

PROPOSED AMENDMENTS TO
NEVADA GAMING COMMISSION REGULATION 14

REQUIREMENTS RELATING TO THE REGISTRATION OF
MANUFACTURERS OF ASSOCIATED EQUIPMENT

CORRECTION OF THE DEFINITION OF ANTIQUE GAMING DEVICE

MISCELLANEOUS NON-SUBSTANTIVE CORRECTIONS

Nevada Gaming Commission Adoption Date: 12/20/2018

Effective Date: 1/1/2019

PURPOSE STATEMENT: To amend the requirements relating to the registration of manufacturers of associated equipment; To make various non-substantive changes to make the regulation consistent with the numbering format, language, and reference style used in the Nevada Revised Statutes (“NRS”) and Nevada Administrative Code; To replace language in regulatory definitions of terms that are also defined in the NRS with language that cites to the applicable statutory definitions; To provide a definition of “final action” as used in subsection 4 of section 14.025; To replace word “seriatim” with “serial” in paragraph (a) of subsection 2 of section 14.170 for consistency purposes; To add word “physical” before “size” in paragraph (b) of subsection 2 of section 14.170 for clarification purposes; To add the requirement relating to the operation and offering of associated equipment to section 14.260; To delete section 14.290, which requires approval to install associated equipment; To correct the definition of antique gaming device; And to take such additional actions as may be necessary and proper to effectuate this stated purpose.

EXPLANATION: Matter in *blue italics* is material to be added; and matter between ~~[red brackets with single strikethrough]~~ is material to be removed.

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, MOBILE GAMING SYSTEMS,**

INTERACTIVE GAMING SYSTEMS AND ASSOCIATED EQUIPMENT; INDEPENDENT TESTING LABORATORIES

1 **14.010 Definitions.** As used in this regulation, unless the context otherwise
2 requires:

3 1. “Assume responsibility” ~~[means to acquire complete control over, or ownership~~
4 ~~of, a gaming device, cashless wagering system, mobile gaming system or interactive~~
5 ~~gaming system.]~~ *has the meaning ascribed to it in paragraph (a) of subsection 2 of*
6 *NRS 463.01715.*

7 2. “Board” *has the meaning ascribed to it in NRS 463.0137.*

8 3. “Cashless wagering system” means the collective hardware, software,
9 communications technology, and other associated equipment used to facilitate
10 wagering on any game or gaming device including mobile gaming systems and
11 interactive gaming systems with other than chips, tokens or legal tender of the
12 United States. The term does not include any race and sports computerized
13 bookmaking system that accepts pari-mutuel wagers, or any other race and sports
14 book systems that do not accept wagering instruments, wagering credits or process
15 electronic money transfers. This type of associated equipment is further defined in
16 NRS 463.014.

17 4. “Chair” means, *except where otherwise provided*, the Chair of the Nevada
18 Gaming Control Board or the Chair’s designee.

19 ~~[4.]~~ 5. “Commission” *has the meaning ascribed to it at NRS 463.0145.*

20 6. “Control program” means any software, source language or executable code
21 which affects the result of a wager by determining win or loss. The term includes,
22 but is not limited to, software, source language or executable code associated with
23 the:

24 (a) Random number generation process;

25 (b) Mapping of random numbers to game elements to determine game outcome;

26 (c) Evaluation of the randomly selected game elements to determine win or loss;

27 (d) Payment of winning wagers;

28 (e) Game recall;

1 (f) Game accounting including the reporting of meter and log information to on-
2 line slot metering system;

3 (g) Monetary transactions conducted with associated equipment;

4 (h) Software verification and authentication functions which are specifically
5 designed and intended for use in a gaming device;

6 (i) Monitoring and generation of game tilts or error conditions; and

7 (j) Game operating systems which are specifically designed and intended for use
8 in a gaming device.

9 ↪ The term does not include software used for artistic attributes of a game
10 including graphics, sound and animation providing entertainment unless such
11 elements are material to game play because they are necessary for the player to
12 understand the game or game outcome.

