

## REGULATION 5A

### OPERATION OF INTERACTIVE GAMING

5A.010	Scope.
5A.020	Definitions.
5A.030	License Required; Applications.
5A.040	Initial and Renewal License Fees.
5A.050	Investigative Fees.
5A.060	Interactive Gaming Systems.
5A.070	Internal Controls for Operators of Interactive Gaming.
5A.080	Detection and Prevention of Criminal Activities.
5A.090	Access to Premises and Production of Records; Revolving Investigative Fund.
5A.100	House Rules.
5A.110	Registration of Authorized Player.
5A.120	Interactive Gaming Accounts.
5A.125	Reserve Requirements.
5A.130	Self-Exclusion.
5A.135	Compensation.
5A.140	Acceptance of Wagers.
5A.145	Progressive Payoff Schedules.
5A.150	Information Displayed on Website.
5A.155	Advertising and Promotions.
5A.160	Suspicious Transaction Report.
5A.170	Gross Revenue License Fees, Attribution, Liability and Computations for Interactive Gaming.
5A.180	Resolution of Disputes.
5A.190	Records.
5A.200	Grounds for Disciplinary Action.
5A.210	Power of Commission and Board.
5A.220	Interactive Gaming Service Providers.
5A.230	Waiver of Requirements of Regulation.

**5A.010 Scope.** Regulation 5A shall govern the operation of interactive gaming. The provisions of the Gaming Control Act and all regulations promulgated thereunder shall still otherwise apply when not in conflict with Regulation 5A.

(Adopted: 12/11.)

**5A.020 Definitions.** As used in this regulation:

1. "Authorized player" means a person who has registered with the operator of interactive gaming to engage in interactive gaming.
2. "Chair" means the Chair of the Nevada Gaming Control Board or the Chair's designee.
3. "Interactive gaming account" means a wagering account as that term is defined in Regulation 5.225.
4. "Interactive gaming service provider" means a person who acts on behalf of an operator of interactive gaming and:
  - (a) Manages, administers or controls wagers that are initiated, received or made on an interactive gaming system;
  - (b) Manages, administers or controls the games with which wagers that are initiated, received or made on an interactive gaming system are associated;
  - (c) Maintains or operates the software or hardware of an interactive gaming system; or
  - (d) Provides products, services, information or assets to an operator of interactive gaming and receives therefor a percentage of gaming revenue from the establishment's interactive gaming system.
5. "Interactive gaming system" shall have the same meaning as provided in Regulation 14.010.
6. "Inter-operator poker network" means a pool of authorized players from two or more operators collected together to play the game of poker on one interactive gaming system.
7. "Operate interactive gaming" means to operate, carry on, conduct, maintain or expose for play in or from the State of Nevada interactive gaming on an interactive gaming system.
8. "Operator of interactive gaming" or "operator" means a person who operates interactive gaming. An operator of interactive gaming who is granted a license by the Commission is a licensee.

9. "Poker" means the traditional game of poker, and any derivative of the game of poker as approved by the Chair and published on the Board's website, wherein two or more players play against each other and wager on the value of their hands. For purposes of interactive gaming, poker is not a banking game.

10. "Wagering communication" means the transmission of a wager between a point of origin and a point of reception through communications technologies as defined by NRS 463.016425(2).

(Adopted: 12/11; Amended: 4/16; 5/17.)

**5A.030 License Required; Applications.**

1. A person may act as an operator of interactive gaming only if that person holds a license specifically permitting the person to act as an operator of interactive gaming.

2. Applications for an operator of interactive gaming license shall be made, processed, and determined in the same manner as applications for nonrestricted gaming licenses, using such forms as the Chair may require or approve.

(Adopted: 12/11.)

**5A.040 Initial and Renewal License Fees.** Before the Commission issues an initial license or renews a license for an operator of interactive gaming the operator of interactive gaming shall pay the license fees established pursuant to NRS 463.765.

