

November 30, 2007

STATE OF NEVADA GAMING CONTROL BOARD

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TO: ALL NONRESTRICTED LICENSEES AND INTERESTED PARTIES

RE: NEW GAME APPROVAL PROCESS

The State Gaming Control Board ("Board") has been made aware of concerns over the length of time it sometimes takes to get a "new game" approved. The Board is sensitive to these concerns and believes certain steps can be taken by the Board, new game applicants and licensees, to facilitate the process. This letter will outline some suggestions for applicants and the steps taken by the Board to address this matter.

The new game approval process is essentially comprised of four phases:

New Game Application Phase: Application packets can be obtained on the Board's website (<u>www.gaming.nv.gov</u>) under the link "Agency Forms and Applications – Enforcement Division." The Board's new game approval process starts with the receipt of an application packet. It is critical that the application packet is complete when submitted, including: rules, layouts, payout schedules, statistical evaluation, notarized statements, personal information, waivers and the investigative fee deposit. Failure to submit a complete application packet often causes considerable delays.

Statistical Analysis Phase: Once the application packet is determined to be complete, the game's statistical evaluation is submitted to the Board's Technology Division (Lab) for analysis. The more complex the game, the longer it takes to complete the analysis. The Board has taken steps to accelerate this phase of the process, unless obvious errors or inconsistencies in the applicant's submitted statistical evaluation are evident. The applicant can assist by ensuring the submitted evaluation of the game's theoretical percentages has been prepared by a knowledgeable and reputable source.

Field Trial Phase: Historically, the Board has required a 90-180 day field trial. In an effort to shorten this phase, the Board may reduce the field trial to 45 days, if that is sufficient time to thoroughly evaluate the game's suitability. The Board will also consider conducting simultaneous trials at multiple locations in order to obtain comparable data in a shorter time frame. Additionally, the Board will take into consideration game approvals and play statistics from other jurisdictions if contact information is provided, and game information meets Nevada standards.

Once field trial approval is received, an applicant can help minimize the trial period by providing quality training and all required equipment to the trial casino(s) in a timely manner. Timely submission of statistical and review data by the trial casino(s) to the Board also facilitates the process.

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Final Approval Phase: Once all the trial data is received, a final report is prepared and the game is scheduled for Board approval. Timing in this phase is dependent upon the placement of the new game on the Board's meeting agenda. As much as 30-45 days may be saved in the approval process depending whether the matter is placed on an agenda in Carson City or Las Vegas. Agenda options are explained to the applicant as final approval draws near.

Streamlining the new game approval process is ongoing. Some modifications have already been made resulting in time savings and less paperwork. The Personal History Record is being replaced by a customized new game application form that is shorter. Elements of the application, statistical analysis and field trial phases will be handled concurrently, eliminating some of the previous slow downs. The new allowances related to field trials, including multicasino trials and taking other jurisdictional evaluations into consideration, will appreciably reduce the average duration of field trials. In addition, the Board has taken steps to revamp the internal approval and workflow procedures to minimize delays. The changes made by the Board, with the assistance of the applicant and field trial casino(s), should streamline the approval process.

The development of new games is extremely important to the Board and the gaming industry, therefore the Board appreciates the input it has received and intends to remain responsive to these issues to ensure the approval process meets the needs of all those affected.

Any questions and/or concerns regarding the new game approval process should be directed to the Operations Section of the Enforcement Division at (702) 486-2020.

Sincerel Randall E. Savre

Member

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cc: Dennis K. Neilander, Chairman Mark A. Clayton, Member Enforcement Division – Las Vegas Records and Research Services