13 ~~{5.}~~ 7. “Distribution” or “distribute” means the sale, offering for sale, lease,
14 offering for lease, licensing or other offer of any gaming device, *associated*
15 *equipment*, cashless wagering system, mobile gaming system or interactive gaming
16 system for use or play in Nevada.

17 ~~{6.}~~ 8. “Distributor” means a person who operates, carries on, conducts or
18 maintains any form of distribution.

19 ~~{7.}~~ 9. “Distributor of associated equipment” is any person that sells, offers to
20 sell, leases, offers to lease, licenses, markets, offers, or otherwise offers associated
21 equipment in Nevada for use by licensees.

22 ~~{8. “Equipment associated with interactive gaming” means associated equipment~~
23 ~~as defined within NRS 463.0136.}~~

24 ~~{9.}~~ 10. “Game of chance” means a game in which randomness determines all
25 outcomes of the game as determined over a period of continuous play.

26 ~~{10.}~~ 11. “Game of skill” means a game in which the skill of the player, rather
27 than chance, is the dominant factor in affecting the outcome of the game as
28 determined over a period of continuous play.

29 ~~{11.}~~ 12. “Game outcome” is the final result of the wager.

30 ~~{12.}~~ 13. “Game variation” means a change or alteration in a game or gambling

1 game that affects the manner or mode of play of an approved game. This includes, but
2 is not limited to, the addition or removal of wagering opportunities or a change in the
3 theoretical hold percentage of the game. The term game or gambling game is defined
4 in NRS 463.0152.

5 ~~[13.]~~ 14. “Gaming session” means the period of time commencing when a player
6 initiates a game or series of games on a gaming device by committing a wager and
7 ending at the time of a final game outcome for that game or series of game.

8 ~~[14.]~~ 15. “Hybrid game” means a game in which a combination of the skill of the
9 player and chance affects the outcome of the game as determined over a period of
10 continuous play.

11 ~~[15.]~~ 16. “Identifier” means any specific and verifiable fact concerning a player or
12 group of players which is based upon objective criteria relating to the player or
13 group of players, including, without limitation:

- 14 (a) The frequency, value or extent of predefined commercial activity;
- 15 (b) The subscription to or enrollment in particular services;
- 16 (c) The use of a particular technology concurrent with the play of a gaming
17 device;
- 18 (d) The skill of the player;
- 19 (e) The skill of the player relative to the skill of any other player participating in
20 the same game;
- 21 (f) The degree of skill required by the game; or
- 22 (g) Any combination of (a) to (f), inclusive.

23 ~~[16.]~~ 17. “Independent contractor” ~~[means any person who:~~

24 ~~(a) Is not an employee of a licensed manufacturer; and~~

25 ~~(b) Pursuant to an agreement with a licensed manufacturer:~~

26 ~~(1) Designs, develops, programs, produces or composes a control program on-~~
27 ~~behalf of the licensed manufacturer; or~~

28 ~~(2) Designs, develops, produces or composes software, source language or~~
29 ~~executable code intended to be compiled into a control program by the licensed~~
30 ~~manufacturer.~~

1 ~~As used in this regulation “licensed manufacturer” includes any affiliate that is~~
2 ~~owned or controlled by or under common control with the licensee] has the meaning~~
3 ~~ascribed to it in paragraph (b) of subsection 2 of NRS 463.01715.~~

4 ~~[17.]~~ 18. “Independent testing laboratory” means a private laboratory that is
5 registered by the Commission to inspect and certify games, gaming devices,
6 associated equipment, cashless wagering systems, inter-casino linked systems,
7 mobile gaming systems or interactive gaming systems, and any components thereof
8 and modifications thereto, and to perform such other services as the Board and
9 Commission may request.

10 ~~[18.]~~ 19. “Inter-casino linked system” means:

11 (a) A network of electronically interfaced similar games which are located at two
12 or more licensed gaming establishments that are linked to:

13 (1) Conduct gaming activities, contests or tournaments; or

14 (2) Facilitate participation in a common progressive prize system,

15 ~~and~~ and the collective hardware, software, communications technology and other
16 associated equipment used in such system to link and monitor games or devices
17 located at two or more licensed gaming establishments, including any associated
18 equipment used to operate a multi-jurisdictional progressive prize system.

