

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: 2/27/2018

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 attesting that the person:*

10 (a) *Submits to the jurisdiction of the State of Nevada, the Board, and the*
11 *Commission;*

12 (b) *Designates the Secretary of State as the person's representative upon whom*
13 *service of process may be made;*

14 (c) *Agrees to be governed and bound by the laws of the State of Nevada and the*
15 *regulations of the Nevada Gaming Commission;*

16 (d) *Has provided complete and accurate information to the Board; and*

17 (e) *Will cooperate with all requests, inquiries, and investigations of the Board or*
18 *Commission.*

19 *6. The following fees, as authorized by paragraph (c) of subsection 2 of NRS*
20 *463.665, shall be imposed for the application, issuance, or renewal of a registration*
21 *as a manufacturer or distributor of associated equipment and must accompany each*
22 *application for registration or renewal of registration:*

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

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

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

26 *7. The Chair may object to the registration of a manufacturer or distributor of*
27 *associated equipment for any cause the Chair deems reasonable. If the Chair objects*
28 *to the registration, the Chair shall send written notice of the objection to the*
29 *manufacturer or distributor of associated equipment.*

30 (a) *An objection by the Chair to the registration of a manufacturer or distributor*

1 of associated equipment shall be considered an administrative decision, and
2 therefore reviewable pursuant to the procedures set forth under sections 4.185, 4.190,
3 and 4.195 of these regulations.

4 (b) A manufacturer or distributor of associated equipment whose registration has
5 been objected to by the Chair may not re-file for registration with the Board prior to
6 one year from the date of the notice of the objection by the Chair to the registration of
7 the manufacturer or distributor of associated equipment.

8 8. A person registered as a manufacturer or distributor of associated equipment,
9 or who has a pending filing for registration or renewal of registration shall report
10 any change to the information provided pursuant to subsection 5 to the Board within
11 30 days of such change. The Chair may, in the Chair's sole and absolute discretion,
12 require a new registration as a manufacturer or distributor of associated equipment
13 if a change of ownership of the registrant occurs.

14 9. If the Board seeks disciplinary action against a registered manufacturer or
15 distributor of associated equipment and the disciplinary action results in the
16 revocation of the registration of the manufacturer or distributor of associated
17 equipment the following shall apply:

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

19 (1) No new associated equipment manufactured by the manufacturer shall be
20 approved; and

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

24 (b) Upon revocation of the registration of a distributor of associated equipment,
25 the distributor shall no longer distribute associated equipment for use or play in
26 Nevada.

27 10. If a person registered with the Board pursuant to this section is required by
28 the Board to file an application for a finding of suitability to be a manufacturer or
29 distributor of associated equipment pursuant to subsection 4 or 5 of NRS 463.665
30 but fails to do so within 30 days following the receipt of notice to file such

1 application, the Chair may temporarily suspend the person's registration until such
2 time as the person files the required application in full, the Commission lifts the
3 temporary suspension, or the Commission finds the person unsuitable. A suspension
4 issued by the Chair pursuant to this subsection shall:

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

7 (b) Be considered an administrative decision, and therefore reviewable pursuant
8 to the procedures set forth under sections 4.185, 4.190, and 4.195 of these
9 regulations.

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

13 (a) The registration of the manufacturer or distributor, if any, shall be thereupon
14 cancelled.

15 (b) For manufacturers of associated equipment found unsuitable by the
16 Commission:

17 (1) No new associated equipment manufactured by the manufacturer shall be
18 approved; and

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

22 (c) For distributors of associated equipment found unsuitable by the Commission,
23 the distributor shall no longer distribute associated equipment for use or play in
24 Nevada.

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

28 12. The Commission retains jurisdiction to determine the suitability of a person
29 described in subsections 4 and 5 of NRS 463.665 even if the person is no longer
30 registered as a manufacturer of associated equipment or otherwise functioning in a

1 capacity described therein.

2 13. A person seeking registration as a manufacturer or distributor of associated
3 equipment, or who has been required by the Board to file an application for finding
4 of suitability to be a manufacturer or distributor of associated equipment pursuant
5 to subsection 4 or 5 of NRS 463.665, does not have a right to the granting of the
6 application. Any registration or finding of suitability as a manufacturer or
7 distributor of associated equipment is a revocable privilege, and no holder acquires
8 any vested right therein or thereunder. Judicial review is not available for decisions
9 of the Board or Commission regarding an application for registration or finding of
10 suitability as a manufacturer or distributor of associated equipment.

11 **14.0205 Assume responsibility; qualifications; finding.**

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

17 2. To be found by the Chair to have assumed responsibility for the device,
18 equipment, or system, or component thereof, manufactured by the third-party
19 manufacturer:

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

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

27 (I) Ownership, management, and key employees;

28 (II) Reputation;

29 (III) Past and present business dealings; and

30 (IV) Finances, including the sources thereof.

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

4 (3) If the licensed manufacturer's due diligence investigation of the third-party
5 manufacturer leads to the conclusion that doing business with the third-party
6 manufacturer would not be consistent with the criteria set forth in this subsection,
7 the Chair shall not find that the licensed manufacturer has assumed responsibility
8 of the device, equipment, or system, or component thereof, manufactured by the third-
9 party manufacturer for the purposes of NRS 463.650.

10 (b) The licensed manufacturer must provide the following information to the
11 Board:

12 (1) The name, address, and other identifying information of the third-party
13 manufacturer;

14 (2) A complete and detailed description of the gaming device, associated
15 equipment, cashless wagering system, mobile gaming system, or interactive gaming
16 system, or relevant component thereof, for which the licensed manufacturer intends
17 to assume responsibility;

18 (3) A copy of any contract entered into between the licensed manufacturer and
19 the third-party manufacturer and any other document that provides the terms of the
20 assumption of responsibility;

21 (4) A statement, signed under penalty of perjury, stating that the third-party
22 manufacturer has either complied with the requirements of subsection 11 of NRS
23 463.650 or is not required to register with the Attorney General of the United States
24 pursuant to Title 15 of U.S.C; and

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

29 (c) The licensed manufacturer must submit to the Board an attestation, signed
30 under penalty of perjury, acknowledging that it accepts full, continuing, and

1 *absolute legal responsibility for the gaming device, associated equipment, cashless*
2 *wagering system, mobile gaming system, or interactive gaming system, or applicable*
3 *component thereof, and that it fully understands that it will be held to the same*
4 *standard of care and liability as it would had it manufactured the device,*
5 *equipment, or system, or applicable component thereof, itself under its Nevada*
6 *manufacturer's license.*

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

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

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

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

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

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

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

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

29 *3. After reviewing the information provided by the licensed manufacturer, the*
30 *Chair shall, at the Chair's sole and absolute discretion, make a determination as to*

