



March 10, 2015

Office of the Executive Secretary
Nevada Gaming Commission
1919 College Parkway
Carson City, Nevada 89706

Re: Request for Workshop Regarding NGC Regulations 5, 22 and 26C

Dear Secretary Bell:

In accordance with NRS 463.145(d), CG Technology, L.P. ("CG") formally submits this request to amend NGC Regulations 5, 22 and 26C as reflected in the attached letter and proposed amendments.

CG requests the Nevada Gaming Commission consider the adoption of these proposed amendments pursuant to its authority under NRS 463.143 (to "exercise any proper power and authority necessary to perform the duties assigned to it by the Legislature"), NRS 463.145(1) (to "adopt, amend and repeal regulations") and NGC Regulation 1.010 (to "promulgate, amend and repeal [] regulations, consistent with the policy, objects and purposes of the Nevada Gaming Control Act, as it may deem necessary or desirable in carrying out the policy and provisions of that Act.").

As noted in the attached letter, the proposed amendments seek to harmonize the registration process for account-based gaming solutions, clarify that service providers may provide their service to operators of mobile gaming, and race books and sports pools and address the sharing of data, payment of wagers and closure of accounts.

We look forward to working with the Commission on these amendments. If you should have any questions, please contact me at 702-677-3835 or qsingleton@cgtglobal.com.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Q Singleton', written over a faint blue line.

Quinton Singleton
Vice President, Deputy General Counsel and Assistant Secretary

Enclosure



March 2, 2015

Via Email (agburnett@gcb.nv.gov; tjohnson@gcb.nv.gov; sreid@gcb.nv.gov)

Chairman A. G. Burnett
Board Member Terry Johnson
Board Member Shawn Reid
Nevada State Gaming Control Board
555 E. Washington, Suite 2600
Las Vegas, Nevada 89101

Re: Request for Workshop Regarding Remote Sign-Up, Service Provider Harmonization and Related Items

Dear Chairman Burnett, Member Johnson and Member Reid:

CG Technology ("CGT") hereby submits these proposed amendments to the regulations of the Nevada Gaming Commission ("Commission") and the Nevada State Gaming Control Board ("Board"). Trish Morelli, Senior Director of Technical Compliance and Regulatory Compliance Research, will be leading this project on behalf of CGT.

The proposed amendments have three overarching themes, as follows:

1. Harmonize the sign up process for account-based gaming solutions;
2. Clarify that service providers may provide their services to operators of mobile gaming, race books and sports pools; and
3. Revisions regarding the sharing of data, payment of wagers and closing of accounts.

Currently, the processes for registering players are different for the various account-based gaming activities in Nevada and the related regulations also differ. We believe these should be harmonized to streamline the registration process across gaming activities in an effort to efficiently engage players in Nevada's casinos. We also expect harmonization would entail ancillary benefits as manufacturers and labs would build and test to a common standard.

With respect to the technical aspects of player registration and related processes, gaming operators generally utilize similar resources provided by service providers, such as verification of player identity, determining geographic location and funding accounts. Therefore, in correlation with the proposed amendments to harmonize the sign up process, we are also proposing amendments to clarify the regulations with respect to service providers providing services to operators of mobile gaming, race books and sports pools. Similarly, we expect that this will unify the regulatory environment for the provision of these types of services to Nevada gaming operations.

Additionally, for your consideration, the proposed amendments also include revisions regarding the sharing of data, payment of wagers and closing of accounts.

CGT's proposed amendments for Regulations 5, 22 and 26C are attached as an exhibit to this letter. These proposals also include feedback from the Board and the industry.



We look forward to working with the Board and Commission on this project. Please do not hesitate to contact me for further discussion and should any questions arise.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Q Singleton'.

Quinton Singleton

Vice President, Deputy General Counsel & Assistant Secretary

Enclosures

cc:

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CG TECHNOLOGY
PROPOSED REGULATORY AMENDMENTS
Draft as of March 2, 2015

REGULATION 5
OPERATION OF GAMING ESTABLISHMENTS

5.220 Operation of a mobile gaming system.

1. Definitions. As used in ~~this section~~ Sections 5.220 and 5.221:

(a) "Authorized player" means a person who has registered with the operator of a mobile gaming system to engage in mobile gaming.

(b) "Chairman" means the chairman of the board or the chairman's designee.

(c) "Communications technology" means any method used and the components employed by a licensed gaming establishment to facilitate the transmission of information, including, without limitation, transmission and reception by systems based on wireless network, wireless fidelity, wire, cable, radio, microwave, light, optics or computer data networks. The term does not include the Internet.

(d) "Equipment associated with mobile gaming" means associated equipment as defined within NRS 463.0136, that will be approved as associated equipment.

(e) "Licensed gaming establishment" means the establishment of a licensee, which includes all land, together with all buildings and improvements located thereon.

(f) "Licensee" means a person or entity licensed to conduct nonrestricted gaming operations, who at all times exposes to the public for play, 100 or more slot machines and at least one table game, within its licensed gaming establishment. The term does not include a person or entity licensed as a holder of a security or other ownership interest in the licensee, or as an officer, director or key employee of the licensee, or due to any other relationship or involvement with the licensee or gaming operation.

(g) "Mobile communications device" means a device which displays information relating to the game to a participant in the game as part of a system.

(h) "Mobile gaming system" or "system" means a system that allows for the conduct of games through mobile communications devices operated solely within the licensed gaming establishment by the use of communications technology that allows a ~~patron~~ authorized player to bet or wager, and corresponding information related to the display of the game, gaming outcomes or other similar information.

(i) "Operator of a mobile gaming system" or "operator" means a licensee who has been licensed to operate a mobile gaming system, or a person or entity, who, under any agreement whereby consideration is paid or payable for the right to place a mobile gaming system, engages in the business of placing and operating a mobile gaming system within a licensed gaming establishment and who is authorized to share in the revenue from the mobile gaming system without having been individually licensed to conduct gaming at the establishment.