(Adopted: 12/11.)

**5A.050 Investigative Fees.** Applications for an operator of interactive gaming license shall be subject to the application and investigative fees established pursuant to Regulation 4.070.

(Adopted: 12/11.)

**5A.060 Interactive Gaming Systems.**

1. An operator shall not operate a new interactive gaming system in this state unless the interactive gaming system has been approved by the Commission.

2. Operators shall provide the Board, prior to commencing operations of their interactive gaming system, with a list of all persons who may access the main computer or data communications components of their interactive gaming system and any changes to that list shall be provided to the Board within ten (10) days.

(Adopted: 12/11.)

**5A.070 Internal Controls for Operators of Interactive Gaming.** Each operator shall establish, maintain, implement and comply with standards that the Chair shall adopt and publish pursuant to the provisions of Regulation 6.090. Such minimum standards shall include internal controls for:

1. As specified under Regulation 6.090(1), administrative, accounting and audit procedures for the purpose of determining the licensee's liability for taxes and fees under the Gaming Control Act and for the purpose of exercising effective control over the licensee's internal affairs;

2. Maintenance of all aspects of security of the interactive gaming system;

3. Registering authorized players to engage in interactive gaming;

4. Identification and verification of authorized players to prevent those who are not authorized players from engaging in interactive gaming. The procedures and controls must incorporate robust and redundant identification methods and measures in order to manage and mitigate the risks of non face-to-face transactions inherent in interactive gaming;

5. Protecting and ensuring confidentiality of authorized players' interactive gaming accounts;

6. Reasonably ensuring that interactive gaming is engaged in between human individuals only;

7. Reasonably ensuring that interactive gaming is conducted fairly and honestly, including the prevention of collusion between authorized players.

8. Testing the integrity of the interactive gaming system on an ongoing basis;

9. Promoting responsible interactive gaming and preventing individuals who have self-excluded from engaging in interactive gaming. Such internal controls shall include provisions for substantial compliance with Regulation 5.170; and

10. Protecting an authorized player's personally identifiable information, including, but not limited to:

(a) The designation and identification of one or more senior company officials having primary responsibility for the design, implementation and ongoing evaluation of such procedures and controls;

(b) The procedures to be used to determine the nature and scope of all personally identifiable information collected, the locations in which such information is stored, and the devices or media on which such information may be recorded for purposes of storage or transfer;

(c) The policies to be utilized to protect personally identifiable information from unauthorized access by employees, business partners, and persons unaffiliated with the company;

(d) Notification to authorized player of privacy policies;

(e) Procedures to be used in the event the operator determines that a breach of data security has occurred, including required notification to the Board's enforcement division; and

(f) Provision for compliance with all local, state and federal laws concerning privacy and security of personally identifiable information.

"Personally identifiable information" means any information about an individual maintained by an operator including (1) any information that can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, or biometric records; and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information.

↳ The Chair may determine additional areas that require internal controls having minimum standards. The Chair shall adopt and publish any such additional internal controls and their minimum standards pursuant to the provisions of Regulation 6.090.

(Adopted: 12/11.)

**5A.080 Detection and Prevention of Criminal Activities.** Each operator shall implement procedures that are designed to detect and prevent transactions that may be associated with money laundering, fraud and other criminal activities and to ensure compliance with all federal laws related to money laundering.

(Adopted: 12/11.)

**5A.090 Access to Premises and Production of Records; Revolving Investigative Fund.**

1. Operators holding a license issued by the Commission are subject to the provisions of NRS 463.140. It shall be an unsuitable method of operation for an operator holding a license issued by the Commission to deny any Board or Commission member or agent, upon proper and lawful demand, access to, inspection or disclosure of any portion or aspect of their operations.

2. Upon being granted a license by the Commission, operators 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 Chair, which shall be used to pay the expenses of agents of the Board and Commission to investigate compliance with this regulation.

