



NEVADA GAMING COMMISSION
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December 11, 2009

TO: ALL NONRESTRICTED LICENSEES, AND INTERESTED PERSONS

**NOTICE OF HEARING FOR ADOPTION OF REGULATIONS AND AMENDMENTS TO
REGULATIONS OF THE NEVADA GAMING COMMISSION AND STATE GAMING CONTROL BOARD**

The Nevada Gaming Commission will hold a public hearing on or about the hour of 10:00 a.m. on January 21, 2010, in Conference Room 2450, 555 East Washington Avenue, Las Vegas, Nevada, for the purpose of considering adoption of the following proposed regulations and amendments to regulations:

- **NGC REGULATIONS 1.172 AND 1.174: "ISSUANCE OF REGULATIONS: CONSTRUCTION; DEFINITIONS."**

PURPOSE OF REGULATION: To provide a definition for the terms "system based game" and "system based gaming device"; to provide a definition for the terms "system supported game" and "system supported gaming device"; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

- **NGC REGULATION 5.215: "OPERATION OF GAMING ESTABLISHMENTS."**

PURPOSE OF REGULATION: To provide definitions for the terms "Chairman," "Licensee," "Operator," and "System" as they are used in association with system supported and system based gaming devices; to provide regulations that require operators of system supported or system based gaming devices to provide the State Gaming Control Board (Board) with a listing of all persons who may access the main computer or data communications components of its system, including a description of the roles assigned to each person on the list, and that such operators must report to the Board any changes to the listing within ten calendar days of the change; to provide regulations authorizing the Board's Chairman to require an operator of system supported or system based gaming devices to establish a revolving fund, not to exceed \$10,000, for the purpose of funding periodic testing and evaluation of a system by the Board; to provide regulations allowing the Board's Chairman to require an operator of system supported or system based gaming devices to maintain and provide to the Board, at its sole expense and at such locations as the Board's Chairman may designate, networked equipment for the purpose of monitoring information regarding the system based or system supported gaming devices including, but not limited to, the names of persons accessing the main computer or data communication components of the system, the identification of functions being performed by such persons, gaming application authentication information, and any other information required to be logged by the system in accordance with NGC Regulation 14 Technical Standards; to provide regulations requiring operators of system based or system supported gaming devices to retain and provide to Board agents, upon request, all records pertaining to their systems, including, without limitation, computer room visitor and system transaction logs; to provide regulations indicating that a failure on the part of an operator of system based or system supported gaming devices to comply with the three previous regulatory requirements is an unsuitable method of operation; to provide regulations allowing the Board's Chairman to waive the three requirements referred to above upon the request of an operator of system based or system supported gaming devices and upon a showing of good cause; And to take such additional action as may be necessary and proper to effectuate these stated purposes.

- **NGC REGULATION 16: “PUBLICLY TRADED CORPORATIONS AND PUBLIC OFFERINGS OF SECURITIES.”**

PURPOSE OF AMENDMENTS: To increase from 15 percent to 25 percent the amount of voting securities an institutional investor that has been granted a waiver of the requirements of NRS 463.643(4), may beneficially own, directly or indirectly, for investment purposes only; to increase from 19 percent to 29 percent the amount of voting securities of a publicly traded corporation registered with the commission an institutional investor that has been granted a waiver pursuant to subsection 1 may beneficially own as the result of a stock repurchase program, upon certain conditions and to modify such conditions; to require an institutional investor to apply to the commission for an exemption from the prior approval requirements of Regulation 16.200 under certain circumstances; to allow an institutional investor that is subject to the requirements of NRS 463.643(4) and that has not been granted a waiver pursuant to subsection 1 to beneficially own more than 10 percent, but not more than 11 percent, of the voting securities of a publicly traded corporation registered with the commission, only if such additional ownership results from a stock repurchase program conducted by such publicly traded corporation and upon the same conditions provided in 16.430(2); and to take such additional action as may be necessary and proper to effectuate these stated purposes.

The proposed regulations and regulation amendments will be considered by the Commission in accordance with the provisions of NRS 463.145 which allows that on the date and at the time and place designated, any interested person, or their duly authorized representative, or both, shall be afforded the opportunity to present statements, arguments or contentions in writing, with or without the opportunity to present the same orally.

In addition, these proposed regulations and regulation amendments are agendaed for discussion at the Nevada Gaming Commission meeting on December 17, 2009, in Conference Room 100, 1919 College Parkway, Carson City, Nevada, on or about the hour of 10:00 a.m.

To obtain copies of the proposed regulations and regulation amendments, please call the Nevada Gaming Commission office at (775) 684-7750, or submit a written request addressed to the Executive Secretary, P.O. Box 8003, Carson City, Nevada 89702-8003. The above notice and proposed regulation amendments are also available on the Commission’s web site at www.gaming.nv.gov.

Sincerely,

Brian Duffrin
Executive Secretary

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