1 *whether the licensed manufacturer has assumed responsibility of the applicable*
2 *gaming device, associated equipment, cashless wagering system, mobile gaming*
3 *system, or interactive gaming system, or component thereof, for the purposes of NRS*
4 *463.650.*

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

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

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

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

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

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

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

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

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

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

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

29 7. *The licensed manufacturer shall continue to monitor the third-party*
30 *manufacturer to ensure that doing business with the third-party manufacturer*

1 *remains consistent with the public policy set forth in NRS 463.0129 and does not*
2 *pose an unacceptable level of risk to the State of Nevada, the public, or the gaming*
3 *industry. The licensed manufacturer shall immediately report to the Board any*
4 *information it obtains that calls into question whether doing business with the third-*
5 *party manufacturer threatens those standards.*

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

12

13 **14.0215 Determination of suitability of *third-party manufacturer*.**

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

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

27 3. The ~~[commission]~~ *Commission* shall give written notice to the ~~[independent-~~
28 ~~contractor]~~ *third-party manufacturer* of its decision to require the filing of an
29 application for a finding of suitability. Unless otherwise stated by the ~~[commission]~~
30 *Commission* in its written notice, ~~[an independent contractor]~~ *a third-party*

1 *manufacturer* who has been ordered to file an application for a finding of
2 suitability to be ~~[an independent contractor]~~ *a third-party manufacturer* may
3 continue to perform under a contract with a manufacturer unless and until the
4 ~~[commission]~~ *Commission* finds the ~~[independent contractor]~~ *third-party*
5 *manufacturer* unsuitable.

6 4. If the ~~[commission]~~ *Commission* finds ~~[an independent contractor]~~ *a third-*
7 *party manufacturer* to be unsuitable:

8 (a) All licensed manufacturers shall, upon written notification, immediately
9 terminate any existing relationships, direct or indirect, with such ~~[independent-~~
10 ~~contractor]~~ *third-party manufacturer*;

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

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

24 5. Failure of a licensed manufacturer to terminate any association or agreement
25 with ~~[an independent contractor]~~ *a third-party manufacturer* after receiving notice
26 of the determination of unsuitability constitutes an unsuitable method of
27 operation.

28 6. The ~~[commission]~~ *Commission* retains jurisdiction to determine the
29 suitability of ~~[an independent contractor]~~ *a third-party manufacturer* regardless of
30 whether or not the ~~[independent contractor]~~ *third-party manufacturer* has any

1 active agreements with licensed manufacturers or is otherwise no longer
2 functioning as ~~{an independent contractor}~~ *a third-party manufacturer*.

3 7. A failure on the part of ~~{an independent contractor}~~ *a third-party*
4 *manufacturer* to submit an application for a finding of suitability within 30 days
5 after being ~~{demanded}~~ *required* to do so by the ~~{commission}~~ *Commission* shall
6 constitute grounds for a finding of unsuitability of the ~~{independent contractor}~~
7 *third-party manufacturer*.

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

17 **14.023 Manufacturer's agreements with independent ~~{contractors}~~**
18 ***contractor or third-party manufacturer***. Any agreement between a licensed
19 manufacturer and an independent contractor *or third-party manufacturer* shall
20 provide for termination without continuing obligation of the licensed manufacturer
21 in the event the independent contractor *or third-party manufacturer*:

- 22 1. Refuses to respond to information requests from the ~~{board}~~ *Board*;
- 23 2. Fails to file an application for a finding of suitability as required by the
24 ~~{commission}~~ *Commission*; or
- 25 3. Is found unsuitable by the ~~{commission}~~ *Commission*.

26 **14.024 Manufacturer's responsibilities for independent ~~{contractors}~~**
27 ***contractor or third-party manufacturer***. Each licensed manufacturer must:

- 28 1. Complete a review of any software, source language or executable code
29 designed, developed, produced or composed by an independent contractor *or third-*
30 *party manufacturer* for compliance with all applicable regulations and technical

1 standards of the ~~{commission}~~ *Commission* and ~~{board}~~ *Board* prior to submission
2 to the ~~{board}~~ *Board*; and

3 2. As to such submission, maintain a record of the general subject matter
4 description of the software, source language or executable code that was designed,
5 developed, produced or composed by an independent contractor *or third-party*
6 *manufacturer*, by *independent* contractor *or third-party manufacturer* name.

7 ↪ Unless the ~~{chairman}~~ *Chair* approves or requires otherwise in writing, such
8 records shall be maintained for a minimum of five years from the date of the
9 relevant submission and must be made available to the ~~{board}~~ *Board* upon
10 request. Failure to keep and provide such records is an unsuitable method of
11 operation.

12 **14.025 Certain themes prohibited in association with gaming devices ~~for~~**
13 **~~slot machines~~.**

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

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

18 (b) Depicts a subject or material that:

19 (1) Is obscene;

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

22 (3) Is otherwise contrary to the public policy of this state as set forth in NRS
23 463.0129.

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

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

3 (b) The requesting party shall articulate the reasons that the theme is not
4 prohibited by subsection 1 along with any additional information it deems relevant
5 to the determination. Information submitted pursuant to this section is confidential
6 and subject to the provisions of NRS 463.120 and NRS 463.3407[~~1~~].

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

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

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

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

23 **14.030 Approval of gaming devices and the operation of new inter-**
24 **casino linked systems; applications and procedures.**

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

29 2. An operator of an inter-casino linked system shall not install and operate a
30 new inter-casino linked system in Nevada and a licensee shall not offer any gaming

1 device or game for play that is part of such a system unless operation of the inter-
2 casino linked system and all gaming devices or games that are part of or connected
3 to the inter-casino linked system have been approved by the ~~{commission}~~
4 *Commission* or are offered for play pursuant to a field test ordered by the
5 ~~{chairman}~~ *Chair*.

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

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

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

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

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

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

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

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

5 (1) An operator's manual;

6 (2) A network topology diagram;

7 (3) An internal control system;

8 (4) A hold harmless agreement;

9 (5) A graphical representation of the system theme and all related signage;

10 (6) Information sufficient to calculate a theoretical payoff schedule amount
11 including, but not limited to, the base and reset amounts, the total contribution
12 percentage and a breakdown of that percentage including contribution rates to all
13 progressive payoff schedules and all reset funds, the odds of winning the
14 progressive payoff schedule and the amount of the wager required to win the
15 progressive payoff schedule; and

16 (7) The form of any agreement or written specifications permitted or required
17 of an operator by any other state or tribal government and affecting a multi-
18 jurisdictional progressive prize system.

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

20 (1) An operator's manual;

21 (2) A network topology diagram; *and*

22 (3) An internal control system; and

23 ~~[(4) A description of the method used to isolate game function to the areas~~
24 ~~listed in Regulation 5.220(1)(i)]; and]~~

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

28 **14.040 Minimum standards for gaming devices.**

29 1. All gaming devices must:

1 (a) Theoretically pay out a mathematically demonstrable percentage of all
2 amounts wagered, which must not be less than 75 percent for each wager available
3 for play on the device.

