming establishment, ~~{he or she}~~ *the Chair* shall notify the manufacturer or
28 operator in writing.

29 **14.140 Final approval of modifications.** The ~~{chairman}~~ *Chair* shall notify
30 the manufacturer or operator in writing of ~~{his}~~ *the Chair's* decision to approve or

1 disapprove a modification.

2

3 **14.160 Duplication of program storage media.** A licensee other than a
4 manufacturer shall not duplicate the contents of gaming device program storage
5 media unless its duplication process has received written approval of the
6 ~~{chairman}~~ *Chair*.

7 **14.170 Marking, registration, and distribution of gaming devices.**

8 1. Except as otherwise provided in subsection 2, a manufacturer or distributor
9 shall not distribute a gaming device unless the gaming device has:

10 (a) A permanent serial number which must be affixed as required by the
11 provisions of the Gaming Device Act of 1962, 15 U.S.C. 1173; and

12 (b) For devices distributed in this state:

13 (1) A permanent serial number which must be the same number as given the
14 device pursuant to the provisions of the Gaming Device Act of 1962, 15 U.S.C.
15 1173, permanently stamped or engraved in lettering no smaller than 5 millimeters
16 on the metal frame or other permanent component of the device and on a
17 removable metal plate attached to the cabinet of the device; and

18 (2) The ~~{board}~~ *Board* approval number or, if the device has been modified
19 since initial approval of the device, the modification approval number affixed on all
20 program storage media placed in the device.

21 2. The ~~{chairman}~~ *Chair* may, in ~~{his}~~ *the Chair's* sole and absolute discretion,
22 waive the requirements of subsection 1 if:

23 (a) The device was manufactured prior to January 1, 1962, and the
24 manufacturer or distributor permanently stamps or engraves in lettering no
25 smaller than 5 millimeters a distributor's identification code assigned by the
26 ~~{chairman}~~ *Chair* and a ~~{seriatim}~~ *serial* number on the metal frame or other
27 permanent component of each device covered by this subsection.

28 (b) The program storage media in 1(b) can be altered through a means that does
29 not require removal from the device or if the *physical* size of such media does not
30 permit it.

1 3. Each manufacturer or distributor shall keep records of the date of each
2 distribution, the serial numbers of the devices, the ~~{board}~~ *Board* approval
3 number, or if the device has been modified since initial approval of the device, the
4 modification approval number, and the name, addresses and telephone numbers of
5 the person to whom the gaming devices have been distributed for use or play in
6 Nevada and shall provide such records to the ~~{chairman}~~ *Chair* immediately upon
7 ~~{his}~~ *the Chair's* request.

8 4. For all gaming devices distributed from a location within Nevada that are
9 not for use or play in Nevada, a manufacturer or distributor shall provide any and
10 all records documenting such distributions to the ~~{chairman}~~ *Chair* upon request.
11 Such records shall include the information required under the Gambling Device
12 Act of 1962, 15 U.S.C. 1173, and shall be retained for a period of five years.

13 **14.180 Approval for category I licensees to distribute gaming devices**
14 **out of Nevada; applications and procedure; recordkeeping requirements**
15 **for category II licensees; extraterritorial distribution compliance;**
16 **inspection of facilities and devices.**

17 1. Subject to the exemption set forth in subsection 4, category I manufacturers
18 and distributors shall not distribute gaming devices out of this state without
19 applying for and receiving the prior written approval of the ~~{chairman}~~ *Chair*.
20 Applications for such approval to distribute gaming devices out of this state must be
21 made, processed, and determined in such manner and using such forms as the
22 ~~{chairman}~~ *Chair* may prescribe. Each application must include, in addition to such
23 other items or information as the ~~{chairman}~~ *Chair* may require:

24 (a) The full name, state of residence, address, telephone number, social security
25 number, and driver's license number of both the purchaser and the person to whom
26 the shipment is being made, if neither is currently licensed by the ~~{commission}~~
27 *Commission*. If the purchaser or person to whom the shipment is being made does
28 not have a social security number or driver's license number, the birth date of the
29 purchaser or person to whom the shipment is being made may be substituted;

1 (b) The name and permanent address of the purchaser or person to whom the
2 shipment is being made if either is currently licensed by the ~~commission~~
3 *Commission*;

4 (c) The destination, including the port of exit if the destination is outside the
5 continental United States;

6 (d) The number of devices to be shipped;

7 (e) The serial number of each device;

8 (f) The model number of each device and year each device was manufactured, if
9 known;

10 (g) The denomination of each device;

11 (h) The expected date and time of shipment; and

12 (i) The method of shipment and name and address of carrier.

13 2. Except as provided in paragraph (c) of this subsection, category II
14 manufacturers and distributors are exempt from subsection 1, and shall:

15 (a) Prepare and maintain records of the information required by the Gaming
16 Devices Act of 1962, 15 U.S.C. 1173. The records and documentation required by
17 this paragraph ~~(a) will~~ *shall* be retained for a period of five years and must be
18 produced for inspection upon request by the ~~board~~ *Board*. The failure to prepare
19 and maintain such records and documentation will be an unsuitable method of
20 operation.

21 (b) Submit to the ~~board~~ *Board* on or before the 15th day of January and July of
22 each calendar year an electronic record of the name and address of all current
23 customers which shall be in a searchable format. The record required by this
24 paragraph ~~(b) will~~ *shall* be received and retained by the ~~board~~ *Board* as
25 confidential pursuant to NRS 463.120.

26 (c) A category II manufacturer and distributor may by written notice to the
27 ~~chairman~~ *Chair* elect to be treated as and comply with the requirements of this
28 ~~regulation~~ *section* applicable to a category I manufacturer and distributor.

29 3. Manufacturers and distributors shall not ship gaming devices to a destination
30 where possession of a gaming device is unlawful.

1 4. Category I manufacturers and distributors are exempt from the requirements
2 of subsection 1 ~~[of this regulation]~~ for shipments of gaming devices provided:

3 (a) The gaming devices are only distributed to:

4 (1) Persons licensed to expose such devices for play or for further distribution,
5 in the jurisdiction of destination or by a tribal gaming authority in the jurisdiction
6 of destination;

7 (2) A federal, state or tribal gaming regulatory authority or law enforcement
8 agency; or

9 (3) A testing laboratory authorized by an entity identified within
10 subparagraph (2) of this paragraph.

11 (b) The category I manufacturer and distributor files the information required by
12 subsection 1 on or before the 15th of the month following the month of distribution.

13 ↪ The ~~[chairman]~~ *Chair* may publish a list of jurisdictions or licensees to which this
14 exemption does not apply and where category I manufacturers and distributors may
15 not ship gaming devices without prior approval as required by subsection 1 ~~[of this-~~
16 ~~regulation]~~.

17 5. Category I manufacturers and distributors shall obtain and thereafter
18 maintain, a statement by the purchaser under penalty of perjury that each device
19 will be used only for lawful purposes, unless the purchaser is currently licensed by
20 the ~~[commission]~~ *Commission* or comparable agency of another state or tribal
21 gaming agency or the destination is outside the United States.

22 6. Manufacturers and distributors shall, on or before the 15th day of January of
23 each calendar year, give the ~~[board]~~ *Board* a copy of the documentation evidencing
24 registration with the United States Attorney General pursuant to the provisions of
25 the Gaming Devices Act of 1962, 15 U.S.C. 1173, for the ensuing year.

26 7. An agent of the ~~[board]~~ *Board* may inspect:

27 (a) The premises of manufacturers and distributors and all gaming devices
28 located therein.

29 (b) All gaming devices for which an application has been filed by a category I
30 manufacturer or distributor pursuant to subsection 1 ~~[of this regulation]~~ prior to

1 distribution out of this state. Category I manufacturers and distributors shall make
2 the gaming devices subject to such applications available for such inspection.

3 8. If the ~~chairman~~ *Chair* does not deny an application filed by a category I
4 manufacturer or distributor for approval to distribute gaming devices out of this
5 state pursuant to subsection 1 within ~~5-working~~ *five business* days of receipt of a
6 complete application, the application will be deemed to be approved.

7 9. A category I manufacturer or distributor shall keep a record of all shipments
8 made out of state of parts specifically designed for use in a gaming device. The
9 record must include the information set forth in subsection 1, if applicable. A
10 manufacturer or distributor shall not ship parts specifically designed for use in a
11 gaming device to a destination where possession of a gaming device is unlawful.

12 10. The ~~chairman~~ *Chair* may, in ~~his~~ *the Chair's* discretion, waive one or more
13 of the requirements of this section upon good cause shown.

14 11. As used in this section:

15 (a) "Category I manufacturer or distributor" means any manufacturer or
16 distributor licensed by the Commission that does not qualify as a category II
17 manufacturer or distributor.