(j) "Wagering account" means an electronic ledger wherein the following types of transactions relative to a mobile gaming system are recorded:

- (1) Deposits;
- (2) Withdrawals;
- (3) Amounts wagered;
- (4) Amounts paid on winning wagers;
- (5) Service or other transaction-related charges authorized by the ~~patron~~ authorized player; and
- (6) Adjustments to the account.

2. Mobile gaming systems may be exposed for play as follows:

(a) A system may only be exposed for play to the public by an operator licensed by the commission at a licensed gaming establishment in an area approved by the chairman.

(b) A licensee or an operator may submit a request to the chairman for approval to expose a system for play at a licensed gaming establishment.

(1) Such a request must specify at a minimum:

(A) In what areas the system will be exposed for play;

(B) How the operator intends to:

(i) Adequately monitor play of the system and

(ii) Reasonably assure only players of lawful age will operate the mobile communications devices; and

(C) Such additional information as the chairman may require.

(2) A licensee or an operator aggrieved by a decision of the chairman may submit the matter for review by the board and commission pursuant to NGC Regulations 4.185 through 4.195, inclusive.

3. In addition to any other requirements set forth in the NRS or these regulations, the operator and licensee where a system is operated shall comply with the following requirements:

(a) Only a system that has been approved by the commission may be exposed for play within a licensed gaming establishment.

(b) The licensee shall be responsible for any patron dispute arising at the licensed gaming establishment with respect to any system and games exposed thereby, and shall act in accordance with the provisions set forth in NRS 463.362, et. seq. This fact shall be disclosed to the ~~patron~~ authorized player at the time of the dispute. Operators and licensees shall cooperate in the resolution of patron disputes arising at the licensee's establishment, and the licensee may contractually seek indemnity from the operator for any losses.

(c) The licensee shall be responsible for all payouts from each system operated within its licensed gaming establishment. Regulation 5, Operation of Gaming Establishments Page 28

(d) Systems that expose games with fixed payoff schedules that exceed \$250,000 or in the case of systems that expose games with progressive payoff schedules that are expected to exceed \$250,000, are limited to Group I, nonrestricted gaming operations.

(e) At the request of the chairman, an operator shall deposit with the board and thereafter maintain a revolving fund in an amount of \$20,000 unless a lower amount is approved by the chairman, which shall be used to ensure compliance of the system with applicable laws and regulations. Upon surrendering its operator's license, the board may refund the balance remaining in the revolving fund.

(f) All revenue received from the system, regardless of whether any portion of the revenue is shared with the operator, must be attributed to the licensee of the licensed gaming establishment and counted as part of the gross revenue of the licensee pursuant to NRS 463.370. The operator, if receiving a share of the revenue from a system, is liable to the licensee for the operator's proportionate share of the license fees paid by the licensee pursuant to NRS 463.370.

(g) Each separate mobile communications device is subject to the same fees and taxes made applicable to slot machines by NRS 463.375, if it is activated on the system and made available for play by a ~~patron~~ authorized player at any time during a calendar quarter, and by NRS 463.385, if it is activated on the system and made available for play by a ~~patron~~ authorized player at any time during a fiscal year. The operator shall be liable to the licensee for the operator's proportionate share of the license fees paid by the licensee pursuant to NRS 463.375 and 463.385.

(h) Operators shall retain and provide board agents, upon request, all records pertaining to their mobile gaming systems including, without limitation, all revenue and cash records, end-of-day reports, computer room visitors logs, details of any patron disputes, device or game performance reports, weekly reports, and any other financial or non-financial records or reports required to be provided by the chairman.

4. Failure to comply with any of the requirements set forth in subsection 3 shall be an unsuitable method of operation.

5. Except for subsections 3(f) and 3(g), the chairman may, for good cause shown, waive any of the requirements set forth in subsection 3 of this regulation.

6. Operators shall maintain the records required by this section for at least five years after the records are made unless the chairman approves otherwise in writing.

5.221 Registration of Mobile Gaming Wagering Accounts.

~~7. 1. Before a wager may be made on a system, the patron must personally appear at the licensee's establishment to open a wagering account. An operator must register the individual as an authorized player and create a mobile gaming account for the individual. An employee of the licensee must examine, in the presence of the patron, and record the patron's:~~

2. An operator may allow an individual to register as an authorized player either remotely or in person.

3. For in person registrations, the patron must personally appear before an employee of the operator. If the operator wishes to offer in person registrations at any other location, an operator must file a request with the chairman for permission to have its employees open wagering accounts outside the premises of the operator. The request must include a comprehensive marketing plan setting out, at a minimum, the types of locations and types of potential patrons to which an operator intends to send its employees for the purposes of opening wagering accounts. An operator may not act under its marketing plan prior to the chairman approving the request. The chairman may impose limitations and conditions on any approved request. The chairman may rescind his approval of a request of an operator to have its employees open wagering accounts outside the premises of the operator upon written notice to the operator.

(a) An employee of the operator must examine, in the patron's presence, the patron's:

(a1) Driver's license;

(b2) Passport;

(c3) Non-resident alien identification card;

(d4) Other reliable government-issued identification credential; or

(e5) Other picture identification credential normally acceptable as a means of identification

when cashing checks.

(Adopted: 3/06; Amended: 9/11) b) The employee must record:

(1) The patron's name, permanent home address (other than a post office box number), and primary telephone number;

(2) The patron's mailing address;

(3) The patron's date of birth, gender, a description and number of the identity credential examined, and social security number, for United States residents only;

(4) The method used to verify the patron's identity and residence, and a description, including the document number, of the identity credential examined;

(5) The patron's approved credit limit or the amount of the patron's initial wagering account or front money deposit;

(6) The patron's account number with the operator; and

(7) The date the patron's account with the operator is opened;

4. For remote registrations,

(a) an operator may register an individual as an authorized player only if the individual provides the operator with the following information:

(1) The patron's name, permanent home address (other than a post office box number), and primary telephone number;

(2) The individual's date of birth showing that the individual is 21 years of age or older;

(3) The social security number for the individual, if a United States resident,

(4) That the individual is not on the list of excluded persons established pursuant to NRS 463.151 and Regulation 28.