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

5 (1) Chance;

6 (2) The skill of the player; or

7 (3) A combination of the skill of the player and chance.

8 (c) Display in an accurate and non-misleading manner:

9 (1) The rules of play;

10 (2) The amount required to wager on the game or series of games in a gaming
11 session;

12 (3) The amount to be paid on winning wagers;

13 (4) Any rake-off percentage or any fee charged to play the game or series of
14 games in a gaming session;

15 (5) Any monetary wagering limits for games representative of live gambling
16 games;

17 (6) The total amount wagered by the player;

18 (7) The game outcome; and

19 (8) Such additional information sufficient for the player to reasonably
20 understand the game outcome.

21 (d) Satisfy the technical standards adopted pursuant to ~~[Regulation]~~ *section*
22 14.050.

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

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

1 (a) All be of the same denomination and have equivalent odds of winning the
2 common payoff schedule/common award based as applicable on either or both of the
3 combined influence of the attributes of chance and skill; or

4 (b) If of different denominations, equalize the expected value of winning the
5 payoff schedule/common award on the various denominations by setting the odds of
6 winning the payoff schedule in proportion to the amount wagered based as
7 applicable on either or both the combined influence of the attributes of chance and
8 skill, or by requiring the same wager to win the payoff schedule/award regardless of
9 the device's denomination. The method of equalizing the expected value of winning
10 the *common* payoff schedule/*common* award shall be conspicuously displayed on
11 each device connected to the common payoff schedule/common award. For the
12 purposes of this requirement, equivalent is defined as within a ~~5~~ *five* percent
13 tolerance for expected value and no more than a ~~1~~ *one* percent tolerance on return
14 to player or payback.

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

17 5. For gaming devices that are representative of live gambling games, the
18 mathematical probability of a symbol or other element appearing in a game
19 outcome must be equal to the mathematical probability of that symbol or element
20 occurring in the live gambling game.

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

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

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

28 9. For gaming devices manufactured and distributed before September 28, 1989,
29 the ~~chairman~~ *Chair* may waive the requirements of *paragraph (d) of* subsection

1 ~~1[(d) of section 14.040]~~ for a licensee exposing a gaming device to the public for play,
2 if the licensee can demonstrate to the ~~[chairman's]~~ *Chair's* satisfaction that:

3 (a) After the waiver the aggregate theoretical payout for all amounts wagered on
4 all gaming devices exposed for play by the licensee at a single establishment meets
5 the 75 percent standard of *paragraph (a) of* subsection 1~~[(a) of section 14.040]~~, and

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

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

13 **14.045 Minimum standards for inter-casino linked systems.** All inter-
14 casino linked systems submitted for approval:

15 1. Shall, in the case of an inter-casino linked system featuring a progressive
16 payoff schedule that increases as the inter-casino linked system is played, have a
17 minimum rate of progression for the primary jackpot meter of not less than .4 of one
18 percent of amounts wagered. In the case of an inter-casino linked system featuring
19 a progressive payoff schedule that increases over time, have a minimum rate of
20 progression for the primary jackpot meter of not less than one hundred dollars per
21 day. The provisions of this subsection do not prevent an operator from limiting a
22 progressive payoff schedule as allowed by ~~[Regulation]~~ *subsection 5 of section*
23 *5.112*~~[(5)]~~.

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

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

27 4. Shall meet the applicable minimum standards for internal control that have
28 been adopted pursuant to ~~[Regulation]~~ *section* 6.090.

29 **14.045 Minimum standards for inter-casino linked systems.** All inter-
30 casino linked systems submitted for approval:

1 1. Shall, in the case of an inter-casino linked system featuring a progressive
2 payoff schedule that increases as the inter-casino linked system is played, have a
3 minimum rate of progression for the primary jackpot meter of not less than .4 of
4 one percent of amounts wagered. In the case of an inter-casino linked system
5 featuring a progressive payoff schedule that increases over time, have a minimum
6 rate of progression for the primary jackpot meter of not less than one hundred
7 dollars per day. The provisions of this subsection do not prevent an operator from
8 limiting a progressive payoff schedule as allowed by ~~{Regulation 5.112(5)}~~
9 *subsection 5 of section 5.112.*

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

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

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

15 **14.050 Technical standards.**

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

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

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

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

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

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

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

5 5. The ~~{commission}~~ *Commission* shall consider any objections filed to the
6 technical standards or revisions proposed by the ~~{chairman}~~ *Chair*. If the
7 ~~{commission}~~ *Commission* does not concur with any of the technical standards, the
8 ~~{chairman}~~ *Chair* shall revise the technical standards to reflect the order of the
9 ~~{commission}~~ *Commission*.

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

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

20 **14.060 Employment of individual to respond to inquiries from the**
21 ~~{board}~~ *Board*.

22 1. Each manufacturer and operator shall employ or retain an individual who
23 understands the design and function of each of its gaming devices, cashless
24 wagering systems, inter-casino linked systems, mobile gaming systems, or
25 interactive gaming systems who shall respond within the time specified by the
26 ~~{chairman}~~ *Chair* to any inquiries from him concerning the gaming device, cashless
27 wagering system, inter-casino linked system, mobile gaming system, or interactive
28 gaming system or any modifications to the gaming device, cashless wagering
29 system, inter-casino linked system, mobile gaming system, or interactive gaming
30 system. Each manufacturer or operator shall on or before December 31st of each

1 year report in writing the name of the individual designated pursuant to this
2 section and shall report in writing any change in the designation within 15 days of
3 the change.

4 2. Each registered independent testing laboratory shall employ an individual
5 who understands the inspection and certification methodology, procedures, and
6 operation of the registered independent testing laboratory. Such person shall be
7 available during regular Nevada business hours to respond to requests from the
8 ~~{chairman}~~ *Chair*. Each registered independent testing laboratory shall provide
9 the ~~{board}~~ *Board* with the name of the employee performing this function as part
10 of their initial registration application materials, and shall report in writing any
11 subsequent change in the employee designated to perform this function within 15
12 days of the change.

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

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

1 **14.080 Field test of new gaming devices and new inter-casino linked**
2 **systems.**

3 1. The ~~{chairman}~~ *Chair*, in accordance with section 14.015, may allow or
4 require that one or more models of a new gaming device or inter-casino linked
5 system be tested at a licensed gaming establishment(s) for not more than 180 days
6 under terms and conditions that ~~{he or she}~~ *the Chair* may approve or require.
7 Upon written request of the manufacturer, distributor or operator, the ~~{chairman}~~
8 *Chair* may, by written agreement, allow the test period to be continued an
9 additional 90 days beyond the 180-day maximum field test period, for the purpose
10 of allowing the application for approval of the new gaming device or application to
11 operate a new inter-casino linked system to be acted upon by the ~~{board}~~ *Board*
12 and ~~{commission}~~ *Commission*. The ~~{chairman}~~ *Chair* shall report all field tests on
13 the agenda of the next regularly scheduled meeting of the ~~{board}~~ *Board* and
14 ~~{commission}~~ *Commission*.