(Adopted: 12/11.)

**5A.100 House Rules.** Each operator shall adopt, and adhere to written, comprehensive house rules governing wagering transactions by and between authorized players that are available for review at all times by authorized players through a conspicuously displayed link. Such house rules shall include, but not be limited to, specifying the following:

1. Clear and concise explanation of all fees;
2. The rules of play of a game;
3. Any monetary wagering limits; and
4. Any time limits pertaining to the play of a game.

↳ Prior to adopting or amending such house rules, an operator shall submit such rules to the Chair for the Chair's approval.

(Adopted: 12/11.)

**5A.110 Registration of Authorized Player.**

1. Before allowing or accepting any wagering communication from an individual to engage in interactive gaming, an operator must register the individual as an authorized player and create an interactive gaming account for the individual in accordance with this section.

2. An operator may register an individual as an authorized player only if the individual provides the operator with the following information:

- (a) The identity of the individual;

- (b) The individual's date of birth showing that the individual is 21 years of age or older;
- (c) The physical address where the individual resides;
- (d) The last four digits of the social security number for the individual, if a United States resident,
- (e) That the individual had not previously self-excluded with the operator and otherwise remains on the operator's self-exclusion list; and
- (f) That the individual is not on the list of excluded persons established pursuant to NRS 463.151 and Regulation 28.

3. Before registering an individual as an authorized player, the operator must have the individual affirm the following:

- (a) That the information provided to the operator by the individual to register is accurate;
- (b) That the individual has reviewed and acknowledged access to the house rules for interactive gaming;
- (c) That the individual has been informed and has acknowledged that, as an authorized player, the individual is prohibited from allowing any other person access to or use of his or her interactive gaming account;
- (d) That the individual has been informed and has acknowledged that, as an authorized player, the individual is prohibited from engaging in interactive gaming from a state or foreign jurisdiction in which interactive gaming is illegal and that the operator is prohibited from allowing such interactive gaming;
- (e) 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 2 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;
- (f) Consents to the monitoring and recording by the operator and the Board of any wagering communications; and
- (g) Consents to the jurisdiction of the State of Nevada to resolve disputes arising out of interactive gaming.

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

5. Within 30 days of the registration of the authorized player, the operator shall verify the information provided by the individual pursuant to subsection 2. Until such verification has occurred:

(a) The authorized player may not deposit more than \$5,000 in his or her interactive gaming account; and

(b) The authorized player may not withdraw any funds from his or her interactive gaming account.

6. If verification of the information provided pursuant to subsection 2 has not occurred within 30 days, the operator shall:

- (a) Immediately suspend the interactive gaming account and not allow any further interactive gaming;
- (b) Retain any winnings attributable to the authorized player; and
- (c) Refund the balance of deposits made to the interactive gaming account to the source of such deposit or by issuance of a check and then permanently close the account.

7. Any winnings due to an authorized player prior to completion of the verification process shall be credited to the authorized player's interactive gaming account immediately upon successful verification.

(Adopted: 12/11. Amended 5/17; 1/19.)

**5A.120 Interactive Gaming Accounts.** In addition to the requirements established pursuant to Regulation 5.225, an operator shall comply with the following for interactive gaming accounts:

1. An operator shall record and maintain the physical location, by state or foreign jurisdiction, of the authorized player while logged in to the interactive gaming account.

2. An operator shall ensure the following:

(a) That an individual registered as an authorized player holds only one interactive gaming account with the operator; and

(b) That no authorized player shall occupy more than one position at a game at any given time.

3. Notwithstanding subsection 9 of Regulation 5.225, an operator shall neither extend credit to an authorized player for use in interactive gaming player nor allow the deposit of funds into an interactive gaming account for use in interactive gaming that are derived from the extension of credit by affiliates or agents of the operator. For purposes of this subsection, credit shall not be deemed to have been extended where, although funds have been deposited into an interactive gaming account, the operator is awaiting actual receipt of such funds in the ordinary course of business.