18 (b) "Category II manufacturer or distributor" means any manufacturer or
19 distributor that:

20 (1) Is and has been licensed in good standing by the Commission for the
21 preceding five years;

22 (2) Is and has been licensed, registered, approved or qualified in at least ten
23 other domestic United States or tribal jurisdictions for the preceding three years;

24 (3) Maintains pursuant to or consistent with the requirements of ~~Regulation~~
25 *section 5.045* a compliance review and reporting system;

26 (4) Has annual gross sales exceeding \$5 ~~Million-Dollars~~ *million dollars* for
27 such licensee's preceding fiscal year;

28 (5) Maintains an office or other facility in the state of Nevada at which the
29 records required by this ~~Regulation~~ *section* are stored and may be inspected and
30 copied by the ~~board~~ *Board*; and

1 (6) Did not during the preceding year exclusively distribute used gaming
2 devices.

3 ↪ As used in this ~~{subparagraph}~~ *paragraph*, “used gaming devices” means gaming
4 devices previously used or played in a gaming operation in Nevada, including such
5 devices that have been in any way modified or refurbished since original
6 manufacture.

7 (c) “Current customer” means a person to whom the applicable manufacturer or
8 distributor has shipped or delivered a gaming device within the preceding six
9 months pursuant to a contract, agreement or other arrangement with such
10 manufacturer or distributor, or its affiliate, for the purchase, lease, license or other
11 right to use such gaming device.

12 **14.190 Approval for certain licensees to sell or dispose of gaming**
13 **devices.**

14 1. A licensee, other than a manufacturer and distributor, shall not dispose of
15 gaming devices without the prior written approval of the ~~{chairman}~~ *Chair*, unless
16 the devices are sold or delivered to its affiliated companies or a licensed
17 manufacturer or distributor, in which case approval is deemed granted.

18 2. A licensee, other than a manufacturer and distributor, shall not request
19 approval to sell or deliver gaming devices to a person other than its affiliated
20 companies or a licensed manufacturer or distributor unless the devices have been
21 marked pursuant to subsection 1 of ~~{regulation}~~ *section* 14.170.

22 3. Applications for approval to sell gaming devices under this ~~{regulation}~~ *section*
23 must be made, processed, and determined in such manner and using such forms as
24 the ~~{chairman}~~ *Chair* may prescribe. Each application must include the information
25 required by subsection 1 of ~~{regulation}~~ *section* 14.180, in addition to such other
26 items or information as the ~~{chairman}~~ *Chair* may require.

27 4. Applications for approval to dispose of gaming devices under this ~~{regulation}~~
28 *section* must be made, processed, and determined in such manner and using such
29 forms as the ~~{chairman}~~ *Chair* may prescribe.

1 **14.200 Maintenance of gaming devices.** A licensee shall not alter the
2 operation of approved gaming devices and shall maintain the gaming devices in a
3 suitable condition. Each licensee shall keep a written list of repairs made to gaming
4 devices offered for play to the public that require a replacement of parts that affect
5 the game outcome and shall make the list available for inspection by the ~~chairman~~
6 *Chair* upon ~~his~~ *the Chair's* request.

7 **14.210 Approval of promotional devices; applications and procedures.**

8 1. As used in this section, “promotional device” means a contrivance that
9 resembles a gaming device or slot machine that:

10 (a) Is playable without a wager being made; or

11 (b) Always pays out an amount in either cash or prizes that is equal to or greater
12 than the wager made.

13 2. A manufacturer or distributor shall not distribute a promotional device for use
14 in this state and a nonrestricted licensee shall not offer a promotional device for
15 play to the public unless the promotional device has been approved by the
16 ~~chairman~~ *Chair*. A restricted licensee shall not offer a promotional device for play
17 to the public unless the promotional device and the use of the promotional device
18 have both been approved by the ~~chairman~~ *Chair*.

19 3. Applications for approval of promotional devices must be made, processed, and
20 determined in such manner and using such forms as the ~~chairman~~ *Chair* may
21 prescribe. Each application must include, in addition to such other items or
22 information as the ~~chairman~~ *Chair* may require:

23 (a) A complete, comprehensive, and technically accurate description and
24 explanation of the manner in which the device operates and complies with all
25 applicable statutes, regulations and technical standards, signed under penalty of
26 perjury;

27 (b) The name and permanent address of the purchaser if the purchaser is
28 currently licensed by the ~~commission~~ *Commission*;

29 (c) The name, permanent address, social security number, and driver’s license
30 number of the purchaser if the purchaser is not currently licensed by the

1 ~~{commission}~~ *Commission*. If the purchaser does not have a social security number
2 or driver's license number, the purchaser's birth date may be substituted;

3 (d) The quantity and the serial numbers of the promotional devices being sold or
4 distributed; and

5 (e) A statement by the purchaser under penalty of perjury that the device will be
6 used only for lawful purposes.

7 **14.220 Summary suspension of approval of gaming devices and inter-**
8 **casino linked systems.**

9 1. The ~~{board}~~ *Board* may issue a summary order, with or without notice to the
10 manufacturer, distributor, operator, or licensee, suspending approval of a gaming
11 device or inter-casino linked system if it determines that the device or inter-casino
12 linked system does not operate:

13 (a) In the manner certified by the manufacturer pursuant to section 14.090;

14 (b) As approved by the ~~{commission}~~ *Commission*; or

15 (c) As approved by the ~~{chairman}~~ *Chair*, if the device has been modified since
16 initial approval of the device or inter-casino linked system.

17 2. After issuing an order pursuant to subsection 1, the ~~{board}~~ *Board* may seal or
18 seize all models of that gaming device or inter-casino linked system and shall
19 thereafter comply with subsections 5 and 6 of section 463.311 and sections 463.312
20 to 463.318 of the Nevada Revised Statutes.

21 **14.230 Approval of new games and game variations; applications and**
22 **procedures.**

23 1. A licensee shall not offer a new game for play unless the new game has been
24 approved by the ~~{commission}~~ *Commission*. A licensee shall not offer a game
25 variation for play unless the game variation has been approved in writing by the
26 ~~{chairman or his designee}~~ *Chair*.

27 2. Applications for approval of a new game or game variation must be made and
28 processed in such manner and using such forms as the ~~{chairman}~~ *Chair* may
29 prescribe. The applicant seeking approval of the new game or game variation shall

1 pay the cost of the investigation. Each application must include, in addition to such
2 other items or information as the ~~{chairman}~~ *Chair* may require:

3 (a) The name, permanent address, social security number, and driver's license
4 number of the person developing the new game or game variation. If the person
5 developing the new game or game variation does not have a social security number
6 or a driver's license number, ~~{his birth date}~~ *the person's birthdate* may be
7 substituted;

8 (b) The name of the game which must be different than the name of a game
9 currently approved by the ~~{commission}~~ *Commission*;

10 (c) A description of the new game or game variation, including the rules of play,
11 the proposed schedule of payouts, and a statistical evaluation of the theoretical
12 percentages of the game; and

13 (d) All materials relating to the results of the registered independent testing
14 laboratory's inspection and certification process that are required under section
15 14.400.

16 **14.240 Field trials of new games and game variations.**

17 1. The ~~{chairman}~~ *Chair* may allow or require that a new game or game
18 variation to be tested at a licensed gaming establishment for not more than 180
19 days under terms and conditions ~~{that he}~~ *the Chair* may approve or require.

20 2. The ~~{chairman}~~ *Chair* may order termination of the test period, if ~~{he}~~ *the*
21 *Chair* determines, in ~~{his}~~ *the Chair's* sole and absolute discretion, that the
22 developer of the new game or the licensed gaming establishment has not complied
23 with the terms and conditions of the order allowing or requiring a test period.

24 **14.250 Final approval of new games.** The ~~{board}~~ *Board* shall recommend to
25 the ~~{commission}~~ *Commission* whether the application for approval of the new game
26 should be granted. In considering whether a new game will be given final approval,
27 the ~~{board}~~ *Board* and ~~{commission}~~ *Commission* shall consider whether approval is
28 consistent with the public policy of this state.

29 **14.260 Approval of associated equipment; applications and procedures.**

1 1. Unless otherwise waived pursuant to subsection 2, a manufacturer or
2 distributor of associated equipment shall not distribute associated equipment
3 unless it has been approved by the ~~{chairman}~~ *Chair*. Applications for approval of
4 associated equipment shall be made and processed in such manner and using such
5 forms as the ~~{chairman}~~ *Chair* may prescribe. Each application must include, in
6 addition to such other items or information as the ~~{chairman}~~ *Chair* may require:

7 (a) The name, permanent address, social security number, and driver's license
8 number of the manufacturer or distributor of associated equipment unless the
9 manufacturer or distributor is currently licensed by the ~~{commission}~~ *Commission*.