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

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

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

30 (c) The decision whether to permit a new gaming device or inter-casino linked

1 system to be evaluated utilizing New Innovation Beta is at the sole and absolute
2 discretion of the ~~{chairman}~~ *Chair*.

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

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

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

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

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

28 (b) A manufacturer or operator may object to the termination of the test period
29 by filing a written objection with the ~~{commission}~~ *Commission*. The filing of an
30 objection shall not stay the order terminating the test. If the ~~{commission}~~

1 *Commission* fails to order resumption of the test within 60 days of the written
2 objection, the objection will be deemed denied. If the ~~{commission}~~ *Commission*
3 sustains the objection, the testing may be resumed under terms that may be
4 approved or required by the ~~{commission}~~ *Commission*.

5 5. A licensee or manufacturer, or their agent shall not play a new gaming
6 device during a test period. A licensee or operator, or their agent, shall not play a
7 gaming device or game connected to a new inter-casino linked system during a test
8 period.

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

20 **14.090 Certification by manufacturer.**

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

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

29 (b) Make appropriate corrections, clarifications, or additions to the report and
30 certify under penalty of perjury that to the best of its knowledge the explanation

1 of the gaming device is correct as amended.

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

6 **14.100 Final approval of new gaming devices and new inter-casino**
7 **linked systems.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29 4. A manufacturer or distributor who becomes aware that a gaming device or
30 ~~{associated equipment}~~ *inter-casino linked system* approved by the ~~{commission}~~

1 *Commission* or the ~~{board}~~ *Board* no longer complies with the regulations of the
2 ~~{commission}~~ *Commission* or the technical standards adopted pursuant to
3 ~~{regulation}~~ *section* 14.050 shall notify the ~~{board}~~ *Board* in writing within ~~{3}~~ *three*
4 business days.

5 **14.105 Installation of a system based game or a system supported game.**

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

14 **14.110 Approval to modify gaming devices or inter-casino linked**
15 **systems; applications and procedures.**

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

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

1 2. A manufacturer shall not modify a gaming device unless the device, as
2 modified, meets the standards of section 14.040. An operator shall not modify an
3 inter-casino linked system unless the system, as modified, meets the standards of
4 section 14.045. The ~~{chairman}~~ *Chair* may, in ~~{his}~~ *the Chair's* sole and absolute
5 discretion, waive all or some of the standards of section 14.040 or section 14.045,
6 respectively, if the modification is necessary to prevent cheating or malfunction. A
7 waiver shall be effective when the manufacturer or operator receives a written
8 notification from the ~~{chairman}~~ *Chair* that all or some of the standards will be
9 waived pursuant to this subsection. A waiver of all or some of the standards
10 pursuant to this subsection is not an approval of the modification.

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

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

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

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

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

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

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

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

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

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

9 (1) An operator's manual;

10 (2) An internal control system;

11 (3) A hold harmless agreement;

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

13 and

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

15 (f) All materials relating to the results of the registered independent testing
16 laboratory's inspection and certification process that are required under section
17 14.400.

18 **14.120 Board evaluation of modifications.**

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

29 2. The ~~{chairman}~~ *Chair* has sole and absolute discretion to determine whether
30 the requested modification of a gaming device renders the device sufficiently

1 different so that the modified device should be treated as a new gaming device. If
2 the ~~chairman~~ *Chair* makes such a determination, ~~he~~ *the Chair* shall notify the
3 manufacturer in writing. The manufacturer may file an application for approval of a
4 new gaming device.

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

8 **14.130 Field test of modified gaming devices and modified inter-casino**
9 **linked systems.**

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

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

20 (a) For purposes of this section only, the term "New Innovation Beta" means a
21 process of evaluating a modification to a gaming device or inter-casino linked
22 system utilizing a field testing period under conditions and limitations described in
23 this subsection.

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

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

4 (d) When considering the request to evaluate a modification to an approved
5 gaming device or inter-casino linked system utilizing New Innovation Beta, the
6 ~~{chairman}~~ *Chair* will consider factors including, without limitation, the ability of
7 the gaming device to accurately determine, evaluate, and display the game
8 outcome, the ability of the gaming device to accurately process the acceptance and
9 award of all payments, and the extent to which an inter-casino linked system
10 complies with the requirements of section 14.045.

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

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

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

25 5. A licensee or manufacturer, or their agent shall not play a modified gaming
26 device during a test period. A licensee or operator, or their agent shall not play a
27 gaming device or game connected to a modified inter-casino linked system during a
28 test period.

29 6. If the ~~{chairman}~~ *Chair* has made a determination that the modified gaming
30 device or modified inter-casino linked system is not eligible for testing at a licensed

1 gaming establishment, ~~he or she~~ *the Chair* shall notify the manufacturer or
2 operator in writing.

3 **14.140 Final approval of modifications.** The ~~chairman~~ *Chair* shall notify
4 the manufacturer or operator in writing of ~~his~~ *the Chair's* decision to approve or
5 disapprove a modification.

6

7 **14.160 Duplication of program storage media.** A licensee other than a
8 manufacturer shall not duplicate the contents of gaming device program storage
9 media unless its duplication process has received written approval of the
10 ~~chairman~~ *Chair*.

11 **14.170 Marking, registration, and distribution of gaming devices.**

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

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

16 (b) For devices distributed in this state:

17 (1) A permanent serial number which must be the same number as given the
18 device pursuant to the provisions of the Gaming Device Act of 1962, 15 U.S.C.
19 1173, permanently stamped or engraved in lettering no smaller than 5 millimeters
20 on the metal frame or other permanent component of the device and on a
21 removable metal plate attached to the cabinet of the device; and

22 (2) The ~~board~~ *Board* approval number or, if the device has been modified
23 since initial approval of the device, the modification approval number affixed on all
24 program storage media placed in the device.

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

27 (a) The device was manufactured prior to January 1, 1962, and the
28 manufacturer or distributor permanently stamps or engraves in lettering no
29 smaller than 5 millimeters a distributor's identification code assigned by the
30 ~~chairman~~ *Chair* and a ~~seriatim~~ *serial* number on the metal frame or other

1 permanent component of each device covered by this subsection.