(b) Before remotely registering an individual as an authorized player, the operator must have the individual affirm that the individual has been informed and has acknowledged that, if the operator is unable to verify the information provided by the individual pursuant to subsection 4(a) within 30 days of registration, any winnings attributable to the individual will be retained by the operator and the individual shall have no right to such winnings.

(c) The account wagering system must record:

(1) The patron's initial wagering account deposit;

(2) The patron's account number with the operator; and

(3) The date the patron's account with the operator is opened.

(d) Within 30 days of the registration of the authorized player, the operator shall verify the information provided by the individual pursuant to subsection 4(a). Until such verification has occurred:

(1) The authorized player may not deposit more than \$5,000 in their wagering account; and

(2) The authorized player may not withdraw any funds from their wagering account.

(e) If verification of the information provided pursuant to subsection 4(a) has not occurred within 30 days, the operator shall:

(1) Immediately suspend the wagering account and not allow any further wagering;

(2) Retain any winnings attributable to the authorized player; and

(3) Refund the balance of deposits made to the wagering account to the source of such deposit or by issuance of a check and then permanently close the account.

(f) Any winnings due to an authorized player prior to completion of the verification process shall be credited to the authorized player's wagering account immediately upon successful verification.

5. Before registering an individual as an authorized player pursuant to this regulation, the operator must have the individual affirm the following statements attesting that the patron:

(a) Confirms the accuracy of the information recorded;

(b) Has received a copy of or access to the operator's house rules and procedures for wagering communications;

(c) Has been informed and understands that authorized players that establish a wagering account pursuant to this regulation are prohibited by law from placing wagering communications from outside the licensed gaming establishment and that the operator is prohibited by law from accepting them

(d) Consents to the monitoring and recording by the board of any wagering communications;

(e) Consents to the jurisdiction of the State of Nevada to resolve disputes arising out of account wagering; and

(f) The account wagering system must evidence that an employee verified the patron's identity and residence information on behalf of the operator.

5.240 Service Providers.

1. Findings. The commission hereby finds that service providers are secure and reliable, that service providers do not pose a threat to the integrity of gaming, and that service providers are consistent with the public policy of this State pursuant to NRS 463.0129.

2. Definitions.

(a) "Chairman" means the chairman of the board or his designee.

(b) "Assumes responsibility" means to acquire control over, or ownership of, a person, or to acquire the authority, by contract or otherwise, to direct a person to make corrections, modifications, or changes to any aspect of the service or services provided by the person, including corrections, modifications or changes to software or hardware.

(c) "Geolocation service provider" means a person who identifies, or provides information for the identification of, the geographic location of individuals to a licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool, licensed interactive gaming service provider, or licensed manufacturer of associated equipment, cashless wagering systems, interactive gaming systems, or mobile gaming systems for purposes of interactive gaming, mobile gaming, race books, or sports pools. This definition does not include:

(i) A person who otherwise generally provides such information for purposes other than interactive gaming, mobile gaming, race books, or sports pools;

(ii) A licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool who obtains such information for its own use;

(iii) A licensed interactive gaming service provider ~~other than a marketing affiliate~~, or licensed manufacturer of associated equipment, cashless wagering systems, interactive gaming systems, or mobile gaming systems who provides such information; or

(iv) A person who provides such information to a licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool, licensed interactive gaming service provider, or licensed manufacturer of associated equipment, cashless wagering systems, interactive gaming systems, or mobile gaming systems so long as the licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool, licensed interactive gaming service provider, or licensed manufacturer of associated equipment, cashless wagering systems, interactive gaming systems, or mobile gaming systems assumes responsibility for the information provided.

(d) "Information technology service provider" means a person who, on behalf of another licensee, provides management, support, security, or disaster recovery services for board regulated hardware or software.

(e) "Marketing affiliate" ~~is a type of interactive gaming service provider and is~~ means a person who provides:

(i) ~~A person who provides~~ information regarding persons to an operator of interactive gaming, mobile gaming, a race book, or a sports pool via a database or customer list; or

(ii) ~~A person who provides~~ the trademarks, trade names, service marks or similar intellectual property under which an operator of interactive gaming, mobile gaming, a race book, or a sports pool identifies its associated equipment, cashless wagering system, interactive gaming system or mobile gaming system to patrons.

(f) "Patron identification service provider" means a person who verifies, or provides information for the verification of, the identification of individuals to a licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool, licensed interactive gaming service provider, or licensed manufacturer of associated equipment, cashless wagering systems, interactive gaming systems, or mobile gaming systems for purposes of interactive gaming, mobile gaming, race books, or sports pools. This definition does not include:

(i) A person who otherwise generally provides such information for purposes other than interactive gaming, mobile gaming, race books, or sports pools;

(ii) A licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool who obtains such information for its own use;

(iii) A licensed interactive gaming service provider ~~other than a marketing affiliate~~, or licensed manufacturer of associated equipment, cashless wagering systems, interactive gaming systems, or mobile gaming systems who provides such information; or

(iv) A person who provides such information to a licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool, licensed interactive gaming service provider, or licensed

manufacturer of associated equipment, cashless wagering systems, interactive gaming systems, or mobile gaming systems so long as the licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool, licensed interactive gaming service provider, or licensed manufacturer of associated equipment, cashless wagering systems, interactive gaming systems, or mobile gaming systems assumes responsibility for the information provided.