4. An operator shall ensure that an authorized player has the ability, through the authorized player's interactive gaming account, to select responsible gambling options that include without limitation:

- (a) Loss limits establishing the net loss that can occur within a specified period of time;
- (b) Deposit limits establishing the amount of total deposits an authorized player can make to his or her interactive gaming account within a specified period of time;
- (c) Tournament limits establishing the total dollar amount of tournament entries a patron can purchase within a specified period of time;
- (d) Buy in limit establishing the total amount of funds an authorized player can allocate for the play of poker within a specified period of time, exclusive of tournament entries purchased;
- (e) Play time limits establishing the total amount of time available for play during a specified period of time; and
- (f) Time based exclusion from gambling settings.

5. An operator shall not allow the use of an interactive gaming account established pursuant to this regulation for forms of wagering other than interactive gaming unless:

- (a) The establishment and use of the wagering account otherwise meets all of the requirements of regulation 5.225; and
- (b) Administrative approval has been granted by the Chair.  
(Adopted: 12/11. Amended: 10/13; 5/17.)

**5A.125 Reserve Requirements.** In addition to the reserve required pursuant to Regulation 5.225, and other requirements that may be imposed pursuant to Regulation 6.150, the operator shall maintain cash in the sum of the following:

- 1. 25% of the total amount of authorized players' funds held in interactive gaming accounts, excluding those funds that are not redeemable for cash; and
- 2. The full amount of any progressive jackpots related to interactive gaming.  
(Adopted: 12/11. Amended: 5/17.)

**5A.130 Self-Exclusion.**

1. Operators must have and put into effect policies and procedures for self-exclusion and take all reasonable steps to immediately refuse service or to otherwise prevent an individual who has self-excluded from participating in interactive gaming. These policies and procedures include without limitation the following:

- (a) The maintenance of a register of those individuals who have self-excluded that includes the name, address and account details of self-excluded individuals;
- (b) The closing of the interactive gaming account held by the individual who has self-excluded;
- (c) Employee training to ensure enforcement of these policies and procedures; and
- (d) Provisions precluding an individual who has self-excluded from being allowed to again engage in interactive gaming until a reasonable amount of time of not less than 30 days has passed since the individual self-excluded.

2. Operators must take all reasonable steps to prevent any marketing material from being sent to an individual who has self-excluded.

(Adopted: 12/11.)

**5A.135 Compensation.** Any compensation received by an operator for conducting any game in which the operator is not party to a wager shall be no more than 10% of all sums wagered in each hand.

(Adopted: 12/11.)

**5A.140 Acceptance of Wagers.**

- 1. Operators shall not accept or facilitate a wager:
  - (a) On any game other than the game of poker and its derivatives as approved by the Chair and published on the Board's website;
  - (b) On any game which the operator knows or reasonably should know is not between individuals;
  - (c) On any game which the operator knows or reasonably should know is made by a person on the self-exclusion list;
  - (d) From a person who the operator knows or reasonably should know is placing the wager in violation of state or federal law;

- (e) Using an inter-operator poker network except as otherwise allowed by the Commission; or
- (f) From any officer, director, owner or key employee of such an operator or its affiliates; or
- (g) Except as provided in subsection 2, from stakes players, proposition players or skills.

2. Operators may use a celebrity player for marketing purposes to attract authorized players if the operator clearly identifies the celebrity player to the authorized players and does not profit beyond the rake. For purposes of this subsection, a "celebrity player" is an authorized player under agreement with the operator whereby the celebrity player is paid a fixed sum by the operator to engage in interactive gaming and whom may or may not use their own funds to engage in interactive gaming.

(Adopted: 12/11. Amended: 10/13.)

#### **5A.145 Progressive payoff schedules.**

1. As used in this section:

(a) "Base amount" means the amount of a progressive payoff schedule initially offered before it increases.