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

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

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

17 **14.180 Approval for category I licensees to distribute gaming devices**
18 **out of Nevada; applications and procedure; recordkeeping requirements**
19 **for category II licensees; extraterritorial distribution compliance;**
20 **inspection of facilities and devices.**

21 1. Subject to the exemption set forth in subsection 4, category I manufacturers
22 and distributors shall not distribute gaming devices out of this state without
23 applying for and receiving the prior written approval of the ~~chairman~~ *Chair*.
24 Applications for such approval to distribute gaming devices out of this state must be
25 made, processed, and determined in such manner and using such forms as the
26 ~~chairman~~ *Chair* may prescribe. Each application must include, in addition to such
27 other items or information as 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 person to whom
30 the shipment is being made, if neither is currently licensed by the ~~commission~~

1 *Commission*. If the purchaser or person to whom the shipment is being made does
2 not have a social security number or driver's license number, the birth date of the
3 purchaser or person to whom the shipment is being made may be substituted;

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

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

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

10 (e) The serial number of each device;

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

13 (g) The denomination of each device;

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

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

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

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

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

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

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

6 4. Category I manufacturers and distributors are exempt from the requirements
7 of subsection 1 ~~{of this regulation}~~ for shipments of gaming devices provided:

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

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

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

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

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

18 ↪ The ~~{chairman}~~ *Chair* may publish a list of jurisdictions or licensees to which this
19 exemption does not apply and where category I manufacturers and distributors may
20 not ship gaming devices without prior approval as required by subsection 1 ~~{of this-~~
21 ~~regulation}~~.

22 5. Category I manufacturers and distributors shall obtain and thereafter
23 maintain, a statement by the purchaser under penalty of perjury that each device
24 will be used only for lawful purposes, unless the purchaser is currently licensed by
25 the ~~{commission}~~ *Commission* or comparable agency of another state or tribal
26 gaming agency or the destination is outside the United States.

27 6. Manufacturers and distributors shall, on or before the 15th day of January of
28 each calendar year, give the ~~{board}~~ *Board* a copy of the documentation evidencing
29 registration with the United States Attorney General pursuant to the provisions of
30 the Gaming Devices Act of 1962, 15 U.S.C. 1173, for the ensuing year.

1 7. An agent of the ~~board~~ *Board* may inspect:

2 (a) The premises of manufacturers and distributors and all gaming devices
3 located therein.

4 (b) All gaming devices for which an application has been filed by a category I
5 manufacturer or distributor pursuant to subsection 1 ~~of this regulation~~ prior to
6 distribution out of this state. Category I manufacturers and distributors shall make
7 the gaming devices subject to such applications available for such inspection.

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

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

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

19 11. As used in this section:

20 (a) "Category I manufacturer or distributor" means any manufacturer or
21 distributor licensed by the Commission that does not qualify as a category II
22 manufacturer or distributor.

23 (b) "Category II manufacturer or distributor" means any manufacturer or
24 distributor that:

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

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

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

1 (4) Has annual gross sales exceeding \$5 ~~{Million Dollars}~~ *million dollars* for
2 such licensee’s preceding fiscal year;

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

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

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

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

17 **14.190 Approval for certain licensees to sell or dispose of gaming**
18 **devices.**

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

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

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

1 required by subsection 1 of ~~regulation~~ *section* 14.180, in addition to such other
2 items or information as the ~~chairman~~ *Chair* may require.

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

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

12 **14.210 Approval of promotional devices; applications and procedures.**

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

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

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

18 2. A manufacturer or distributor shall not distribute a promotional device for use
19 in this state and a nonrestricted licensee shall not offer a promotional device for
20 play to the public unless the promotional device has been approved by the
21 ~~chairman~~ *Chair*. A restricted licensee shall not offer a promotional device for play
22 to the public unless the promotional device and the use of the promotional device
23 have both been approved by the ~~chairman~~ *Chair*.

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

28 (a) A complete, comprehensive, and technically accurate description and
29 explanation of the manner in which the device operates and complies with all

1 applicable statutes, regulations and technical standards, signed under penalty of
2 perjury;

3 (b) The name and permanent address of the purchaser if the purchaser is
4 currently licensed by the ~~{commission}~~ *Commission*;

5 (c) The name, permanent address, social security number, and driver's license
6 number of the purchaser if the purchaser is not currently licensed by the
7 ~~{commission}~~ *Commission*. If the purchaser does not have a social security number
8 or driver's license number, the purchaser's birth date may be substituted;

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

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

13 **14.220 Summary suspension of approval of gaming devices and inter-**
14 **casino linked systems.**

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

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

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

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

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

27 **14.230 Approval of new games and game variations; applications and**
28 **procedures.**

29 1. A licensee shall not offer a new game for play unless the new game has been
30 approved by the ~~{commission}~~ *Commission*. A licensee shall not offer a game

1 variation for play unless the game variation has been approved in writing by the
2 ~~{chairman or his designee}~~ *Chair*.

3 2. Applications for approval of a new game or game variation must be made and
4 processed in such manner and using such forms as the ~~{chairman}~~ *Chair* may
5 prescribe. The applicant seeking approval of the new game or game variation shall
6 pay the cost of the investigation. Each application must include, in addition to such
7 other items or information as the ~~{chairman}~~ *Chair* may require:

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

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

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

18 (d) All materials relating to the results of the registered independent testing
19 laboratory's inspection and certification process that are required under section
20 14.400.

21 **14.240 Field trials of new games and game variations.**

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

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

29 **14.250 Final approval of new games.** The ~~{board}~~ *Board* shall recommend to
30 the ~~{commission}~~ *Commission* whether the application for approval of the new game

1 should be granted. In considering whether a new game will be given final approval,
2 the ~~{board}~~ *Board* and ~~{commission}~~ *Commission* shall consider whether approval is
3 consistent with the public policy of this state.

4 **14.260 Approval of associated equipment; applications and procedures.**

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

11 (a) The name, permanent address, social security number, and driver's license
12 number of the manufacturer or distributor of associated equipment unless the
13 manufacturer or distributor is currently licensed by the ~~{commission}~~ *Commission*.
14 If the manufacturer or distributor of associated equipment is a corporation, the
15 names, permanent addresses, social security numbers, and driver's license numbers
16 of the directors and ~~{Officer}~~ *officers* must be included. If the manufacturer or
17 distributor of associated equipment is a partnership, the names, permanent
18 addresses, social security numbers, and driver's license numbers of the partners
19 and their partnership interest must be included. If social security numbers or
20 driver's license numbers are not available, the manufacturer's or distributor's birth
21 date may be substituted;

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

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

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

1 (e) All materials relating to the results of the registered independent testing
2 laboratory's inspection and certification process that are required under section
3 14.400.