(g) "Payment processing service provider" means a person who directly facilitates the depositing of funds into or withdrawing of funds from interactive gaming accounts or wagering accounts for a licensed operator of interactive gaming-~~or, mobile gaming, a race book, or a sports pool~~, or a licensed interactive gaming service provider. This definition does not include:

(i) A licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool who provides such services for its patrons;

(ii) A licensed interactive gaming service provider ~~other than a marketing affiliate~~ who provides such services; or

(iii) A person who provides such services to a licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool or licensed interactive gaming service provider, so long as the licensed operator of interactive gaming, mobile gaming, a race book, or a sports pool or licensed interactive gaming service provider assumes responsibility for the service provided.

(h) "Service provider" means a person who:

(i) Acts on behalf of another licensed person who conducts nonrestricted gaming operations, and who assists, manages, administers or controls wagers or games, or maintains or operates the software or hardware of games on behalf of such a licensed person, and is authorized to share in the revenue from games without being licensed to conduct gaming at an establishment;

(ii) Is an interactive gaming service provider as defined pursuant to Regulation 5A.020;

(iii) Is a cash access and wagering instrument service provider;

(iv) Is an information technology service provider;

(v) Acts on behalf of another licensed person who conducts nonrestricted gaming operations where the services provided include those functions that fall within the definition of "gaming employee" pursuant to NRS 463.0157;

(vi) Is a geolocation service provider;

(vii) Is a marketing affiliate;

(viii) Is a patron identification service provider; or

(~~viii~~ix) Is a payment processing service provider.

→ A service provider granted a license by the commission is a licensee.

3. Service provider investigation classifications. The level of investigation conducted by the board of a service provider applicant is classified based on the significance of the activities to be provided on behalf of a licensee and regulatory risk of the service provider. The investigation classifications are as follows:

(a) The following service providers are subject to a class 1 investigation:

(i) Any interactive gaming service provider ~~other than a marketing affiliate~~;

(ii) Any service provider who receives payments based on earnings or profits from any gambling game; or

(iii) Any other applicant for a service provider license who, upon a determination of the chairman, should be subject to a class 1 investigation. Such determination shall be based on the policy set forth in NRS 463.0129 and this subsection.

(b) Any service provider other than those identified in subsection 3(a) or 3(c) of this section, are subject to a class 2 investigation.

(c) Any service provider who is acting on behalf of an operator of interactive gaming, mobile gaming, a race book, or a sports pool as a marketing affiliate is subject to a class 3 investigation.

[...]

CG TECHNOLOGY
PROPOSED REGULATORY AMENDMENTS
Draft as of March 2, 2015

REGULATION 22
RACE BOOKS AND SPORTS POOLS

22.010 Definitions. As used in this regulation:

1. "Account wagering system" means a system of wagering using telephone, computer or other method of wagering communication as approved by the chairman whose components shall be located in this State. The components shall include, but not be limited to, the systems operator, permanent information databases, system monitoring equipment, writers, and patron service representatives.

2. "Authorized player" means a person who has registered with a book to wager through a wagering account.

[...]

22.080 Payment of winning wagers.

1. Except as otherwise provided in this subsection, books shall make payment on a winning wager to the person who presents the patron's copy of the betting ticket representing the wager. A book need not make payment to a person who the book or an agent or employee of the book knows is not the person to whom the patron's copy was issued. A book shall not make payment on a winning wager to a person who the book or its agent or employee knows or reasonably should know is collecting the payment on behalf of another for monetary consideration or in violation of federal law. A book may withhold payment of a wager if the patron refuses to supply identification and any other documentation required by state or federal law.

2. Presentation of the betting ticket and payment of the winning wager may be made at an affiliated book provided that:

(a) An adequate accounting of the payment is kept for 5 years by both books; and

(b) The payout is properly included in the computation of gross revenue of the licensee that initially accepted the wager.

3. Books shall honor winning betting tickets for 30 days after the conclusion of the event wagered upon unless a longer period is established by the book. The book shall state the redemption period on each betting ticket, in house rules and on notices conspicuously placed about the licensed premises. Payment by mail may be made only after presentment of the betting ticket and all identification information and documentation required by state or federal law, and must be made not later than 10 days after presentment of all.

4. A licensed race book shall determine the winners of or payouts on wagers on horse and other animal races only with information the book receives from licensed disseminators pursuant to Regulations 20 and 21.

22.140 Wagering communications; establishing patron wagering accounts for sports, nonpari-mutuel race, and other event wagering.

1. A book may only accept a sports wager, nonpari-mutuel race wager, or other event wager made in person unless the transmission of a wager is initiated from within the State of Nevada. Each book must conspicuously display signs to that effect on its premises.
2. An operator of a call center shall not accept wagering instructions for sports wagers, nonpari-mutuel race wagers, or other events wagers unless the transmission of the wagering instructions is initiated from within the State of Nevada.
3. A book may only accept a pari-mutuel horse race wager made in person unless a pari-mutuel horse race account wager is accepted pursuant to the provisions of Regulation 26C. Each book must conspicuously display signs to that effect on its premises.
4. Each Group I licensee that accepts wagering communications shall establish and implement pursuant to Regulation 6 a system of internal control for such transactions, and comply with both its system of internal control and the Regulation 6.090 minimum internal control standards. Each Group II licensee that accepts wagering communications shall comply with the Regulation 6.100 internal control procedures.
5. Each book shall prepare a written description of its rules and procedures for wagering communications, and shall furnish make available a copy to each patron for whom a wagering account is established.
6. Each patron or authorized employee of a book shall ~~issue each patron or authorized employee of a book~~ be required to choose a secure personal identification reasonably designed to prevent the acceptance of wagers from persons other than the patrons or, if applicable, their agent, or authorized employees of books for whom wagering accounts are established. More than one patron or authorized employee of a book may be assigned to a single wagering account, and an agent may be assigned to an authorized player's wagering account; however, each patron, agent or authorized employee of a book assigned to an account must comply with the provisions of subsections ~~7, 8, 7~~ and ~~9, 8~~.
7. Before a book accepts a wagering communication, or a call center accepts a wagering instruction, on any sporting event wager, on any nonpari-mutuel race wager, or on any other event wager, a book must register the individual as an authorized player and create a wagering account for the individual:
 - (a) ~~The~~ A book may allow an individual to register as an authorized player either remotely or in-person.
 - (b) For in person registrations, the patron must personally appear before ~~employees~~ an employee of the book ~~to open a wagering account. If the patron does not appear personally at the premises of the book,~~ or, for central site books, at an outstation, satellite or affiliated book, to open a wagering account. If the book wishes to offer in person registrations at any other location, a book must file a request with the chairman for permission to have its employees open wagering accounts outside the premises of the book. The request must include a comprehensive marketing plan setting out, at a minimum, the types of locations and types of potential patrons to which a book intends to send ~~its~~ employees for the purposes of opening wagering accounts. A book may not act under its marketing plan prior to the chairman approving the request. The chairman may impose limitations and conditions on any approved request. The chairman may rescind his approval of a request of a book to have its employees open wagering accounts outside the premises of the book upon written notice to the book. ~~Wagering accounts may not be opened outside the State of Nevada;~~