(b) "Incremental amount" means the difference between the amount of a progressive payoff schedule and its base amount.

(c) "Progressive payoff schedule" means any payoff schedule associated with a game played on an interactive gaming system, including those associated with contests, tournaments or promotions, that increases automatically over time or as the game(s) or machine(s) are played.

2. To the extent an operator offers any progressive payoff schedule, the operator shall comply with this section.

3. The amount of a progressive payoff schedule shall be conspicuously displayed during an authorized player's play of a game to which the payoff schedule applies. Each operator shall record the base amount of each progressive payoff schedule when first exposed for play and subsequent to each payoff. Explanations for reading decreases shall be maintained with the progressive logs. When the reduction is attributable to a payoff, the operator shall record the payoff form number on the log or have the number reasonably available.

4. An operator may change the rate of progression of any progressive payoff schedule provided that records of such changes are created.

5. An operator may limit a progressive payoff schedule to an amount that is equal to or greater than the amount of the payoff schedule when the limit is imposed. The operator shall conspicuously provide notice of the limit during an authorized player's play of a game to which the limit applies.

6. An operator shall not reduce the amount of a progressive payoff schedule or otherwise eliminate a progressive payoff schedule unless:

(a) An authorized player wins the progressive payoff schedule;

(b) The operator adjusts the progressive payoff schedule to correct a malfunction or to prevent the display of an amount greater than a limit imposed pursuant to subsection 5, and the operator documents the adjustment and the reasons for it; or

(c) The Chair, upon a showing of exceptional circumstances, approves a reduction, elimination, distribution, or procedure not otherwise described in this subsection, which approval is confirmed in writing.

7. Except as otherwise provided by this section, the incremental amount of a progressive payoff schedule is an obligation to the operator's authorized players, and it shall be the responsibility of the operator, if the operator ceases operation of the progressive game, to arrange satisfaction of that obligation to the satisfaction of the Chair.

8. Distribution of progressive payoffs shall only be made to authorized players.

(Adopted: 12/11.)

**5A.150 Information Displayed on Website.** Operators must provide for the prominent display of the following information on a page which, by virtue of the construction of the website, authorized players must access before beginning a gambling session:

1. The full name of the operator and address from which it carries on business;

2. A statement that the operator is licensed and regulated by the Commission;

3. The operator's license number;

4. A statement that persons under the age of 21 are not permitted to engage in interactive gaming;

5. A statement that persons located in a jurisdiction where interactive gaming is not legal are not permitted to engage in interactive gaming; and

6. Active links to the following:
  - (a) Information explaining how disputes are resolved;
  - (b) A problem gambling website that is designed to offer information pertaining to responsible gaming;
  - (c) The Board's website;
  - (d) A website that allows for an authorized player to choose to be excluded from engaging in interactive gaming; and
  - (e) A link to the house rules adopted by the operator.(Adopted: 12/11.)

**5A.155 Advertising and Promotions.** An operator, including its employees or agents, shall be truthful and non-deceptive in all aspects of its interactive gaming advertising and promotions. An operator which engages in any promotion related to interactive gaming shall clearly and concisely explain the terms of the promotion and adhere to such terms.

(Adopted: 12/11.)

**5A.160 Suspicious Transaction Report.**

1. As used in this section, "suspicious transaction" means a transaction which an operator licensee knows, or in the judgment of it or its directors, officers, employees or agents, has reason to suspect:

(a) Is, or would be if completed, in violation of, or is part of a plan to violate or evade, any federal, state or local law or regulation;

(b) Has no business or apparent lawful purpose or is not the sort of transaction which the particular authorized player would normally be expected to perform, and the licensee knows of no reasonable explanation for the transaction after examining the available facts, including the background of the transaction.

2. An operator shall file a report of any suspicious transaction, regardless of the amount, if the operator believes it is relevant to the possible violation of any law or regulation.