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

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

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

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

27 **14.270 Board evaluation of associated equipment.** The ~~{chairman or his}~~
28 ~~designee}~~ *Chair* may require transportation of not more than ~~{2}~~ *two* working
29 models of associated equipment to the ~~{new game lab of the board}~~ *Board's offices*
30 or some other location for review and inspection. The manufacturer seeking

1 approval of the equipment must pay the cost of the inspection and investigation.
2 The lab may dismantle the associated equipment and may destroy electronic
3 components in order to fully evaluate the equipment. The ~~{chairman}~~ *Chair* may
4 require the manufacturer ~~{or distributor}~~ seeking approval *of the equipment* to
5 provide specialized equipment or the services of an independent technical expert to
6 evaluate the associated equipment.

7 **14.280 Field trial of associated equipment.**

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

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

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

24 **14.290 Installation of associated equipment.**

25 1. Except as otherwise provided in subsection 2, or ~~{regulation}~~ *subsection 4 of*
26 *section 14.260*~~{(4)}~~, a licensee shall not install or use associated equipment without
27 prior written approval of the ~~{chairman or his designee}~~ *Chair*, unless the
28 ~~{chairman}~~ *Chair* has waived the approval requirement pursuant to subsection 2 of
29 ~~{Regulation}~~ *section 14.260*. Applications for approval to install or use associated
30 equipment shall be made and processed in such manner and using such forms as

1 the ~~{chairman}~~ *Chair* may prescribe. The ~~{chairman}~~ *Chair* shall not approve any
2 use or installation(s) of associated equipment that allow a patron to use a debit
3 instrument for purposes of making electronic funds transfers from an independent
4 financial institution to a game or gaming device through a cashless wagering
5 system until such time as the appropriate regulations for such transfers are
6 adopted.

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

9 **14.300 Maintenance of associated equipment.** The manner in which
10 previously approved associated equipment operates may be altered only with the
11 prior written approval of the ~~{chairman or his designee}~~ *Chair*.

12 **14.302 Manufacturer or distributor of associated equipment;**
13 **registration of a manufacturer or distributor of associated equipment;**
14 **application and procedures.**

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

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

22 3. Fee Structure and Registration Period.

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

26 (b) Before the ~~{commission}~~ *Commission* issues an initial registration or renewal
27 of any registration for a manufacturer or distributor of associated equipment, the
28 manufacturer or distributor of associated equipment shall pay an issuance fee of
29 \$1,000.

1 (c) The registration of a manufacturer or distributor of associated equipment
2 registered after October 1, 2015 shall be effective for three calendar years from the
3 effective date of the registration or renewal. Any manufacturer or distributor
4 deemed registered pursuant to NRS 463.665(7) must submit a complete application
5 during the 2016 calendar year according to the 1st day of the month the original
6 registration became effective. This and subsequent renewals will be effective for 3
7 calendar years.

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

13 **14.305 Manufacturer or distributor of associated equipment;**
14 **determination of suitability.**

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

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

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

1 4. All investigative costs and fees associated with applications for a finding of
2 suitability are owed by the party required to file the application for a finding of
3 suitability. Failure to remit such costs and fees within such periods set by the
4 ~~{commission}~~ *Commission*, upon the advice of the ~~{board}~~ *Board*, will result in a
5 lapse of the registrations of the applicable manufacturer or distributor of associated
6 equipment and will constitute an unsuitable method of operation. Where the party
7 required to file an application to manufacture or distribute associated equipment is
8 not registered, failure to pay such investigative costs and fees is grounds for denial
9 of any application associated with such manufacture or distribution of associated
10 equipment.

11 5. Failure of any party described in subsections 1 or 2 to submit an application
12 for a finding of suitability within 30 days of being ~~{demanded}~~ *required* to do so by
13 the ~~{commission}~~ *Commission* shall constitute grounds for a finding of unsuitability
14 of that party.

15 6. If the ~~{commission}~~ *Commission* finds any manufacturer or distributor of
16 associated equipment, as described in subsection 1, or any person, as described in
17 subsection 2, to be unsuitable under this section:

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

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

23 (c) All gaming licensees shall, upon written notification from the ~~{board}~~ *Board*
24 or ~~{commission}~~ *Commission*, terminate any existing relationships, direct or
25 indirect, with such unsuitable parties.

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

29 8. Failure of a registered manufacturer or distributor of associated equipment to
30 terminate any association or agreement with any party found unsuitable upon

1 receiving written notice of the determination of unsuitability shall constitute
2 grounds for the revocation of the registration of the manufacturer or distributor of
3 associated equipment.

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

8

9 **14.320 Sale of antique gaming devices.**

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

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

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

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

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

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

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

27 3. A licensed distributor shall not distribute a consigned antique gaming device
28 without the approval of the ~~{chairman}~~ *Chair*. Applications for approval to sell a
29 consigned antique gaming device must be made, processed, and determined in such

1 manner and using such forms as the ~~{chairman}~~ *Chair* may prescribe and may be
2 denied by the ~~{chairman}~~ *Chair* for any cause ~~{he}~~ *the Chair* deems reasonable.

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

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

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

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

16 (d) The year the device was manufactured;

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

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

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

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

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

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

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

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

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

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

10 (c) The information set forth within ~~{subsections}~~ *paragraphs* ~~{4}~~(b) through (e)
11 *of subsection 4.*

12 8. An agent of the ~~{board}~~ *Board* may inspect all antique gaming devices sold
13 pursuant to this section at any time prior to transfer of title thereto.

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

16 (a) Display or advertise for sale any gaming device anywhere in this state except
17 as permitted by ~~{Regulation}~~ *section* 14.340; or

18 (b) Solicit, accept, or execute orders for the purchase of any gaming device except
19 as permitted by ~~{Regulation}~~ *section* 14.330.

20 **14.330 Sale of gaming devices displayed or used in a private residence.**

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

29 2. Each request must include, in addition to such other items or information as
30 the ~~{chairman}~~ *Chair* may require:

1 (a) The full name, state of residence, address, telephone number, social security
2 number, and driver's license number of both the purchaser and the seller. If the
3 purchaser or the seller does not have a social security number or driver's license
4 number, the birth date of the purchaser or the seller may be substituted;

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

6 (c) The serial number of each device;

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

9 (e) The denomination of each device;

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

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

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

18 **14.340 Display and marketing of gaming devices by unlicensed entities.**

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

22 2. An unlicensed manufacturer or distributor shall not:

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

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

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

4 **14.350 Independent testing laboratories; authority for ~~board~~ Board to**
5 **register and utilize; fees.**

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

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

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

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

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

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

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

1 appropriate. The ~~commission~~ *Commission*, upon recommendation of the ~~board~~
2 *Board*, may approve or deny the application for registration, conditioned or limited
3 in any manner and for any reason it deems appropriate.