(5 E) Other picture identification credential normally acceptable as a means of identification when cashing checks;

(e2) The employee must record:

(1 A) The patron's name, permanent home address (other than a post office box number), and ~~home~~primary telephone number;

(2 B) The patron's mailing address ~~and, if the mailing address is not a post office box number and is a residence or place of business of the patron, the telephone number of the resident or place of business;~~

(3 C) The patron's date of birth, gender, a description and number of the identity credential examined, and social security number, for United States residents only;

(4 D) The method used to verify the patron's identity and residence, and a description, including the document number, of the identity credential examined;

~~(5~~

(E) The patron's approved credit limit or the amount of the patron's initial wagering account or front money deposit;

~~(6~~

(F) The patron's account number with the book; and

~~(7~~

(G) The date the patron's account with the book is opened;

(c) For remote registrations,

(1) a book may register an individual as an authorized player only if the individual provides the book with the following information:

(A) The patron's name, permanent home address (other than a post office box number), and primary telephone number;

(B) The individual's date of birth showing that the individual is 21 years of age or older;

(C) The social security number for the individual, if a United States resident,

(D) That the individual is not on the list of excluded persons established pursuant to NRS 463.151 and Regulation 28.

(2) Before remotely registering an individual as an authorized player, the book must have the individual affirm that the individual has been informed and has acknowledged that, if the book is unable to verify the information provided by the individual pursuant to subsection 7(b)(2) within 30 days of registration, any winnings attributable to the individual will be retained by the book and the individual shall have no right to such winnings.

(3) The account wagering system must record:

(A) The patron's initial wagering account deposit;

(B) The patron's account number with the book; and

(C) The date the patron's account with the book is opened.

(4) Within 30 days of the registration of the authorized player, the book shall verify the information provided by the individual pursuant to subsection 7(b). Until such verification has occurred:

(A) The authorized player may not deposit more than \$5,000 in their wagering account; and

(B) The authorized player may not withdraw any funds from their wagering account.

(5) If verification of the information provided pursuant to subsection 3 has not occurred within 30 days, the book shall:

(A) Immediately suspend the wagering account and not allow any further wagering;

(B) Retain any winnings attributable to the authorized player; and

(C) Refund the balance of deposits made to the wagering account to the source of such deposit or by issuance of a check and then permanently close the account.

(6) Any winnings due to an authorized player prior to completion of the verification process shall be credited to the authorized player's wagering account immediately upon successful verification.

(d) ~~The patron must sign, in the presence of a supervising employee of the book,~~ Before registering an individual as an authorized player pursuant to this regulation, the book must have the individual affirm the following statements attesting that the patron:

- (1) Confirms the accuracy of the information recorded;
- (2) Has received a copy of or access to the book's house rules and procedures for wagering communications;
- (3) Has been informed and understands that ~~patrons~~ authorized players that establish a wagering account pursuant to this subsection 7 are prohibited by law from placing wagering communications from outside Nevada and that the book is prohibited by law from accepting them;
- (4) Has been informed and understands that, with regard to pari-mutuel horse race wagers, a race book may only accept off-track pari-mutuel horse race account wagers pursuant to the provisions of Regulation 26C; ~~and-~~
- (5) Consents to the monitoring and recording by the board of any wagering communications;
- (6) Consents to the jurisdiction of the State of Nevada to resolve disputes arising out of account wagering; and
- (7) That the individual has been informed and has acknowledged that, as an authorized player, they are prohibited from allowing any other person access to or use of their wagering account except a registered joint account holder or an individual registered as an agent on the wagering account;

(e) ~~The account wagering system must evidence that an employee who verifies~~ verified the patron's identity and residence ~~and who obtains and records the information on behalf of the book and the supervising employee described in subparagraph (d), must each sign statements that they witnessed the patron's signature and confirmed the patron's identity and residence.~~

8. Before a book accepts a wagering communication, or a call center accepts a wagering instruction, on any sporting event wager, nonpari-mutuel race wager, or other event wager from another book:

(a) The authorized employee of the other book must personally appear at the premises of the book or, for central site books, at an outstation, satellite or affiliated book, to open a wagering account;

(b) The book employee must record:

(1) The authorized employee of the other book's name, permanent business address (other than a post office box number), and business telephone number;

(2) the documents used to verify the other book is a book, the authorized employee is an employee of the other book and is authorized to open this wagering account;

(3) The amount ~~of~~ of the authorized employee of the other book's initial wagering account or front money deposit;

(4) The authorized employee of the other book's account number with the book; and

(5) The date the authorized employee of the other book's account with the book is opened;

(c) The authorized employee of the other book must sign, in the presence of a supervising employee of the book, statements attesting that the authorized employee of the other book:

(1) Confirms the accuracy of the information recorded;

(2) Has received a copy of or access to the book's house rules and procedures for wagering communications;

(3) Has been informed and understands that authorized employees of other books that establish a wagering account pursuant to this subsection are prohibited by law from placing wagering communications from outside Nevada and that the book is prohibited by law from accepting them;

(4) Has been informed and understands that, with regard to pari-mutuel horse race wagers, a race book may only accept off-track pari-mutuel horse race account wagers pursuant to the provisions of Regulation 26C; and

(5) Consents to the monitoring and recording by the board of any wagering communication; and

(d) The employee who verifies the authorized employee of the other book's information and who obtains and records the information on behalf of the book and the supervising employee described in

subparagraph (c), must each sign statements that they witnessed the authorized employee's signature and confirmed the authorized employee of the other book's identity and residence.