10 If the manufacturer or distributor of associated equipment is a corporation, the
11 names, permanent addresses, social security numbers, and driver's license numbers
12 of the directors and ~~{Offieer}~~ *officers* must be included. If the manufacturer or
13 distributor of associated equipment is a partnership, the names, permanent
14 addresses, social security numbers, and driver's license numbers of the partners
15 and their partnership interest must be included. If social security numbers or
16 driver's license numbers are not available, the manufacturer's or distributor's birth
17 date may be substituted;

18 (b) A complete, comprehensive and technically accurate description and
19 explanation in both technical and lay language of the associated equipment or a
20 modification to previously approved associated equipment and its intended usage,
21 signed under penalty of perjury;

22 (c) Detailed operating procedures for the associated equipment;

23 (d) The standards under which such tests were performed, including Technical
24 Standards 2 and 3 if applicable, and the results of such testing that confirms the
25 associated equipment is functioning as represented, signed under penalty of
26 perjury; and

27 (e) All materials relating to the results of the registered independent testing
28 laboratory's inspection and certification process that are required under section
29 14.400.

1 2. Except as provided in subsection 3, upon written request from the
2 manufacturer or distributor of associated equipment, or as the ~~{chairman}~~ *Chair*
3 otherwise deems reasonable, ~~{he}~~ *the Chair* may, in ~~{his}~~ *the Chair's* sole and
4 absolute discretion, waive the approval requirement for associated equipment upon
5 such terms and conditions that ~~{he}~~ *the Chair* may approve or require or refer the
6 associated equipment to the full ~~{board}~~ *Board* and ~~{commission}~~ *Commission* for
7 consideration of approval.

8 3. Except as otherwise provided in subsection 4, the ~~{chairman}~~ *Chair* shall not
9 grant an approval pursuant to subsection 1 or waive such approval requirement
10 pursuant to subsection 2 with respect to any associated equipment that, when
11 installed, will allow a patron to use a debit instrument for purposes of making
12 electronic funds transfers from an independent financial institution to a game or
13 gaming device through a cashless wagering system until such time as the
14 appropriate regulations for such transfers are adopted.

15 4. The ~~{chairman}~~ *Chair* may grant approvals pursuant to subsection 1 or waive
16 such approval requirements pursuant to subsection 2 with respect to the use of a
17 prepaid access instrument in conjunction with an approved cashless wagering
18 system.

19 5. A manufacturer or distributor of associated equipment who becomes aware
20 that associated equipment approved by the ~~{board}~~ *Board* no longer complies with
21 the regulations of the ~~{commission}~~ *Commission* or the technical standards adopted
22 pursuant to ~~{regulation}~~ *section* 14.050 shall notify the ~~{board}~~ *Board* in writing
23 within ~~{3}~~ *three* business days.

24 **14.270 Board evaluation of associated equipment.** The ~~{chairman or his-~~
25 ~~designee}~~ *Chair* may require transportation of not more than ~~{2}~~ *two* working
26 models of associated equipment to the ~~{new game lab of the board}~~ *Board's offices*
27 or some other location for review and inspection. The manufacturer seeking
28 approval of the equipment must pay the cost of the inspection and investigation.
29 The lab may dismantle the associated equipment and may destroy electronic
30 components in order to fully evaluate the equipment. The ~~{chairman}~~ *Chair* may

1 require the manufacturer ~~{or distributor}~~ seeking approval *of the equipment* to
2 provide specialized equipment or the services of an independent technical expert to
3 evaluate the associated equipment.

4 **14.280 Field trial of associated equipment.**

5 1. The ~~{chairman or his designee}~~ *Chair* may allow or require that the associated
6 equipment be tested at licensed gaming establishments for not more than 180 days
7 under terms and conditions that ~~{he}~~ *the Chair* may approve or require. The
8 ~~{chairman}~~ *Chair* may allow an additional test period upon written request of the
9 manufacturer ~~{or distributor}~~ of associated equipment.

10 2. A manufacturer of associated equipment shall not modify associated
11 equipment during the test period without the prior oral approval of the ~~{chairman-~~
12 ~~or his designee}~~ *Chair*.

13 3. The ~~{chairman}~~ *Chair* may order termination of the test period, if ~~{he}~~ *the*
14 *Chair* determines, in ~~{his}~~ *the Chair's* sole and absolute discretion, that the
15 manufacturer or the distributor of the associated equipment or licensed gaming
16 establishment has not complied with the terms and conditions of the order allowing
17 or requiring a test period. If the test period is terminated due to the licensed
18 gaming establishment's failure to comply with the terms and conditions of the order
19 allowing or requiring a test period, the ~~{chairman}~~ *Chair* may order that the test be
20 conducted at another licensed gaming establishment.

21 **14.290 Installation of associated equipment.**

22 1. Except as otherwise provided in subsection 2, or ~~{regulation}~~ *subsection 4 of*
23 *section 14.260*~~{(4)}~~, a licensee shall not install or use associated equipment without
24 prior written approval of the ~~{chairman or his designee}~~ *Chair*, unless the
25 ~~{chairman}~~ *Chair* has waived the approval requirement pursuant to subsection 2 of
26 ~~{Regulation}~~ *section 14.260*. Applications for approval to install or use associated
27 equipment shall be made and processed in such manner and using such forms as
28 the ~~{chairman}~~ *Chair* may prescribe. The ~~{chairman}~~ *Chair* shall not approve any
29 use or installation(s) of associated equipment that allow a patron to use a debit
30 instrument for purposes of making electronic funds transfers from an independent

1 financial institution to a game or gaming device through a cashless wagering
2 system until such time as the appropriate regulations for such transfers are
3 adopted.

4 2. The ~~{chairman}~~ *Chair* may grant approvals for the use of or installation of
5 equipment used in conjunction with prepaid access instruments.

6 **14.300 Maintenance of associated equipment.** The manner in which
7 previously approved associated equipment operates may be altered only with the
8 prior written approval of the ~~{chairman or his designee}~~ *Chair*.

9 **14.302 Manufacturer or distributor of associated equipment;**
10 **registration of a manufacturer or distributor of associated equipment;**
11 **application and procedures.**

12 1. The initial application for registration and the application for renewal of
13 registration shall be made, processed, and determined using such forms as the
14 ~~{chairman}~~ *Chair* may require or approve and must be accompanied and
15 supplemented by such documents and information as may be specified or required.

16 2. Any applications for registration or renewal required under this section shall
17 be prepared and submitted by the relevant manufacturer or distributor of
18 associated equipment.

19 3. Fee Structure and Registration Period.

20 (a) Upon submission of an application for registration as a manufacturer or
21 distributor of associated equipment or renewal application, the applicant shall pay
22 an application fee of \$1,000.

23 (b) Before the ~~{commission}~~ *Commission* issues an initial registration or renewal
24 of any registration for a manufacturer or distributor of associated equipment, the
25 manufacturer or distributor of associated equipment shall pay an issuance fee of
26 \$1,000.

27 (c) The registration of a manufacturer or distributor of associated equipment
28 registered after October 1, 2015 shall be effective for three calendar years from the
29 effective date of the registration or renewal. Any manufacturer or distributor
30 deemed registered pursuant to NRS 463.665(7) must submit a complete application

1 during the 2016 calendar year according to the 1st day of the month the original
2 registration became effective. This and subsequent renewals will be effective for 3
3 calendar years.

4 4. Each registered associated equipment manufacturer or distributor shall
5 inform the ~~{board}~~ *Board* in writing of any changes in the ownership, officers, or
6 directors of the manufacturer or distributor of associated equipment. Reports
7 required under this subsection shall be made to the ~~{board}~~ *Board* within 30 days of
8 occurrence.

9 **14.305 Manufacturer or distributor of associated equipment;**
10 **determination of suitability.**

11 1. In addition to the requirements of this regulation requiring a manufacturer or
12 distributor of associated equipment to be registered, the ~~{commission}~~ *Commission*
13 may, pursuant to NRS 463.665 and upon recommendation of the ~~{board}~~ *Board*,
14 require a manufacturer or distributor of associated equipment who sells, transfers
15 or offers the associated equipment for use or play in Nevada to file an application
16 for a finding of suitability to be a manufacturer or distributor of associated
17 equipment.

18 2. The ~~{commission}~~ *Commission* may, pursuant to NRS 463.665 and upon
19 recommendation of the ~~{board}~~ *Board*, require any person who directly or indirectly
20 involves himself or herself in the sale, transfer or offering for use or play in Nevada
21 of such associated equipment who is not otherwise required to be licensed as a
22 manufacturer or distributor to file an application for a finding of suitability to be a
23 manufacturer or distributor of associated equipment.

24 3. The ~~{commission}~~ *Commission* shall give written notice of its decision to
25 require the filing of an application for a finding of suitability under subsection 1
26 and/or 2.