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

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

15 **14.360 Independent testing laboratories; registration requirement;**
16 **qualifications.**

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

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

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

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

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

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

4 (a) Games and game variations;

5 (b) Gaming devices and gaming device modifications;

6 (c) Gaming associated equipment and gaming associated equipment
7 modifications;

8 (d) Cashless wagering systems and cashless wagering system modifications;

9 (e) Inter-casino linked systems and inter-casino linked system modifications;

10 (f) Mobile gaming systems and mobile gaming system modifications; ~~and~~

11 (g) Interactive gaming systems and interactive gaming system modifications;

12 *and*

13 (h) Any other category of inspection and certification that the ~~chairman~~ *Chair*
14 may deem appropriate.

15 5. The ~~board~~ *Board* shall maintain a list of registered independent testing
16 laboratories on its website along with the categories of inspection and certification
17 each is registered to perform.

18 6. To qualify to be registered, the independent testing laboratory, and any other
19 person, entity or testing facility that is required to register, must:

20 (a) Demonstrate probity;

21 (b) Be independent from any manufacturer, distributor, or operator of any game,
22 gaming device, associated equipment, cashless wagering system, inter-casino linked
23 system, mobile gaming system or interactive gaming system, or any component
24 thereof or modification thereto, regardless of whether or not such person or entity is
25 licensed, registered, or otherwise does business in Nevada;

26 (c) Be accredited in accordance with ISO/IEC 17025 by an accreditation body
27 that is a signatory to the International Laboratory Accreditation Cooperation
28 Mutual Recognition Agreement, unless the independent testing laboratory is only

1 seeking registration for the inspection and certification of games and game
2 variations;

3 (d) Demonstrate it is technically competent in testing the category of game,
4 device, or system in which it is seeking registration; *and*

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

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

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

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

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

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

29 ↪ The restrictions in subsection 7 ~~[above]~~ are not intended to limit an independent
30 testing laboratory, or the above listed individuals, from providing consulting

1 services to a manufacturer, distributor, or operator, provided that such services do
2 not directly or indirectly indicate, suggest, or imply how to design, develop,
3 program or manufacture a game, gaming device, associated equipment, cashless
4 wagering system, inter-casino linked system, mobile gaming system or interactive
5 gaming system, or any components thereof or modification thereto.

6 **14.370 Independent testing laboratories; registration; provisional**
7 **registration; application and procedures; waiver.**

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

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

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

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

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

28 4. An application for registration as an independent testing laboratory shall be
29 made, processed, and determined using such forms as the ~~{chairman}~~ *Chair* may
30 require or approve and must be supplemented by such documents and information

1 as the ~~{chairman}~~ *Chair* may request. The information submitted with the
2 application shall include, but not be limited to, the following:

3 (a) Copies of all ISO/IEC 17025 certification and accreditation materials except
4 if the independent testing laboratory is only seeking registration for the inspection
5 and certification of games and game variations;

6 (b) All ISO required internal controls, policies and procedures, except if the
7 independent laboratory is only seeking registration for the inspection and
8 certification of games and game variations;

9 (c) Detailed description of the testing facilities;

10 (d) Detailed description of available testing staff and staff qualifications,
11 including education, training, experience and skill levels;

12 (e) Detailed description of available testing equipment;

13 (f) Copies of documented policies, systems, programs, procedures and
14 instructions to assure the quality of test results;

15 (g) Copies of all test scripts to be used for testing against the applicable Nevada
16 statutes, regulations, standards, and policies.

17 (h) Information regarding the business organization and ownership of the
18 applicant, including, but not limited to:

19 (1) Organization chart depicting the ownership structure of the applicant,
20 including, but not limited to, any parent and affiliated organizations;

21 (2) Organization chart depicting the applicant's management structure;

22 (3) List of all key employees and other individuals who have significant
23 involvement with the applicant's business operations;

24 (4) List of all officers, directors, partners, members, managers, trustees or
25 direct or beneficial owners of the independent testing laboratory and of any person
26 or entity that owns or has significant involvement with the activities of the
27 independent testing laboratory, including any intermediary entities.

28 (i) A statement subscribed by the applicant for registration that:

29 (1) The information being provided to the ~~{board}~~ *Board* is accurate and
30 complete;

1 (2) The applicant for registration agrees to cooperate with all requests,
2 inquiries, or investigations of the ~~{board}~~ *Board* and ~~{commission}~~ *Commission*;

3 (3) The applicant acknowledges that the ~~{board}~~ *Board* and ~~{commission}~~
4 *Commission* shall retain jurisdiction over the independent testing laboratory in
5 any matter involving a game, gaming device, associated equipment, cashless
6 wagering system, inter-casino linked system, mobile gaming system or interactive
7 gaming system, or any component thereof or modification thereto, that it certifies
8 for use in Nevada, even if its registration lapses, is voluntarily terminated, or is
9 revoked;

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

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

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

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

1 visits and inspections held during the registration evaluation process.

2 7. The applicant is required to pay any and all costs associated with the
3 investigation and inspection of the applicant during the registration evaluation
4 period.

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

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

15 **14.380 Independent testing laboratories; notification and reporting**
16 **requirements.**

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

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

30 3. Registered independent testing laboratories shall maintain copies of the

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

5 **14.390 Independent testing laboratories; uniform protocols.**

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

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

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

28 4. All testing shall be performed by a person directly employed by the registered
29 independent testing laboratory. The registered independent testing laboratory shall
30 not assign, delegate, subcontract, or otherwise engage any person not directly

1 employed by the registered independent testing laboratory for any testing for which
2 the laboratory has been registered in Nevada. The ~~{chairman}~~ *Chair*, in ~~{his}~~ *the*
3 *Chair's* sole and absolute discretion, may permit a registered independent testing
4 laboratory to utilize the services of a person other than a person directly employed
5 by the independent testing laboratory to perform certain specific functions
6 associated with the testing and certification procedures to be performed. Any such
7 request must be made in writing to the ~~{chairman}~~ *Chair* in advance of utilizing the
8 services of the ~~{third-party}~~ *third-party*. Any permission granted under this
9 subsection must in writing and shall be limited as to time and scope in whatever
10 degree the ~~{chairman}~~ *Chair* deems appropriate under the circumstances and may
11 be revoked by the ~~{chairman}~~ *Chair* in writing at any time at ~~{his}~~ *the Chair's* sole
12 and absolute discretion.

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

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

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

26 (b) Knowingly failed to comply with the provisions of NRS chapters 463, 463B,
27 464 or 465, or the regulations of the ~~{commission}~~ *Commission* at a previous place of
28 employment;

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

4 (d) Committed, attempted or conspired to commit a crime which is a felony or
5 gross misdemeanor in this State or an offense in another state or jurisdiction which
6 would be a felony or gross misdemeanor if committed in this State and which
7 relates to the applicant's suitability or qualifications to work for the registered
8 independent testing laboratory;

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

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

14 (g) Had any gaming license, registration or other like credential revoked or
15 committed any act which is a ground for the revocation of a gaming license,
16 registration or other professional credential held by the person or would have been
17 a ground for the revocation of a gaming license, registration or other professional
18 credential had the person held such license, registration, or credential.

