REGULATION 14

MANUFACTURERS, DISTRIBUTORS, OPERATORS OF INTER-CASINO LINKED SYSTEMS, GAMING DEVICES, INTER-CASINO LINKED SYSTEMS, ON-LINE SLOT METERING SYSTEMS, CASHLESS WAGERING SYSTEMS AND ASSOCIATED EQUIPMENT

AMENDMENTS TO REGULATIONS 14.010

PURPOSE: To implement the requirements of Assembly Bill 471 as passed by the 2005 Nevada Legislature; to establish a definition of "mobile gaming system," "mobile gaming system modification" and "operator;" to establish that an application for a mobile gaming system must include certain information, including a description of the method used to isolate game function to the areas listed in Regulation 5.220(1)(i); to take such additional action as may be necessary and proper to effectuate these stated purposes.

(Draft Date: 01/11/06)

14.010 Definitions. As used in this regulation, unless the context otherwise requires:

- 1. "Cashless wagering system" means the collective hardware, software, communications technology, and other associated equipment used to facilitate wagering with other than chips, tokens or legal tender of the United States. The term does not include any race and sports computerized bookmaking system that accepts pari-mutuel wagers, or any other race and sports book systems that do not accept wagering instruments or process electronic money transfers. This type of associated equipment is further defined in NRS 463.014.
- 2. "Chairman" means the chairman or other member of the state gaming control board.
- 3. "Conversion" means a change in a gaming device from one pre-approved configuration to another pre-approved configuration or from one approved mode of play to another approved mode of play.
- 4. "Distributor" is any person that sells, leases, markets, offers, or otherwise distributes any gaming device, [or] cashless wagering system, or mobile gaming system for use or play in Nevada or sells, leases, or otherwise distributes any gaming device, [or] cashless wagering system, or mobile gaming system from a location within Nevada.
- 5. "Distributor of associated equipment" is any person that sells, leases, markets, offers, or otherwise distributes associated equipment in Nevada for use by licensees.
 - 6. "Game outcome" is the final result of the wager.
- 7. "Inter-casino linked system" means an inter-casino linked system including the collective hardware, software, communications technology and other associated equipment used to link and monitor games or devices located at two or more licensed gaming establishments. Systems that solely record a patron's

wagering activity among affiliated properties are not inter-casino linked systems. This term is further defined in NRS 463.01643.

- 8. "Inter-casino linked system modification" means a change or alteration to an inter-casino linked system made by an operator who has been previously approved by the commission to operate that system. With regard to inter-casino linked systems that link progressive payout schedules, the term includes, but is not limited to:
 - (a) A change in a system name or theme; or
 - (b) A change in gaming device denomination.
- 9. "Manufacturer" is any person that manufactures, assembles, produces, programs, or makes modifications to any gaming device, [or] cashless wagering system, or mobile gaming system for use or play in Nevada or for distribution outside of Nevada.
- 10. "Manufacturer of associated equipment" is any person that manufactures, assembles, or produces any associated equipment, including inter-casino linked systems, for use by licensees.
- 11. "Mobile gaming system" or "system" means a system that allows for the conduct of games through mobile communications devices operated solely within a public area of the licensed gaming establishment by the use of communications technology that allows a patron to bet or wager, and corresponding information related to the display of the game, gaming outcomes or other similar information.
- 12. Mobile gaming system modification" means any change or alteration to a mobile gaming system made by a manufacturer from its approved configuration.
- [11] 13. "Modification" means a change or alteration in a gaming device that affects the manner or mode of play of the device. The term includes a change to control or graphics programs and, except as provided in paragraphs (d) and (e), in the theoretical hold percentage. The term does not include:
 - (a) A conversion:
 - (b) Replacement of one component with another, pre-approved component;
- (c) The rebuilding of a previously approved device with pre-approved components;
- (d) A change in the theoretical hold percentage of a mechanical or electromechanical device, provided that the device as changed meets the standards of Regulation 14.040(1); or
- (e) A change in the theoretical hold percentage of an electronic device which is the result of a top award jackpot or bonus jackpot payment which is paid directly by an attendant and which is not accounted for by the device.
- [12] 14. "On-line slot metering system" means the collective hardware, software and other associated equipment used to monitor, accumulate, and record meter information from gaming devices within a licensed establishment.
- [13] <u>15</u>. "Operator" means any person or entity holding a license to operate an inter-casino linked system <u>or mobile gaming system</u> in Nevada, a person or entity holding a license to operate a slot machine route that operates an inter-casino linked system for slot machines only, or a person or entity holding a license to operate a nonrestricted gaming operation that operates an inter-casino linked system of affiliates.

- [14] 16. "Private residence" means a noncommercial structure used by a natural person as a place of abode and which is not used for a commercial purpose.
- [15] <u>17</u>. "Randomness" is the observed unpredictability and absence of pattern in a set of elements or events that have definite probabilities of occurrence.
 - [16] 18. "Theme" means a concept, subject matter and methodology of design.

(Effective: <u>03/23/06</u>).