27 4. All investigative costs and fees associated with applications for a finding of
28 suitability are owed by the party required to file the application for a finding of
29 suitability. Failure to remit such costs and fees within such periods set by the
30 ~~{commission}~~ *Commission*, upon the advice of the ~~{board}~~ *Board*, will result in a

1 lapse of the registrations of the applicable manufacturer or distributor of associated
2 equipment and will constitute an unsuitable method of operation. Where the party
3 required to file an application to manufacture or distribute associated equipment is
4 not registered, failure to pay such investigative costs and fees is grounds for denial
5 of any application associated with such manufacture or distribution of associated
6 equipment.

7 5. Failure of any party described in subsections 1 or 2 to submit an application
8 for a finding of suitability within 30 days of being ~~demanded~~ *required* to do so by
9 the ~~commission~~ *Commission* shall constitute grounds for a finding of unsuitability
10 of that party.

11 6. If the ~~commission~~ *Commission* finds any manufacturer or distributor of
12 associated equipment, as described in subsection 1, or any person, as described in
13 subsection 2, to be unsuitable under this section:

14 (a) The registration of such manufacturer or distributor is thereupon revoked as
15 a matter of law;

16 (b) Any applications for registration as a manufacturer or distributor of
17 associated equipment associated with a party which is found unsuitable are deemed
18 denied as a matter of law; and

19 (c) All gaming licensees shall, upon written notification from the ~~board~~ *Board*
20 or ~~commission~~ *Commission*, terminate any existing relationships, direct or
21 indirect, with such unsuitable parties.

22 7. Failure of a gaming licensee to terminate any association or agreement, direct
23 or indirect, with any party found unsuitable upon receiving written notice of the
24 determination of unsuitability constitutes an unsuitable method of operation.

25 8. Failure of a registered manufacturer or distributor of associated equipment to
26 terminate any association or agreement with any party found unsuitable upon
27 receiving written notice of the determination of unsuitability shall constitute
28 grounds for the revocation of the registration of the manufacturer or distributor of
29 associated equipment.

1 9. The ~~{commission}~~ *Commission* retains jurisdiction to determine the suitability
2 of any party described in subsections 1 or 2 regardless of whether or not that party
3 has severed any relationship with a gaming licensee or registered manufacturer or
4 distributor of associated equipment.

5

6 **14.320 Sale of antique gaming devices.**

7 1. As used in this section~~;~~

8 ~~(a) “Chairman” means the chairman of the State Gaming Control Board or his~~
9 ~~designee.~~

10 ~~(b) “Antique~~, “*antique* gaming device” means a gaming device that was
11 manufactured before ~~{1951}~~ *1961*. For *the* purposes of this definition, the gaming
12 device must be completely mechanical in operation and all of the following parts
13 that make up the gaming device must have been made before ~~{1951}~~ *1961*:

14 ~~{(1)}~~ (a) The cabinet and substantially all castings;

15 ~~{(2)}~~ (b) The mechanical mechanism including the following essential parts, if
16 applicable: payout slide(s); clock; reels; mechanism base; mechanism side frames;
17 and

18 ~~{(3)}~~ (c) Escalator assembly and coin drop assembly.

19 2. Upon approval of the ~~{chairman}~~ *Chair* and compliance with the provisions of
20 this section, an owner of an antique gaming device who is not a licensed distributor
21 may sell such device through consignment with a licensed distributor. All such sales
22 shall be made only to a resident of a jurisdiction wherein ownership of such device
23 is legal.

24 3. A licensed distributor shall not distribute a consigned antique gaming device
25 without the approval of the ~~{chairman}~~ *Chair*. Applications for approval to sell a
26 consigned antique gaming device must be made, processed, and determined in such
27 manner and using such forms as the ~~{chairman}~~ *Chair* may prescribe and may be
28 denied by the ~~{chairman}~~ *Chair* for any cause ~~{he}~~ *the Chair* deems reasonable.

1 4. A licensed distributor shall submit an application to sell a consigned antique
2 gaming device. Each application must include, in addition to such other items or
3 information as the ~~chairman~~ *Chair* may require:

4 (a) The full name, address, telephone number, social security number, birth date
5 and driver's license number of the seller, the purchaser and the person to receive
6 the antique gaming device, if different from the purchaser;

7 (b) The serial number of each device. In the event a serial number does not exist,
8 the seller shall permanently engrave or stamp in lettering no smaller than 5
9 millimeters on the metal frame or other permanent component of the device, ~~his~~
10 *the seller's* initials, together with the last four digits of ~~his~~ *the seller's* social
11 security number, and a different number for each device sold sequentially
12 increasing starting with the number one (1);

13 (c) The manufacturer and model or description of each device;

14 (d) The year the device was manufactured;

15 (e) The denomination of each device, if applicable;

16 (f) The final sales price of each device;

17 (g) A written verification by the distributor that the device is an antique gaming
18 device;

19 (h) A statement by the purchaser under penalty of perjury that the antique
20 gaming device will be used only for lawful purposes; and

21 (i) A statement by the seller under penalty of perjury that the device meets the
22 definition of antique gaming device as set forth within subsection 1~~(b) above~~.

23 5. If the ~~chairman~~ *Chair* does not deny the application for approval to sell the
24 antique gaming device within ~~5 working~~ *five business* days of receipt of a complete
25 application, the application will be deemed to be approved.

26 6. Consigned antique gaming devices may be sold only at a licensed distributor's
27 location, or through a licensed distributor at an auction conducted by an auctioneer
28 licensed in the State of Nevada at a Board approved location.

1 7. In addition to the requirements of ~~[section]~~ *subsection* 4, if the antique gaming
2 device is sold at auction, the following shall be provided to the ~~[board]~~ *Board* by the
3 licensed distributor at least ~~[ten (10) working]~~ *10 business* days before the proposed
4 auction:

5 (a) The auctioneer's name, address and proof of licensing in the State of Nevada;

6 (b) The date, time and location of the proposed auction; and

7 (c) The information set forth within ~~[subsections]~~ *paragraphs* ~~[4]~~(b) through (e)
8 *of subsection 4.*

9 8. An agent of the ~~[board]~~ *Board* may inspect all antique gaming devices sold
10 pursuant to this section at any time prior to transfer of title thereto.

11 9. A person who is not the holder of a distributor's license who consigns to sell
12 antique gaming devices pursuant to this section shall not:

13 (a) Display or advertise for sale any gaming device anywhere in this state except
14 as permitted by ~~[Regulation]~~ *section* 14.340; or

15 (b) Solicit, accept, or execute orders for the purchase of any gaming device except
16 as permitted by ~~[Regulation]~~ *section* 14.330.

17 **14.330 Sale of gaming devices displayed or used in a private residence.**

18 1. A person who owns gaming devices for use or display in ~~[his]~~ *the person's*
19 private residence may sell a total of two such devices during any 12-month period,
20 without procuring a seller's or distributor's license therefor. Requests to sell gaming
21 devices must be made, processed, and determined in such manner and using such
22 forms as the ~~[chairman]~~ *Chair* may prescribe and may be granted by the ~~[chairman-
23 *or his designee]*~~ *Chair* upon good cause shown. If the ~~[board]~~ *Board* does not object
24 to the proposed transfer within ~~[5 working]~~ *five business* days after receipt of the
25 request, the proposed transfer may be effectuated.

26 2. Each request must include, in addition to such other items or information as
27 the ~~[chairman]~~ *Chair* may require:

28 (a) The full name, state of residence, address, telephone number, social security
29 number, and driver's license number of both the purchaser and the seller. If the

1 purchaser or the seller does not have a social security number or driver's license
2 number, the birth date of the purchaser or the seller may be substituted;

3 (b) The number of devices to be sold;

4 (c) The serial number of each device;

5 (d) The model number of each device and year each device was manufactured, if
6 known;

7 (e) The denomination of each device;

8 (f) The expected date and time of sale;

9 (g) Unless the purchaser is currently licensed by the ~~commission~~ *Commission*,
10 a statement by the purchaser under penalty of perjury that each device will be used
11 only for lawful purposes.

12 3. A person may own or obtain gaming devices through a lease for the limited
13 purpose of display or use in that person's private residence without procuring a
14 state gaming license therefor as long as consideration is not directly or indirectly
15 received for playing or owning the devices.

16 **14.340 Display and marketing of gaming devices by unlicensed entities.**

17 1. Except as provided in subsection 2, an unlicensed manufacturer or distributor
18 may display and market their respective gaming devices at organized gaming shows
19 and exhibitions within Nevada.

20 2. An unlicensed manufacturer or distributor shall not:

21 (a) Enter into contractual agreements for the sale of, nor accept orders for, their
22 gaming devices for use or play in Nevada at such organized gaming shows and
23 exhibitions; or

24 (b) Deliver or distribute gaming devices within Nevada without first procuring
25 and maintaining all required federal, state, county and municipal licenses pursuant
26 to ~~NRS 463.650(1)~~ *subsection 1 of NRS 463.650*, and thereafter, complying with
27 the provisions of sections 14.170 and 14.180.

