

**PROPOSED AMENDMENTS TO
REGULATIONS 14.0215 and 14.340**

PURPOSE: To amend applicable provisions of Regulation 14 to conform to the Nevada Gaming Control Act as amended by Assembly Bill 294 of the Seventy-Sixth Regular Session of the Nevada Legislature; and providing other matters properly related thereto.

REGULATION 14

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

(Draft Date June 5, 2013)

~~New~~
~~[Deleted]~~

14.0215 Determination of suitability.

1. A person is not subject to licensing pursuant to subsection 1 of NRS 463.650 in connection with activities performed as an independent contractor provided that person complies with the requirements of this regulation governing independent contractors. Any other person who designs, develops, programs, produces or composes a control program for use in a gaming device in Nevada ~~[or for distribution from Nevada]~~ must be licensed in accordance with NRS 463.650.

2. An independent contractor may be required by the commission, upon recommendation of the board, to file an application for a finding of suitability to be an independent contractor for a licensed manufacturer.

3. The commission shall give written notice to the independent contractor of its decision to require the filing of an application for a finding of suitability. Unless otherwise stated by the commission in its written notice, an independent contractor who has been ordered to file an application for a finding of suitability to be an independent contractor may continue to perform under a contract with a manufacturer unless and until the commission finds the independent contractor unsuitable.

4. If the commission finds an independent contractor to be unsuitable:

(a) All licensed manufacturers shall, upon written notification, immediately terminate any existing relationships, direct or indirect, with such independent contractor;

(b) No new gaming device with a control program that contains software, source language, or executable code created in whole or in part by the unsuitable independent contractor shall be approved; and

(c) Any previously approved gaming device with a control program that contains software, source language, or executable code created in whole or in part by the independent contractor is subject to revocation of its approval if the reasons for the finding of unsuitability also apply to that gaming device.

5. Failure of a licensed manufacturer to terminate any association or agreement with an independent contractor after receiving notice of the determination of unsuitability constitutes an unsuitable method of operation.

6. The commission retains jurisdiction to determine the suitability of an independent contractor regardless of whether or not the independent contractor has any active agreements with licensed manufacturers or is otherwise no longer functioning as an independent contractor.

7. A failure on the part of an independent contractor to submit an application for a finding of suitability within 30 days after being demanded to do so by the commission shall constitute grounds for a finding of unsuitability of the independent contractor.

8. An independent contractor, or employee thereof, is not considered a gaming employee under NRS 463.0157 in relation to any work conducted designing, programming, producing or composing a control

program within the scope of an agreement entered into with a licensed manufacturer. An independent contractor or employee thereof, is in no way exempt from being classified as a gaming employee under NRS 463.0157 for such work performed outside the scope of an agreement with a licensed manufacturer or for other work performed related to gaming.

14.340 Display and marketing of gaming devices by unlicensed entities.

1. Except as provided in subsection 2, an unlicensed manufacturer or distributor may display and market their respective gaming devices at organized gaming shows and exhibitions within Nevada.

2. An unlicensed manufacturer or distributor shall not:

(a) Enter into contractual agreements for the sale of, nor accept orders for, their gaming devices for use or play in Nevada at such organized gaming shows and exhibitions; or

(b) Deliver or distribute gaming devices within Nevada ~~[or outside of the state]~~ without first procuring and maintaining all required federal, state, county and municipal licenses pursuant to NRS 463.650(1), and thereafter, complying with the provisions of sections 14.170 and 14.180.

3. An unlicensed manufacturer or distributor must conspicuously display a sign at their trade show booth indicating that they are not licensed by the Nevada Gaming Commission as a manufacturer and/or distributor.