~~9. The book shall accept wagers on the patron's wagering account only during the year after the account is opened, unless:~~

~~(a) The patron places an account wager at least once every year; or~~

~~(b) The patron renews the account. Patrons may renew accounts for one and only one additional year by appearing personally before employees of the book as set out in subsection 7(a) of this section prior to the expiration of the initial year and signing a renewal form. Two employees of the book, at least one of whom must be a supervising employee, shall witness the patron's signature on the renewal form and each shall attest thereto by signing the renewal form. When the renewal period expires, the book shall accept no further wagering communications from the patron until the patron again complies with the provisions of subparagraphs (a), (b), and (c) of subsection 7. Additionally, a book shall not accept a wager on such an account if the patron is not physically located within Nevada's borders.~~

~~10. For each wagering account established for the purpose of accepting wagering communications, the book account wagering system shall record the secure personal identification assigned to the patron and the date/time and amount of each:~~

~~(a) Deposit;~~

~~(b) Withdrawal;~~

~~(c) Wager placed and accepted including the wagering transaction number;~~

~~(d) Payout on winning wager;~~

~~(e) Charge for horse racing-related services or merchandise;~~

~~(f) Service or other transaction-related charge authorized by the patron; and~~

~~(g) Adjustment to the account.~~

~~11. 10.~~ In addition to the posting of the wager in the computerized bookmaking system, all wagering communications shall be electronically recorded and retained for a period of 60 days. The method of recording the wager must be approved by the chairman. Such recordings must be made immediately available to any board agent upon request.

~~12. 11.~~ All wagering account applications or amendments thereto for active accounts must be retained by the book. All wagering account applications or amendments thereto for rejected applications shall be retained by the book for no less than one year following the rejection of the related application. All wagering account applications or amendments thereto for closed accounts shall be retained by the book for no less than one year following the closure of the related wagering account.

22.147 Account wagering rules. Each book that offers account wagering shall adopt, conspicuously display at its licensed premises, make available through the account wagering system, and adhere to written, comprehensive house rules governing account wagering transactions with patrons. Without limiting the generality of the foregoing, the rules must include statements to the effect that:

1. All applicable house rules apply to wagering accounts.

2. The book shall provide each patron, upon reasonable request and consistent with its internal control policies, with a statement of account showing each wagering account deposit, each wagering account withdrawal, each credit to a wagering account, and each debit to the wagering account made during the time period reported by the account statement. The patron may dispute any transaction according to NGC Regulation 7A.

3. For all wagering communications the book is required to make a voice, print, electronic or other approved record of the entire transaction and shall not accept any such wager or transaction if the recording system is inoperable. The record of the patron's confirmation of all wagering information shall be deemed to be the transaction of record, regardless of what was recorded by the computerized bookmaking or pari-mutuel system. The records are made available to the board upon request.

4. The book has the right to;

(a) Refuse the establishment or maintenance of accounts for what it deems good and sufficient reason;

(b) Refuse deposits to accounts for what it deems good and sufficient reason;

(c) Refuse to accept all or part of any wager for what it deems good and sufficient reason;

(d) Declare the account wagering system closed for receiving any or all wagers;

(e) Suspend or close any account at any time, provided, however, when an account is closed, the book shall, within five business days, return the balance of the wagering account at the time of said action, subject to compliance with these regulations, the book's house rules, and federal and state laws and regulations, by sending a check to the patron's address of record; or

(f) Close any wagering account when the patron thereof attempts to operate with an insufficient balance or when the account is dormant for a period established by the book. In either case, the book shall refund the balance of the wagering account, subject to compliance with these regulations, the book's house rules, and federal or state law and unless there is a pending unresolved player dispute or if the authorized patron refuses to supply and all identification information and documentation required by state or federal law.

5. The book shall keep confidential, except from the patron, the ~~board~~board, affiliates of the book, or as otherwise required by or in furtherance of federal or state law, the information specified in subparagraphs 5(a)-(e):

(a) The amount of money credited to, debited from, or present in any particular patron's wagering account;

(b) The amount of money wagered by a particular patron on any event;

(c) The account number and secure personal identification method that identifies the patron;

(d) The identities of particular entries on which a patron is wagering or has wagered; and

(e) Unless otherwise authorized by a patron, the name, address, and other information in the possession of the book that would identify the patron to anyone other than the board or the book.

(f) If authorized by a patron, the book may share the information set forth in 5(a)-(e) with the casino licensee where the book is located.

(g) If requested by a professional or amateur sports league or governing body for the purposes of fraud detection and to maintain the integrity of the sport, a book may share the identity of a patron, the identities of particular events on which a patron is wagering or has wagered and the amounts wagered on those events.

6. Books shall disclose their policy regarding the acceptance of personal checks, cashier's checks, wire transfers, money orders, debit cards, credit cards and electronic transfers of money to the patron.

7. Books shall disclose their policy regarding the patron's use of the wagering account while the patron is on the premises of the book.