3. The report in subsection 2 shall be filed no later than 30 calendar days after the initial detection by the licensee of facts that may constitute a basis for filing such a report. In situations involving violations that require immediate attention, the operator shall immediately notify, by telephone, the Board in addition to timely filing a report.

4. An operator shall maintain a copy of any report filed and the original or business record equivalent of any supporting documentation for a period of five years from the date of filing the report. Supporting documentation shall be identified, and maintained by the operator as such, and shall be deemed to have been filed with the report. An operator shall make all supporting documentation available to the Board and any appropriate law enforcement agencies upon request.

5. An operator and its directors, officers, employees, or agents who file a report pursuant to this regulation shall not notify any person involved in the transaction that the transaction has been reported.

(Adopted: 12/11. Amended: 1/19.)

**5A.170 Gross Revenue License Fees, Attribution, Liability and Computations for Interactive Gaming.**

1. Gross revenue received by an establishment from the operation of interactive gaming is subject to the same license fee provisions of NRS 463.370 as the games and gaming devices of the establishment, unless federal law otherwise provides for a similar fee or tax.

2. For a nonrestricted licensee granted an operator of interactive gaming license pursuant to the provisions of NRS 463.750(4), gross revenue received from the operation of interactive gaming shall be attributed to the nonrestricted licensee and counted as part of the gross revenue of the nonrestricted licensee for the purpose of computing the license fee.

3. For an affiliate of a nonrestricted licensee granted an operator of interactive gaming license pursuant to the provisions of NRS 463.750(5), gross revenue received from the operation of interactive gaming by the affiliate is subject to the same licensee fee provisions of NRS 463.370 as the games and gaming devices of the affiliated nonrestricted licensee and shall be attributed to the affiliated nonrestricted licensee and counted as part of the gross revenue of the affiliated nonrestricted licensee for the purpose of computing the license fee, unless federal law otherwise provides for a similar fee or tax. The operator, if receiving all or a share of the revenue from interactive gaming, is liable to the affiliated nonrestricted

licensee for the operator's proportionate share of the license fees paid by the affiliated nonrestricted licensee pursuant to NRS 463.370.

4. For each game in which the operator is not a party to the wager, gross revenue equals all money received by the operator as compensation for conducting the game, or for conducting any contest or tournament in conjunction with interactive gaming.

5. The nonrestricted licensee holding an operator of interactive gaming license or the nonrestricted licensee affiliated with an operator of interactive gaming licensee is responsible for reporting all gross revenue derived through interactive gaming.

(Adopted: 12/11. Amended: 10/13.)

#### **5A.180 Resolution of Disputes.**

1. In the event that an authorized player has a dispute with an operator regarding interactive gaming, the operator may freeze the disbursement of all disputed amounts until resolution of the dispute.

2. Operators may establish procedures that allow for or require informal arbitration to resolve disputes pertaining to interactive gaming that fall within the provisions of NRS 463.362(1). Upon the completion of informal arbitration, where an authorized player is not satisfied with the resolution of the dispute, the provisions of NRS 463.362 to 463.3668 shall apply.

3. Disputes arising between authorized players which are potentially resolved without Board involvement are ultimately the responsibility of the operator.

(Adopted: 12/11.)

**5A.190 Records.** In addition to any other record required to be maintained pursuant to this regulation or Regulation 5.225, each operator shall maintain complete and accurate records of all matters related to their interactive gaming activity, including without limitation the following:

1. The identity of all current and prior authorized players;

2. All information used to register an authorized player;

3. A record of any changes made to an interactive gaming account;

4. A record and summary of all person-to-person contact, by telephone or otherwise, with an authorized player;

5. All deposits and withdrawals to an interactive gaming account;

6. A complete game history for every game played including the identification of all authorized players who participate in a game, the date and time a game begins and ends, the outcome of every game, the amounts wagered, and the amounts won or lost by each authorized player; and

7. Disputes arising between authorized players.

↳ Operators shall preserve the records required by this regulation for at least 5 years after they are made. Such records may be stored by electronic means, but must be maintained on the premises of the operator or must otherwise be immediately available for inspection.