19 ➤ All procedures conducted pursuant to this subsection and the results of those
20 procedures shall be documented by the registered independent laboratory. Such
21 documentation shall be made available to the ~~{chairman}~~ *Chair* upon request and
22 shall be maintained at all times while a person is employed by the registered
23 independent testing laboratory and for a minimum of five years after a person's
24 employment ends.

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

28 8. A registered independent testing laboratory shall consult with the ~~{board}~~
29 *Board* prior to testing, evaluating, analyzing, certifying, verifying, or rendering

1 opinions for or on behalf of the ~~{board}~~ *Board* relating to any new technology or
2 concept.

3 9. A registered independent testing laboratory shall consult with a
4 representative of the ~~{board's}~~ *Board's* technology division on any questionable
5 interpretations of the Nevada regulatory structure as it relates to the inspection
6 and certification of any game, gaming device, associated equipment, cashless
7 wagering system, inter-casino linked systems, mobile gaming system or interactive
8 gaming system, or any component thereof or modification thereto.

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

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

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

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

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

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

3 16. The ~~{board}~~ *Board* may establish a system to evaluate the continued quality
4 of the inspection and certification performed by a registered independent testing
5 laboratory.

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

8 18. A registered independent testing laboratory shall notify the ~~{board}~~ *Board*
9 immediately of any material issues concerning 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, that it inspected or certified for use in Nevada, which it becomes aware of
13 subsequent to it having issued its inspection and certification report relating
14 thereto.

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

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

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

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

29 23. If a registered independent testing laboratory hires an individual who was
30 previously employed by, or performed any work for, a manufacturer, distributor or

1 operator within one year prior to the individual's date of employment with the
2 independent testing laboratory, the registered independent testing laboratory shall
3 not permit that person to inspect or certify any game, gaming device, associated
4 equipment, cashless wagering system, inter-casino linked system, mobile gaming
5 system or interactive gaming system, or any component thereof or modification
6 thereto, for use in Nevada, for which the person had any involvement with,
7 whatsoever, while ~~he or she~~ *the person* was employed by the manufacturer,
8 distributor or operator for a period of one year from the individual's date of
9 employment with the independent testing laboratory.

10 **14.395 Independent testing laboratories; manufacturer, distributor, and**
11 **operator prohibited actions.**

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

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

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

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

3 **14.400 Independent testing laboratories; inspection and certification**

4 **results.** Each registered independent testing laboratory shall provide the person
5 seeking inspection and certification with the results of the testing and certification
6 process that is to be submitted to the ~~{board}~~ *Board* in such manner and using such
7 forms as the ~~{chairman}~~ *Chair* may prescribe. The results shall include, in addition
8 to such other items or information as the ~~{chairman}~~ *Chair* may require, the
9 following:

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

17 2. The name of the registered independent testing laboratory that performed the
18 testing;

19 3. The registration number of the registered independent testing laboratory that
20 performed the testing;

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

23 5. The internal reference number for the registered independent testing
24 laboratory;

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

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

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

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

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

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

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

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

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

9 15. Identification of any modification that was not identified by the
10 manufacturer;

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

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

17 **14.410 Independent testing laboratories; termination of registration;**
18 **revocation of registration; retention of jurisdiction.**

19 1. A registered independent testing laboratory may request to terminate its
20 registration by providing written notice to the ~~{board}~~ *Board* of its intention at least
21 ~~{3}~~ *three* months before the expected date of termination. An independent testing
22 laboratory's registration under this subsection is not deemed terminated until the
23 ~~{chairman}~~ *Chair* provides written notification that the voluntary termination has
24 been granted.

25 2. The ~~{chairman}~~ *Chair* may revoke the registration of a registered independent
26 testing laboratory should ~~{he}~~ *the Chair* determine that it no longer meets the
27 qualifications necessary to be registered or has failed to comply with any of the
28 requirements of *this* regulation ~~{14}~~. Such revocation is at the sole and absolute
29 discretion of the ~~{chairman}~~ *Chair*. The ~~{chairman}~~ *Chair* shall provide written
30 notification within 30 days of the designated revocation date unless circumstances

1 are such that the interests of public health, safety, morals, good order and general
2 welfare warrant an earlier revocation.

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

6 4. The ~~{board}~~ *Board* and ~~{commission}~~ *Commission* shall retain jurisdiction over
7 the independent testing laboratory in any and all matters relating to a game,
8 gaming device, associated equipment, cashless wagering system, inter- casino linked
9 system, mobile gaming system or interactive gaming system, or any component
10 thereof or modification thereto, that the independent testing laboratory certified for
11 use in Nevada while it was registered with the ~~{board}~~ *Board*.

12 **14.415 Independent testing laboratories; unsuitable method of**
13 **operation.** Failure of a registered independent testing laboratory to comply with
14 all of the requirements of *this* regulation ~~{14}~~ shall constitute an unsuitable method
15 of operation and shall be grounds for disciplinary action by the ~~{board}~~ *Board* and
16 the ~~{commission}~~ *Commission*.

17 **14.420 Independent testing laboratories; determination of suitability.**

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

21 (a) A registered independent testing laboratory;

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

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

27 2. The ~~{commission}~~ *Commission* shall give written notice to the applicable
28 person or entity of its decision to require the filing of an application for finding of
29 suitability. Unless otherwise stated by the ~~{commission}~~ *Commission* in its written
30 notice, a person or entity that has been ordered to file an application for a finding of

1 suitability under this subsection may continue to function in their respective
2 capacity, unless and until the ~~commission~~ *Commission* finds the person or entity
3 to be unsuitable.

4 3. If the ~~commission~~ *Commission* finds a registered independent testing
5 laboratory to be unsuitable:

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

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

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

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

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

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

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

4 5. If the ~~{commission}~~ *Commission* finds an officer, director, partner, principal,
5 manager, member, trustee or director or beneficial owner of a registered
6 independent testing laboratory, or any person, entity or intermediary entity that
7 owns or has significant involvement with the activities of a registered independent
8 testing laboratory to be unsuitable:

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

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

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

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

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

27 8. A failure on the part of the registered independent testing laboratory, or of
28 any other person or entity to which this section applies, to submit an application for
29 a finding of suitability within 30 days of being directed to do so by the ~~{commission}~~
30 *Commission* shall constitute grounds for a finding of unsuitability. Such period may

1 be extended by the ~~{chairman}~~ *Chair* of the ~~{commission}~~ *Commission*, at ~~{his}~~ *the*
2 *Chair of the Commission's* sole and absolute discretion, upon written request by the
3 independent testing laboratory.