28 3. An unlicensed manufacturer or distributor must conspicuously display a sign
29 at their trade show booth indicating that they are not licensed by the Nevada
30 Gaming Commission as a manufacturer and/or distributor.

1 **14.350 Independent testing laboratories; authority for ~~board~~ Board to**
2 **register and utilize; fees.**

3 1. The ~~board~~ Board is authorized to register and utilize independent testing
4 laboratories for the inspection and certification of any game, gaming device,
5 associated equipment, cashless wagering system, inter-casino linked system, mobile
6 gaming system or interactive gaming system, or any component thereof or
7 modification thereto, for use in Nevada.

8 2. The registration may be performed administratively by the ~~chairman~~ Chair.

9 (a) The ~~chairman~~ Chair may, at ~~his~~ the Chair's sole and absolute discretion,
10 approve the application if ~~he~~ the Chair determines that the applicant meets the
11 qualifications set forth under *subsection 6 of* section 14.360~~((6))~~.

12 (b) The ~~chairman~~ Chair may, at ~~his~~ the Chair's sole and absolute discretion,
13 condition or limit the registration of an independent testing laboratory in any
14 manner and for any reason ~~he~~ the Chair deems appropriate.

15 (c) The ~~chairman~~ Chair may, at ~~his~~ the Chair's sole and absolute discretion,
16 deny the application if ~~he~~ the Chair determines that the applicant has failed to
17 meet the qualifications set forth under *subsection 6 of* section 14.360~~((6))~~.

18 (d) An applicant for registration may have a decision of the ~~chairman~~ Chair
19 relating to its application reviewed pursuant to the administrative approval review
20 and appeal process set forth under sections 4.185, 4.190, and 4.195 of these
21 regulations.

22 3. The ~~chairman~~ Chair, at ~~his~~ the Chair's sole and absolute discretion, may
23 forgo approving or denying an application for registration by referring the
24 application to another ~~board~~ Board member or to the full ~~board~~ Board for
25 consideration. If referred to the full ~~board~~ Board, the ~~board~~ Board may make a
26 recommendation to the ~~commission~~ Commission to approve or deny the application
27 for registration, conditioned or limited in any manner and for any reason it deems
28 appropriate. The ~~commission~~ Commission, upon recommendation of the ~~board~~
29 Board, may approve or deny the application for registration, conditioned or limited
30 in any manner and for any reason it deems appropriate.

1 4. The manufacturer or operator shall be solely responsible for the payment of
2 any fees imposed by the independent testing laboratory for its services. The fees to
3 be charged shall be determined solely between the manufacturer or operator and
4 the independent testing laboratory.

5 5. The manufacturer or operator shall pay any and all costs associated with any
6 review or approval the ~~board~~ *Board* performs of a game, gaming device, associated
7 equipment, cashless wagering system, inter-casino linked system, mobile gaming
8 system or interactive gaming system, or any ~~components~~ *component* thereof or
9 modification thereto, including any costs associated with the ~~board's~~ *Board's*
10 review of the registered independent laboratory's inspection, certification or review
11 as described in subsection 1 ~~above~~ or in *subsection 1 of section 14.360*~~(1)~~.

12 **14.360 Independent testing laboratories; registration requirement;**
13 **qualifications.**

14 1. The following persons or entities must register with the ~~board~~ *Board* under
15 this section:

16 (a) Any independent testing laboratory that intends to inspect and certify games,
17 gaming devices, associated equipment, cashless wagering systems, inter-casino
18 linked systems, mobile gaming systems or interactive gaming systems, or any
19 components thereof or modifications thereto, for use in Nevada; and

20 (b) Each person or entity that owns or has significant control over the operations
21 of the independent testing laboratory seeking registration, including any
22 intermediary entities.

23 2. In order to register, an independent testing laboratory must submit an
24 application for registration to the ~~board~~ *Board* as set forth in section 14.370.

25 3. The ~~chairman~~ *Chair*, in ~~his~~ *the Chair's* sole and absolute discretion, may
26 require each testing facility at which an independent testing laboratory conducts
27 inspection and certification procedures to register individually.

28 4. Each independent testing laboratory must be registered for each category of
29 inspection and certification for which the laboratory seeks to provide results. The
30 categories of inspection and certification include:

- 1 (a) Games and game variations;
- 2 (b) Gaming devices and gaming device modifications;
- 3 (c) Gaming associated equipment and gaming associated equipment
- 4 modifications;
- 5 (d) Cashless wagering systems and cashless wagering system modifications;
- 6 (e) Inter-casino linked systems and inter-casino linked system modifications;
- 7 (f) Mobile gaming systems and mobile gaming system modifications; ~~and~~
- 8 (g) Interactive gaming systems and interactive gaming system modifications;
- 9 *and*
- 10 (h) Any other category of inspection and certification that the ~~chairman~~ *Chair*
- 11 may deem appropriate.

12 5. The ~~board~~ *Board* shall maintain a list of registered independent testing

13 laboratories on its website along with the categories of inspection and certification

14 each is registered to perform.

15 6. To qualify to be registered, the independent testing laboratory, and any other

16 person, entity or testing facility that is required to register, must:

- 17 (a) Demonstrate probity;
- 18 (b) Be independent from any manufacturer, distributor, or operator of any game,
- 19 gaming device, associated equipment, cashless wagering system, inter-casino linked
- 20 system, mobile gaming system or interactive gaming system, or any component
- 21 thereof or modification thereto, regardless of whether or not such person or entity is
- 22 licensed, registered, or otherwise does business in Nevada;
- 23 (c) Be accredited in accordance with ISO/IEC 17025 by an accreditation body
- 24 that is a signatory to the International Laboratory Accreditation Cooperation
- 25 Mutual Recognition Agreement, unless the independent testing laboratory is only
- 26 seeking registration for the inspection and certification of games and game
- 27 variations;
- 28 (d) Demonstrate it is technically competent in testing the category of game,
- 29 device, or system in which it is seeking registration; *and*

1 (e) Demonstrate it is technically competent to test compliance with the
2 applicable Nevada statutes, regulations, standards and policies.

3 7. To be considered independent from a manufacturer, distributor, or operator
4 under *paragraph (b) of* subsection 6~~[(b) above]~~, the independent testing laboratory,
5 including its employees, management, directors, owners, compliance committee
6 members and gaming regulatory advisors, with the exception of the independent
7 testing laboratory's external accountants and attorneys:

8 (a) Must not have a financial or other interest, direct or otherwise, in a
9 manufacturer, distributor, or operator of any game, gaming device, associated
10 equipment, cashless wagering system, inter-casino linked system, mobile gaming
11 system or interactive gaming system, or any component thereof or modification
12 thereto, regardless of whether or not the person or entity is licensed, registered, or
13 otherwise does business in Nevada;

14 (b) Must not participate, consult, or otherwise be involved in the design,
15 development, programming, or manufacture of any game, gaming device, associated
16 equipment, cashless wagering system, inter-casino linked system, mobile gaming
17 system or interactive gaming system, or any component thereof or modification
18 thereto;

19 (c) Must not have any other interest in or involvement with a manufacturer,
20 distributor, or operator that could cause the independent testing laboratory to act in
21 a manner that is not impartial; and

22 (d) Such individuals shall not serve in any capacity with a manufacturer,
23 distributor, or operator beyond the scope of the independent testing laboratory's
24 engagement pursuant to these regulations.

25 ↪ The restrictions in subsection 7 ~~above~~ are not intended to limit an independent
26 testing laboratory, or the above listed individuals, from providing consulting
27 services to a manufacturer, distributor, or operator, provided that such services do
28 not directly or indirectly indicate, suggest, or imply how to design, develop,
29 program or manufacture a game, gaming device, associated equipment, cashless
30 wagering system, inter-casino linked system, mobile gaming system or interactive

1 gaming system, or any components thereof or modification thereto.

2 **14.370 Independent testing laboratories; registration; provisional**
3 **registration; application and procedures; waiver.**

4 1. Except as provided in subsection 2, an independent testing laboratory must
5 be registered with the ~~{board}~~ *Board* prior to providing inspection and certification
6 results for any game, gaming device, associated equipment, cashless wagering
7 system, inter-casino linked system, mobile gaming system or interactive gaming
8 system, or any component thereof or modification thereto, for use in Nevada.

9 2. Upon written request, the ~~{chairman}~~ *Chair* may, in ~~{his}~~ *the Chair's* sole and
10 absolute discretion and under such terms and limitations ~~{he sees}~~ *the Chair deems*
11 appropriate, issue a provisional registration to an independent testing laboratory
12 to allow it to perform the functions of a registered independent testing laboratory
13 while its application for registration is pending. Such provisional registration may
14 be revoked by the ~~{chairman}~~ *Chair* at any time and for any reason, including but
15 not limited to:

16 (a) If the investigation of the independent testing laboratory reveals that it does
17 not meet the qualifications to be registered with the ~~{board}~~ *Board*; or

18 (b) If the independent testing laboratory has violated the terms or limitations of
19 its provisional registration.