(Adopted: 12/11. Amended: 5/17.)

#### **5A.200 Grounds for Disciplinary Action.**

1. Failure to comply with the provisions of this regulation shall be an unsuitable method of operation and grounds for disciplinary action.

2. The Commission may limit, condition, suspend, revoke or fine any license, registration, finding of suitability or approval given or granted under this regulation on the same grounds as it may take such action with respect to any other license, registration, finding of suitability or approval.

(Adopted: 12/11.)

#### **5A.210 Power of Commission and Board.**

1. The Chair shall have the power to issue an interlocutory stop order to an operator suspending the operation of its interactive gaming system to allow for examination and inspection of the interactive gaming system by Board agents.

2. An operator that is the subject of an interlocutory stop order issued by the Chair shall immediately cease the operation of its interactive gaming system until the interlocutory stop order is lifted. Unless the interlocutory stop order is lifted, the Board shall comply with NRS 463.311(5) and (6) within 5 days after issuance of the interlocutory stop order.

(Adopted: 12/11.)



#### **5A.220 Interactive Gaming Service Providers.**

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

2. An interactive gaming service provider that acts on behalf of an operator to perform the services of an interactive gaming service provider shall be subject to the provisions of this regulation applicable to such services to the same extent as the operator. An operator continues to have an obligation to ensure, and remains responsible for compliance with this regulation regardless of its use of an interactive gaming service provider.

3. A person may act as an interactive gaming service provider only if that person holds a license specifically permitting the person to act as an interactive gaming service provider. Once licensed, an interactive gaming service provider may act on behalf of one or more operators.

#### 4. License Required; Applications.

(a) An operator may only use the services of an interactive gaming service provider that is licensed as such by the Commission.

(b) Applications for an interactive gaming service provider license shall be made, processed, and determined in the same manner as applications for nonrestricted gaming licenses, using such forms as the Chair may require or approve.

(c) An applicant for an interactive gaming service provider's license shall have the burden of showing that its operations are secure and reliable.

#### 5. License fees.

(a) Before the Commission issues an initial license or renews a license for an interactive gaming service provider, the interactive gaming service provider shall pay a license fee of \$1,000.

(b) All interactive gaming service provider licenses shall be issued for the calendar year beginning on January 1 and expiring on December 31. If the operation is continuing, the fee prescribed by subsection (a) shall be due on or before December 31 of the ensuing calendar year. Regardless of the date of application or issuance of the license, the fee charged and collected under this section is the full annual fee.

6. Any employee of an interactive gaming service provider whose duties include the operational or supervisory control of the interactive gaming system or the games that are part of the interactive gaming system are subject to the provisions of NRS 463.335 and 463.337 and Regulations 5.100 through 5.109 to the same extent as gaming employees.

7. Interactive gaming service providers holding a license issued by the Commission are subject to the provisions of NRS 463.140. It shall be an unsuitable method of operation for an interactive gaming service provider holding a license issued by the Commission to deny any Board or Commission member or agent, upon proper and lawful demand, access to, inspection or disclosure of any portion or aspect of their operations.

8. An interactive gaming service provider shall be liable to the licensee on whose behalf the services are provided for the interactive gaming service provider's proportionate share of the fees and taxes paid by the licensee.

(Adopted: 12/11. Amended: 10/19.)

**5A.230 Waiver of Requirements of Regulation.** Upon written request and good cause shown, the Chair may waive one or more of the requirements of 5A.070, 5A.100, 5A.110, 5A.120, 5A.150, or 5A.190. If a waiver is granted, the Chair may impose alternative requirements.

(Adopted: 12/11.)

## **End – Regulation 5A**