CG TECHNOLOGY
PROPOSED REGULATORY AMENDMENTS
Draft as of March 2, 2015

REGULATION 26C
OFF-TRACK PARI-MUTUEL HORSE RACE ACCOUNT WAGERING

26C.160 Wagering communications; establishing patron wagering accounts for pari-mutuel race wagering.

1. Each Group I licensee that accepts wagering communications shall establish and implement pursuant to Regulation 6 a system of internal control for such transactions, and comply with both its system of internal control and the Regulation 6.090 minimum internal control standards. Each Group II licensee that accepts wagering communications shall comply with the Regulation 6.100 internal control procedures.

2. Each book shall prepare a written description of its house rules and procedures for wagering communications, and shall furnish or make available a copy to each patron for whom a wagering account is established. Prior to adopting or amending such house rules, a book shall submit such rules to the chairman for approval.

3. Each patron or authorized employee of a book shall ~~issue each patron~~ be required to choose a secure personal identification reasonably designed to prevent the acceptance of wagers from persons other than the patrons or authorized employees of books for whom wagering accounts are established. More than one patron may be assigned to a single wagering account; however, each patron assigned to an account must comply with the provisions of subsections 4, 5 or 6, as applicable.

4. A race book licensed to accept off-track pari-mutuel horse race wagers may establish wagering accounts for residents of Nevada and residents of any state or foreign jurisdiction in which pari-mutuel horse race wagering is legal provided that the state or foreign jurisdiction does not otherwise restrict wagering on accounts located outside its borders. Such accounts may be established remotely or in person. Patrons having established an account pursuant to this subsection may place wagers only within the borders of the state or foreign jurisdiction in which the patron resides or a jurisdiction in which pari-mutuel horse race wagering is legal, and that the state or foreign jurisdiction does not otherwise restrict wagering on accounts located outside its borders. Before a book accepts a wagering communication on such an account:

(a) The patron must provide, and the account wagering system must record and maintain, the patron's:

(1) Name, permanent home address (other than a post office box number), and home telephone number;

(2) Mailing address and, if the mailing address is not a post office box number and is a residence or place of business of the patron, the telephone number of the residence or place of business;

(3) Date of birth, gender, and a description and number of the identity credential provided and social security number, for United States residents only; and

(4) Method used to verify the patron's identity and residence, and a description, including the document number, of the identity credential provided;

(b) The account wagering system must record and maintain the patron's acknowledgment of statements attesting that the patron:

(1) Confirms the accuracy of the information recorded;

(2) Has received a copy of or access to the book's rules and procedures for wagering communications;

(3) Has been informed and understands that, with regard to pari-mutuel horse race wagers, a race book licensed to accept off-track pari-mutuel wagers may accept such wagers from patrons only when located within a state or foreign jurisdiction in which the patron resides or in a jurisdiction in which pari-mutuel horse race wagering is legal, and that the state or foreign jurisdiction does not otherwise restrict wagering on accounts located outside its borders; and

(4) Consents to the monitoring and recording by the board of any wagering communications;

(c) Upon completion of the application process, the account wagering system must record and maintain the:

(1) Date the patron's account with the book is opened;

(2) Account wagering number with the book; and

(3) Approved credit limit or the amount of the patron's initial wagering account deposit;

(d) The race book shall utilize the services of an independent third party to perform identity, residence, and age verification services with regard to the patron(s) establishing the wagering account. The book shall maintain a record of such verification; and

(e) The race book shall confirm that the state or foreign jurisdiction in which the patron resides is a jurisdiction in which pari-mutuel horse race wagering is legal, and that the state or foreign jurisdiction does not otherwise restrict wagering on accounts located outside its borders, prior to the book accepting wagers on such accounts. The book shall maintain a record of such confirmation.

5. A race book licensed to accept off-track pari-mutuel horse race wagers may establish a wagering account for any patron that is not a resident of Nevada that will place wagers on such an account from within Nevada's borders. Such accounts ~~must~~ may be established remotely or in person. Before a book accepts a wagering communication on such an account:

(a) ~~The patron must personally appear at the premises of the book or, for central site books, at an outstation, satellite or affiliated book, to open a wagering account; (b) An employee of the book must examine, in the patron's presence~~ provide, and the account wagering system must record and maintain, the patron's:

~~(1) Driver's license;~~

~~(2) Passport;~~

~~(3) Non-resident alien identification card;~~

~~(4) Other reliable government issue identification credential; or~~

~~(5) Other picture identification credential normally acceptable as a means of identification when cashing checks;~~

~~(c) The employee must record:~~ (1) The patron's name Name, permanent home address (other than a post office box number), and home telephone number;

(2) The patron's mailing Mailing address and, if the mailing address is not a post office box number and is a residence or place of business of the patron, the telephone number of the residence or place of business;

(3) Date of birth, gender, and a description and number of the identity credential provided; and social security number, for United States residents only; and

(4) Method used to verify the patron's identity and residence, and a description, including the document number, of the identity credential provided;

~~(5) The patron's approved credit limit or the amount of the patron's initial wagering account deposit;~~

~~(6) The patron's account number with the book; and~~

~~(7) The date the patron's account with the book is opened;~~

(d) The patron must sign, in the presence of a supervising employee of the book, account wagering system must record and maintain the patron's acknowledgment of statements attesting that the patron:

(1) Confirms the accuracy of the information recorded;

(2) Has received a copy of or access to the book's rules and procedures for wagering communications;

(3) Has been informed and understands that patrons that establish a wagering account pursuant to this subsection 5 are prohibited by law from placing wagering communications from outside Nevada and that the book is prohibited by law from accepting them;

~~—(4) Has read, understands, and is bound by the provisions of subsection 6; and—~~

(5) Consents to the monitoring and recording by the board of any wagering communications; and

~~(e) The employee who verifies the patron's identity and residence and who obtains and records the information on behalf of the book and the supervising employee described in subparagraph (d), must each sign statements that they witnessed the patron's signature and confirmed the patron's identity and residence. Upon completion of the application process, the account wagering system must record and maintain the:~~