20 3. Any independent testing laboratory that has had its provisional registration
21 revoked by the ~~{chairman}~~ *Chair* may have the decision reviewed pursuant to the
22 administrative approval review and appeal process set forth under sections 4.190
23 and 4.195 of these regulations.

24 4. An application for registration as an independent testing laboratory shall be
25 made, processed, and determined using such forms as the ~~{chairman}~~ *Chair* may
26 require or approve and must be supplemented by such documents and information
27 as the ~~{chairman}~~ *Chair* may request. The information submitted with the
28 application shall include, but not be limited to, the following:

29 (a) Copies of all ISO/IEC 17025 certification and accreditation materials except
30 if the independent testing laboratory is only seeking registration for the inspection

- 1 and certification of games and game variations;
- 2 (b) All ISO required internal controls, policies and procedures, except if the
3 independent laboratory is only seeking registration for the inspection and
4 certification of games and game variations;
- 5 (c) Detailed description of the testing facilities;
- 6 (d) Detailed description of available testing staff and staff qualifications,
7 including education, training, experience and skill levels;
- 8 (e) Detailed description of available testing equipment;
- 9 (f) Copies of documented policies, systems, programs, procedures and
10 instructions to assure the quality of test results;
- 11 (g) Copies of all test scripts to be used for testing against the applicable Nevada
12 statutes, regulations, standards, and policies.
- 13 (h) Information regarding the business organization and ownership of the
14 applicant, including, but not limited to:
- 15 (1) Organization chart depicting the ownership structure of the applicant,
16 including, but not limited to, any parent and affiliated organizations;
- 17 (2) Organization chart depicting the applicant's management structure;
- 18 (3) List of all key employees and other individuals who have significant
19 involvement with the applicant's business operations;
- 20 (4) List of all officers, directors, partners, members, managers, trustees or
21 direct or beneficial owners of the independent testing laboratory and of any person
22 or entity that owns or has significant involvement with the activities of the
23 independent testing laboratory, including any intermediary entities.
- 24 (i) A statement subscribed by the applicant for registration that:
- 25 (1) The information being provided to the ~~{board}~~ *Board* is accurate and
26 complete;
- 27 (2) The applicant for registration agrees to cooperate with all requests,
28 inquiries, or investigations of the ~~{board}~~ *Board* and ~~{commission}~~ *Commission*;
- 29 (3) The applicant acknowledges that the ~~{board}~~ *Board* and ~~{commission}~~
30 *Commission* shall retain jurisdiction over the independent testing laboratory in

1 any matter involving a game, gaming device, associated equipment, cashless
2 wagering system, inter-casino linked system, mobile gaming system or interactive
3 gaming system, or any component thereof or modification thereto, that it certifies
4 for use in Nevada, even if its registration lapses, is voluntarily terminated, or is
5 revoked;

6 (4) The applicant for registration acknowledges that the ~~{commission}~~
7 *Commission* may demand that the independent testing laboratory, or any of its key
8 employees, managers, or owners, submit an application for finding of suitability as
9 an independent testing laboratory, and that a failure to submit such an application
10 within 30 days of the demand may constitute grounds for the revocation of the
11 independent testing laboratory's registration; and

12 (5) The applicant agrees to indemnify and hold harmless the State of Nevada,
13 the ~~{commission}~~ *Commission*, the ~~{board}~~ *Board*, and each of their members,
14 agents, and employees in their individual and representative capacities against
15 any and all claims, suits and actions, brought against the persons named in this
16 subsection by reason of any inspections or certifications performed by the applicant
17 as a registered independent testing laboratory, and all other matters relating
18 thereto, and against any and all expenses, damages, charges and costs, including
19 court costs and attorney fees, which may be sustained by the persons and entities
20 named in this subsection as a result of said claims, suits and actions.

21 5. The ~~{chairman}~~ *Chair* may require additional information from an
22 independent testing laboratory to supplement the registration application;

23 6. During the registration evaluation process, the ~~{board}~~ *Board* and its agents
24 shall conduct any investigation it deems reasonable, including any visit, review or
25 inspection of each independent testing laboratory seeking registration to evaluate
26 its qualifications and capabilities. The applicant is to bear the cost of all such site
27 visits and inspections held during the registration evaluation process.

28 7. The applicant is required to pay any and all costs associated with the
29 investigation and inspection of the applicant during the registration evaluation
30 period.

1 8. An independent testing laboratory is not considered registered with the
2 ~~{board}~~ *Board* until all of the above information, including any additional
3 information requested by the ~~{chairman}~~ *Chair*, has been provided and reviewed by
4 the ~~{board}~~ *Board*, all costs relating to site visits performed by the ~~{board}~~ *Board*
5 have been paid in full, all other costs associated with the investigation and
6 inspection of the applicant have been paid in full, and the ~~{chairman}~~ *Chair* has
7 issued written notice of the completion of the registration process to the
8 independent testing laboratory.

9 9. Upon written request, the ~~{chairman}~~ *Chair* in ~~{his}~~ *the Chair's* sole and
10 absolute discretion, may waive any requirement in sections 3-7 above.

11 **14.380 Independent testing laboratories; notification and reporting**
12 **requirements.**

13 1. Registered independent testing laboratories must notify the ~~{board}~~ *Board* of
14 any change in ownership of the registered independent testing laboratory, any
15 change in directors, executives, or key management or employees of the
16 independent testing laboratory, and any other material changes to the information
17 included in its application for registration or the information submitted in
18 conjunction with or subsequent to its application within 30 days of such change.

19 2. By the 15th day of each January, a registered independent testing laboratory
20 shall inform the ~~{chairman}~~ *Chair* in writing of any changes to the information
21 that was contained on the registered independent testing laboratory's application
22 for registration or submitted in conjunction with or subsequent to its application. If
23 no change to that information has occurred since the last reporting date, the
24 registered independent testing laboratory must provide the ~~{chairman}~~ *Chair* with
25 a written affirmative statement indicating such.

26 3. Registered independent testing laboratories shall maintain copies of the
27 results of any ISO/IEC 17025 audits or reviews and shall notify the ~~{board}~~ *Board*
28 in writing of the ~~{of the}~~ availability of the results within 15 days of when they
29 become available to the registered independent testing laboratory. Such copies
30 shall be provided to the ~~{chairman}~~ *Chair* upon request.

1 **14.390 Independent testing laboratories; uniform protocols.**

2 1. In the interest of preserving a competitive gaming industry, a registered
3 independent testing laboratory shall not implement or maintain any procedure or
4 policy or take any action that would inhibit or prevent a manufacturer, distributor
5 or operator that has otherwise been deemed suitable for doing business in Nevada
6 by the ~~{board}~~ *Board* or ~~{commission}~~ *Commission* from submitting a game, gaming
7 device, associated equipment, cashless wagering system, inter-casino liked system,
8 mobile gaming system or interactive gaming system, or any component thereof or
9 modification thereto, for inspection and certification for use in Nevada, or that
10 would call into question or tend to erode the independence of the registered
11 independent laboratory from any clients that utilize its services.

12 2. A registered independent testing laboratory shall maintain a version
13 controlled system of testing documentation and methodologies it uses to provide
14 certification against the Nevada regulatory structure, and such materials shall be
15 made available to the ~~{board}~~ *Board* upon request. Original testing documentation,
16 methodologies, and any revisions to the testing documentation or methodologies
17 must be approved by the ~~{board}~~ *Board* prior to being used to certify against the
18 Nevada regulatory structure.

19 3. All testing shall be performed using Nevada approved documentation and
20 methodologies, and must be conducted specifically in accordance with the Nevada
21 Gaming Control Act and the regulations adopted thereunder, and all technical
22 standards, control standards, control procedures, policies, and industry notices
23 implemented or issued by the ~~{board}~~ *Board*.

24 4. All testing shall be performed by a person directly employed by the registered
25 independent testing laboratory. The registered independent testing laboratory shall
26 not assign, delegate, subcontract, or otherwise engage any person not directly
27 employed by the registered independent testing laboratory for any testing for which
28 the laboratory has been registered in Nevada. The ~~{chairman}~~ *Chair*, in ~~{his}~~ *the*
29 *Chair's* sole and absolute discretion, may permit a registered independent testing
30 laboratory to utilize the services of a person other than a person directly employed

1 by the independent testing laboratory to perform certain specific functions
2 associated with the testing and certification procedures to be performed. Any such
3 request must be made in writing to the ~~{chairman}~~ *Chair* in advance of utilizing the
4 services of the ~~{third party}~~ *third-party*. Any permission granted under this
5 subsection must in writing and shall be limited as to time and scope in whatever
6 degree the ~~{chairman}~~ *Chair* deems appropriate under the circumstances and may
7 be revoked by the ~~{chairman}~~ *Chair* in writing at any time at ~~{his}~~ *the Chair's* sole
8 and absolute discretion.

9 5. A registered independent testing laboratory shall not utilize, rely on or
10 otherwise refer to any testing, results or work product performed by another
11 registered testing laboratory for any game, gaming device, associated equipment,
12 cashless wagering system, inter-casino linked system, mobile gaming system or
13 interactive gaming system, or any component thereof or modification thereto which
14 has not previously been approved by the ~~{board}~~ *Board*.

15 6. A registered independent testing laboratory shall implement and maintain a
16 hiring and background check that ensures, at a minimum, that no person is hired in
17 a position involving inspection or certification procedures relating to Nevada, or in a
18 position overseeing or managing an employee in such a position, who has:

19 (a) Failed to disclose or misstated information or otherwise attempted to mislead
20 the ~~{board}~~ *Board* or ~~{commission}~~ *Commission* with respect to any information the
21 person has provided to the ~~{board}~~ *Board* or ~~{commission}~~ *Commission*;

22 (b) Knowingly failed to comply with the provisions of NRS chapters 463, 463B,
23 464 or 465, or the regulations of the ~~{commission}~~ *Commission* at a previous place of
24 employment;

25 (c) Committed, attempted or conspired to commit any crime of moral turpitude,
26 embezzlement or larceny or any violation of any law pertaining to gaming, or any
27 crime which is inimical to the declared policy of this State concerning gaming;

28 (d) Committed, attempted or conspired to commit a crime which is a felony or
29 gross misdemeanor in this State or an offense in another state or jurisdiction which
30 would be a felony or gross misdemeanor if committed in this State and which

1 relates to the applicant's suitability or qualifications to work for the registered
2 independent testing laboratory;

3 (e) Been identified in the published reports of any federal or state legislative or
4 executive body as being a member or associate of organized crime, or as being of
5 notorious and unsavory reputation;

6 (f) Been placed and remains in the constructive custody of any federal, state or
7 municipal law enforcement authority; or

8 (g) Had any gaming license, registration or other like credential revoked or
9 committed any act which is a ground for the revocation of a gaming license,
10 registration or other professional credential held by the person or would have been
11 a ground for the revocation of a gaming license, registration or other professional
12 credential had the person held such license, registration, or credential.

13 ↪ All procedures conducted pursuant to this subsection and the results of those
14 procedures shall be documented by the registered independent laboratory. Such
15 documentation shall be made available to the ~~{chairman}~~ *Chair* upon request and
16 shall be maintained at all times while a person is employed by the registered
17 independent testing laboratory and for a minimum of five years after a person's
18 employment ends.

19 7. A registered independent testing laboratory shall implement and maintain a
20 system of peer review to monitor the quality of the inspection and certification
21 procedures performed by its employees.

22 8. A registered independent testing laboratory shall consult with the ~~{board}~~
23 *Board* prior to testing, evaluating, analyzing, certifying, verifying, or rendering
24 opinions for or on behalf of the ~~{board}~~ *Board* relating to any new technology or
25 concept.

26 9. A registered independent testing laboratory shall consult with a
27 representative of the ~~{board's}~~ *Board's* technology division on any questionable
28 interpretations of the Nevada regulatory structure as it relates to the inspection
29 and certification of any game, gaming device, associated equipment, cashless

1 wagering system, inter-casino linked systems, mobile gaming system or interactive
2 gaming system, or any component thereof or modification thereto.

3 10. A registered independent testing laboratory shall handle all information and
4 data prepared or obtained as part of the Nevada certification process as
5 confidential.

6 11. A registered independent testing laboratory shall implement and maintain
7 security and access control systems designed to secure and protect the
8 confidentiality of all equipment, software, and other information entrusted to it as
9 part of the Nevada inspection and certification process.

10 12. A registered independent testing laboratory is required to maintain all test
11 equipment in accordance with the manufacturer's specifications and
12 recommendations, and shall provide the ~~{board}~~ Board with evidence of such upon
13 demand.

14 13. A registered independent testing laboratory shall retain all submission and
15 testing related documentation. Such records may be maintained in electronic form.
16 The obligation to maintain such records continues even if the independent testing
17 laboratory ceases to be registered with the ~~{board}~~ Board, or otherwise ceases its
18 business operation. The independent testing laboratory may turn all such records
19 over to the ~~{board}~~ Board in electronic form as an alternative to having to maintain
20 such records after its deregistration or after its business operation ceases.

21 14. An onsite evaluation and review of each registered independent testing
22 laboratory shall be conducted by the ~~{board}~~ Board periodically to evaluate
23 certification results and to verify continued compliance with all registration
24 requirements and protocols.

25 15. The ~~{board}~~ Board shall, at all times, have immediate and unfettered access
26 to the registered independent laboratory's place(s) of business.

27 16. The ~~{board}~~ Board may establish a system to evaluate the continued quality
28 of the inspection and certification performed by a registered independent testing
29 laboratory.

1 17. A registered independent testing laboratory shall immediately notify the
2 ~~{board}~~ *Board* of any changes that may affect its ability to provide testing services.

3 18. A registered independent testing laboratory shall notify the ~~{board}~~ *Board*
4 immediately of any material issues concerning any game, gaming device, associated
5 equipment, cashless wagering system, inter-casino linked system, mobile gaming
6 system or interactive gaming system, or any component thereof or modification
7 thereto, that it inspected or certified for use in Nevada, which it becomes aware of
8 subsequent to it having issued its inspection and certification report relating
9 thereto.

10 19. A registered independent testing laboratory shall notify the ~~{board}~~ *Board*
11 immediately of any attempts by a manufacturer, distributor, or operator that has
12 attempted to improperly influence the registered independent testing laboratory, or
13 any of its employees, managers, or owners, in or in connection with any inspection
14 or certification services it is providing, has provided, or intends to provide.

15 20. A registered independent testing laboratory shall timely provide the ~~{board}~~
16 *Board* with such other information as the ~~{board}~~ *Board* or ~~{commission}~~
17 *Commission* may request or require.

18 21. The ~~{board}~~ *Board* may, as appropriate, periodically provide further
19 guidance as to what is required of a registered independent testing laboratory
20 through industry notices or other written communications.

21 22. A registered independent testing laboratory, its employees, management,
22 and owners shall remain independent of any manufacturer, distributor or operator
23 as set forth under *subsections 6 and 7 of* section 14.360~~[(6) and (7)]~~.

24 23. If a registered independent testing laboratory hires an individual who was
25 previously employed by, or performed any work for, a manufacturer, distributor or
26 operator within one year prior to the individual's date of employment with the
27 independent testing laboratory, the registered independent testing laboratory shall
28 not permit that person to inspect or certify any game, gaming device, associated
29 equipment, cashless wagering system, inter-casino linked system, mobile gaming
30 system or interactive gaming system, or any component thereof or modification

1 thereto, for use in Nevada, for which the person had any involvement with,
2 whatsoever, while ~~he or she~~ *the person* was employed by the manufacturer,
3 distributor or operator for a period of one year from the individual's date of
4 employment with the independent testing laboratory.

5 **14.395 Independent testing laboratories; manufacturer, distributor, and**
6 **operator prohibited actions.**

7 1. A manufacturer, distributor, or operator shall not:

8 (a) Attempt, directly or indirectly, to improperly influence a registered
9 independent testing laboratory, or any of its employees, management, or owners,
10 regarding a game, gaming device, associated equipment, cashless wagering system,
11 inter-casino linked system, mobile gaming system or interactive gaming system, or
12 any component thereof or modification thereto, that it, or another person or entity,
13 has submitted for inspection or certification for use in Nevada.

14 (b) Engage in any transaction with a registered independent testing laboratory it
15 is utilizing, has utilized, or intends to utilize to inspect or certify a game, gaming
16 device, associated equipment, cashless wagering system, inter-casino linked system,
17 mobile gaming system or interactive gaming system, or any component thereof or
18 modification thereto, for use in Nevada, in which the registered independent testing
19 laboratory is required to participate, consult, or otherwise be involved in the design,
20 development, programming, or manufacture of such items. This restriction is not
21 intended to limit a manufacturer, distributor, or operator from engaging such
22 registered independent testing laboratory to provide consulting services, provided
23 that such services do not directly or indirectly indicate, suggest, or imply how to
24 design, develop, program or manufacture such items.

25 2. Violation of the above prohibitions shall constitute an unsuitable method of
26 operation.