~~6.—With regards to accounts opened pursuant to subsection 5, the book shall accept pari-mutuel horse race wagers on the patron's wagering account only during the year after the account is opened, unless:—~~

~~(a) The patron places account wagers in person at the licensed Nevada gaming establishment in which the wagering account was established;—~~

~~(b) The patron places account wagers in person at another licensed Nevada gaming establishment through the use of communications technology specifically approved for such use; or—~~

~~(c) The patron renews the account. Patrons may renew accounts for one and only one additional year by appearing personally at the premises of the book prior to the expiration of the initial year and signing a renewal form. Two employees of the book, at least one of whom must be a supervising employee, shall witness the patron's signature on the renewal form and each shall attest thereto by signing the renewal form. When the renewal period expires, the book shall accept no further wagering communications from the patron until the patron again complies with the provisions of subparagraphs (a), (b), and (c) of subsection 5. Additionally, a book shall not accept a wager on such an account if the patron is not physically located within Nevada's borders.—~~

~~(1) Date the patron's account with the book is opened;~~

~~(2) Account wagering number with the book; and~~

~~(3) Approved credit limit or the amount of the patron's initial wagering account deposit;~~

~~(d) The race book shall utilize the services of an independent third party to perform identity, residence, and age verification services with regard to the patron(s) establishing the wagering account. The book shall maintain a record of such verification; and~~

~~7.—6.~~ For each wagering account established for the purpose of accepting wagering communications, the book shall record the secure personal identification assigned to the patron, and the date/time and amount of each:

(a) Deposit;

(b) Withdrawal;

(c) Wager placed and accepted including the wagering transaction number;

(d) Payout on winning wager;

(e) Charge for horse racing-related services or merchandise;

(f) Service or other transaction-related charge authorized by the patron; and

(g) Adjustment to the account.

~~8.—7.~~ In addition to the posting of the wager in the off-track pari-mutuel race system, all wagering communications shall be electronically recorded and retained for a period of 60 days. The method of recording the wager must be approved by the chairman. Such recordings must be made immediately available to any board agent upon request.

~~9.—8.~~ All wagering account applications or amendments thereto for active accounts must be retained by the book. All wagering account applications or amendments thereto for rejected applications shall be retained by the book for no less than one year following the rejection of the related application. All

wagering account applications or amendments thereto for closed accounts shall be retained by the book for no less than one year following the closure of the related wagering account.

26C.180 Account wagering rules. Each book that offers account wagering shall adopt, conspicuously display at its licensed premises, make available through the account wagering system, and adhere to written, comprehensive house rules governing account wagering transactions with patrons. Prior to adopting or amending such house rules, a book shall submit such rules to the chairman for approval. Without limiting the generality of the foregoing, the rules must include statements to the effect that:

1. All applicable house rules apply to wagering accounts.
2. The book shall provide each patron, upon reasonable request and consistent with its internal control policies, with a statement of account showing each wagering account deposit, each wagering account withdrawal, each credit to a wagering account, and each debit to the wagering account made during the time period reported by the account statement. The patron may dispute any transaction according to NGC Regulation 7A.
3. For all wagering communications the book is required to make a voice, print, electronic or other approved record of the entire transaction and shall not accept any such wager or transaction if the recording system is inoperable. The record of the patron's confirmation of all wagering information shall be deemed to be the transaction of record, regardless of what was recorded by the off-track pari-mutuel race system. The records are made available to the board upon request.
4. The book has the right to:
 - (a) Refuse the establishment or maintenance of accounts for what it deems good and sufficient reason;
 - (b) Refuse deposits to accounts for what it deems good and sufficient reason;
 - (c) Refuse to accept all or part of any wager for what it deems good and sufficient reason;
 - (d) Declare the account wagering system closed for receiving any or all wagers;
 - (e) Suspend or close any account at any time, provided, however, when an account is closed, the book shall, within five business days, return the balance of the wagering account at the time of said action, subject to compliance with these regulations, the book's house rules, and federal and state laws and regulations, by sending a check to the patron's address of record; or
 - (f) Close any wagering account when the patron thereof attempts to operate with an insufficient balance or when the account is dormant for a period established by the book. In either case, the book shall refund the balance of the wagering account, subject to compliance with these regulations, the book's house rules, and federal or state law and unless there is a pending unresolved player dispute or if the authorized patron refuses to supply and all identification information and documentation required by state or federal law.
5. The book shall keep confidential, except from the patron, the board, affiliates of the book, or as otherwise required by or in furtherance of federal or state law, the information specified in subparagraphs 5(a)-(e):
 - (a) The amount of money credited to, debited from, or present in any particular patron's wagering account;
 - (b) The amount of money wagered by a particular patron on any event;
 - (c) The account number and secure personal identification method that identifies the patron;
 - (d) The identities of particular entries on which a patron is wagering or has wagered; and
 - (e) Unless otherwise authorized by a patron, the name, address, and other information in the possession of the book that would identify the patron to anyone other than the board or the book.

(f) If authorized by a patron, the book may share the information set forth in 5(a)-(e) with the casino licensee where the book is located.

(g) If requested by a professional or amateur racing authority or governing body for the purposes of fraud detection and to maintain the integrity of racing, a book may share the identity of a patron, the identities of particular events on which a patron is wagering or has wagered and the amounts wagered on those events.

6. Books shall disclose their policy regarding the acceptance of personal checks, cashier's checks, wire transfers, money orders, debit cards, credit cards and electronic transfers of money to the patron.

7. Books shall disclose their policy regarding the patron's use of the wagering account while the patron is on the premises of the book.

8. Books shall disclose their policy that pari-mutuel race wagers are accepted from patrons only when located within a state or foreign jurisdiction in which the patron resides or in a jurisdiction in which pari-mutuel horse race wagering is legal, and that the state or foreign jurisdiction does not otherwise restrict wagering on accounts located outside its borders.