27 **14.400 Independent testing laboratories; inspection and certification**
28 **results.** Each registered independent testing laboratory shall provide the person
29 seeking inspection and certification with the results of the testing and certification
30 process that is to be submitted to the ~~board~~ *Board* in such manner and using such

1 forms as the ~~{chairman}~~ *Chair* may prescribe. The results shall include, in addition
2 to such other items or information as the ~~{chairman}~~ *Chair* may require, the
3 following:

4 1. A statement, signed under penalty of perjury, that the certification process
5 was conducted in accordance with ~~{board}~~ *Board* requirements and that the product
6 being certified meets the requirements of the Nevada Gaming Control Act and the
7 regulations adopted thereunder, and all technical standards, control standards,
8 control procedures, policies, and industry notices implemented or issued by the
9 ~~{board}~~ *Board* to the best of the registered independent testing laboratory's
10 knowledge and belief.

11 2. The name of the registered independent testing laboratory that performed the
12 testing;

13 3. The registration number of the registered independent testing laboratory that
14 performed the testing;

15 4. The location or locations of the facility or facilities the registered independent
16 testing laboratory used to perform the testing;

17 5. The internal reference number for the registered independent testing
18 laboratory;

19 6. The date the product was submitted to the registered independent testing
20 laboratory for regulatory certification;

21 7. The start and end dates of the product testing performed;

22 8. An attestation statement that the product source code was reproduced;

23 9. The part and version number or numbers of the product submitted for
24 certification;

25 10. The unseeded HMAC-SHA1 signature of all applicable files, or other method
26 as approved by the ~~{chairman}~~ *Chair*;

27 11. A description of the configuration of the product as tested;

28 12. A description of the scope of testing performed;

29 13. Identification of the Nevada approved testing document(s) by name and
30 version number;

1 14. A description of any issues found during the testing process and the
2 resolution thereof;

3 15. Identification of any modification that was not identified by the
4 manufacturer;

5 16. A complete description of the testing that was conducted as part of the
6 certification of the product that was not covered by a ~~{board}~~ *Board* approved
7 checklist; and

8 17. Any additional information regarding the testing of the product that the
9 registered independent testing laboratory considers appropriate for the ~~{board}~~
10 *Board* to consider as part of the approval process.

11 **14.410 Independent testing laboratories; termination of registration;
12 revocation of registration; retention of jurisdiction.**

13 1. A registered independent testing laboratory may request to terminate its
14 registration by providing written notice to the ~~{board}~~ *Board* of its intention at least
15 ~~{3}~~ *three* months before the expected date of termination. An independent testing
16 laboratory's registration under this subsection is not deemed terminated until the
17 ~~{chairman}~~ *Chair* provides written notification that the voluntary termination has
18 been granted.

19 2. The ~~{chairman}~~ *Chair* may revoke the registration of a registered independent
20 testing laboratory should ~~{he}~~ *the Chair* determine that it no longer meets the
21 qualifications necessary to be registered or has failed to comply with any of the
22 requirements of *this* regulation ~~{14}~~. Such revocation is at the sole and absolute
23 discretion of the ~~{chairman}~~ *Chair*. The ~~{chairman}~~ *Chair* shall provide written
24 notification within 30 days of the designated revocation date unless circumstances
25 are such that the interests of public health, safety, morals, good order and general
26 welfare warrant an earlier revocation.

27 3. Any independent testing laboratory aggrieved by a decision of the ~~{chairman}~~
28 *Chair* under subsections 1 or 2 ~~{above}~~ may pursue a review of that decision
29 pursuant to sections ~~{4.190-4.195}~~ *4.185, 4.190, and 4.195* of these regulations.

30 4. The ~~{board}~~ *Board* and ~~{commission}~~ *Commission* shall retain jurisdiction over

1 the independent testing laboratory in any and all matters relating to a game,
2 gaming device, associated equipment, cashless wagering system, inter- casino linked
3 system, mobile gaming system or interactive gaming system, or any component
4 thereof or modification thereto, that the independent testing laboratory certified for
5 use in Nevada while it was registered with the ~~{board}~~ *Board*.

6 **14.415 Independent testing laboratories; unsuitable method of**
7 **operation.** Failure of a registered independent testing laboratory to comply with
8 all of the requirements of *this* regulation ~~{14}~~ shall constitute an unsuitable method
9 of operation and shall be grounds for disciplinary action by the ~~{board}~~ *Board* and
10 the ~~{commission}~~ *Commission*.

11 **14.420 Independent testing laboratories; determination of suitability.**

12 1. Upon the recommendation of the ~~{board}~~ *Board*, the ~~{commission}~~ *Commission*
13 may require the following persons or entities to file an application for a finding of
14 suitability:

15 (a) A registered independent testing laboratory;

16 (b) Any employee of a registered independent testing laboratory; or

17 (c) Any officer, director, partner, principal, manager, member, trustee or direct
18 or beneficial owner of a registered independent testing laboratory or any person,
19 entity or intermediary entity that owns or has significant involvement with the
20 activities of a registered independent testing laboratory.

21 2. The ~~{commission}~~ *Commission* shall give written notice to the applicable
22 person or entity of its decision to require the filing of an application for finding of
23 suitability. Unless otherwise stated by the ~~{commission}~~ *Commission* in its written
24 notice, a person or entity that has been ordered to file an application for a finding of
25 suitability under this subsection may continue to function in their respective
26 capacity, unless and until the ~~{commission}~~ *Commission* finds the person or entity
27 to be unsuitable.

28 3. If the ~~{commission}~~ *Commission* finds a registered independent testing
29 laboratory to be unsuitable:

1 (a) All registrations of the independent testing laboratory will be deemed
2 immediately revoked;

3 (b) All licensed manufacturers, manufacturers of interactive gaming systems,
4 distributors and operators shall, upon written notification, immediately terminate
5 any existing relationships, direct or indirect, with such independent testing
6 laboratory;

7 (c) No further games, gaming devices, associated equipment, cashless wagering
8 systems, inter-casino linked systems, mobile gaming systems or interactive gaming
9 systems, or any component thereof or modification thereto, shall be inspected or
10 certified by the independent testing laboratory for use in Nevada.

11 (d) The approval of any game, gaming device, associated equipment, cashless
12 wagering system, inter-casino linked system, mobile gaming system or interactive
13 gaming system, or any component thereof or modification thereto, inspected and
14 certified by the independent testing laboratory for use in Nevada shall be subject to
15 revocation if it is determined that the reasons for the finding of suitability applies
16 thereto.

17 4. If the ~~commission~~ *Commission* finds an employee of the registered
18 independent testing laboratory to be unsuitable:

19 (a) The registered independent testing laboratory must remove the person from
20 ~~his or her~~ *the person's* position immediately, and must not reassign the person to
21 any other position that involves the inspection or certification of any game, gaming
22 device, associated equipment, cashless wagering systems, inter-casino linked
23 systems, mobile gaming systems, or interactive gaming systems, or any component
24 thereof or modification thereto, for use in Nevada;

25 (b) Failure of a registered independent testing laboratory to comply with this
26 subsection shall constitute an unsuitable method of operation and shall be grounds
27 for disciplinary action by the ~~board~~ *Board* and the ~~commission~~ *Commission*.

28 5. If the ~~commission~~ *Commission* finds an officer, director, partner, principal,
29 manager, member, trustee or director or beneficial owner of a registered
30 independent testing laboratory, or any person, entity or intermediary entity that

1 owns or has significant involvement with the activities of a registered independent
2 testing laboratory to be unsuitable:

3 (a) The person or entity must divest itself of any ownership interest it has in the
4 registered independent testing laboratory; *and*

5 (b) The registered independent testing laboratory, or other applicable person or
6 entity, must indefinitely suspend the person or entity found unsuitable from
7 performing any duties or having any involvement with or supervision over its
8 operations or activities.

9 ~~{(e)}~~ ↪ Failure of a registered independent testing laboratory, or other person or
10 entity, to comply with this subsection shall constitute an unsuitable method of
11 operation and shall be grounds for disciplinary action by the ~~{board}~~ *Board* and the
12 ~~{commission}~~ *Commission*.

13 6. Failure of a licensed manufacturer, licensed manufacturer of an interactive
14 gaming system, distributor or operator to terminate any association with an
15 independent testing laboratory after receiving notice of the determination of
16 unsuitability shall constitute an unsuitable method of operation.

17 7. The ~~{commission}~~ *Commission* retains jurisdiction to determine the suitability
18 of an independent testing laboratory, or of any other person or entity to which this
19 section applies, regardless of whether the relevant independent testing laboratory
20 remains registered with the ~~{board}~~ *Board*.

21 8. A failure on the part of the registered independent testing laboratory, or of
22 any other person or entity to which this section applies, to submit an application for
23 a finding of suitability within 30 days of being directed to do so by the ~~{commission}~~
24 *Commission* shall constitute grounds for a finding of unsuitability. Such period may
25 be extended by the ~~{chairman}~~ *Chair* of the ~~{commission}~~ *Commission*, at ~~{his}~~ *the*
26 *Chair of the Commission's* sole and absolute discretion, upon written request by the
27 independent testing laboratory.