19 (b) Systems that solely record a patron’s wagering activity among affiliated
20 properties are not inter-casino linked systems.

21 (c) The term "multi-jurisdictional progressive prize system" means the collection
22 of hardware, software, communications technology and other associated equipment
23 used to link and monitor progressive slot machines or other games among licensed
24 gaming establishments in this state participating in an inter-casino linked system
25 and one or more lawfully operated gaming locations in other jurisdictions that
26 participate in a similar system for the purpose of participation in a common
27 progressive prize system.

28 ~~[19.]~~ 20. “Inter-casino linked system modification” means a change or alteration
29 to an inter-casino linked system made by an operator who has been previously
30 approved by the Commission to operate that system. With regard to inter-casino

1 linked systems that link progressive payout schedules, the term includes, but is not
2 limited to:

- 3 (a) A change in a system name or theme; or
- 4 (b) A change in gaming device denomination.

5 ~~{20.}~~ 21. “Interactive gaming system” is a gaming device and means the
6 collective hardware, software, communications technology, and proprietary
7 hardware and software specifically designed or modified for, and intended for use
8 in, the conduct of interactive gaming. The core components of an interactive gaming
9 system, including servers and databases running the games on the interactive
10 gaming system and storing game and interactive gaming account information, must
11 be located in the State of Nevada except as otherwise permitted by the Chair.

12 ~~{21.}~~ 22. “Manufacture” ~~{means:~~

13 ~~(a) To manufacture, produce, program, design, control the design of or make~~
14 ~~modifications to a gaming device, associated equipment, cashless wagering system,~~
15 ~~mobile gaming system or interactive gaming system for use or play in Nevada;~~

16 ~~(b) To direct, control or assume responsibility for the methods and processes used~~
17 ~~to design, develop, program, assemble, produce, fabricate, compose and combine the~~
18 ~~components and other tangible objects of any gaming device, associated equipment,~~
19 ~~cashless wagering system, mobile gaming system or interactive gaming system for~~
20 ~~use or play in Nevada; or~~

21 ~~(c) To assemble, or control the assembly of, a gaming device, associated~~
22 ~~equipment, cashless wagering system, mobile gaming system or interactive gaming~~
23 ~~system for use or play in Nevada.] has the meaning ascribed to it in NRS 463.01715.~~

24 ~~{22.}~~ 23. “Manufacturer” ~~{means a person who operates, carries on, conducts or~~
25 ~~maintains any form of manufacture.] has the meaning ascribed to it in~~
26 ~~NRS 463.0172.~~

27 ~~{23.}~~ 24. “Manufacturer of associated equipment” is any person that
28 manufactures, assembles, or produces any associated equipment, including inter-
29 casino linked systems, for use in Nevada by licensees.

30 ~~{24. “Manufacturer of equipment associated with interactive gaming” means any~~

1 ~~person that manufactures, assembles, or produces any equipment associated with~~
2 ~~interactive gaming.]~~

3 25. “Mobile gaming system” or “system” means a system that allows for the
4 conduct of games through mobile communications devices operated solely within a
5 licensed gaming establishment by the use of communications technology that allows
6 a patron to bet or wager, and corresponding information related to the display of the
7 game, gaming outcomes or other similar information.

8 26. “Mobile gaming system modification” means any change or alteration to a
9 mobile gaming system made by a manufacturer from its approved configuration.

10 27. “Modification” means a change or alteration in a gaming device previously
11 approved by the Commission for use or play in Nevada that affects the manner or
12 mode of play of the device. The term includes a change to control programs and,
13 except as provided in paragraphs (c) and (d) of this subsection, in the theoretical hold
14 percentage. The term does not include:

15 (a) Replacement of one component with another, pre-approved component;

16 (b) The rebuilding of a previously approved device with pre-approved
17 components;

18 (c) A change in the theoretical hold percentage of a mechanical or electro-
19 mechanical device, provided that the device as changed meets the standards of
20 ~~[Regulation 14.040(1)]~~ *subsection 1 of section 14.040*;

21 (d) A change in the theoretical hold percentage of an electronic device which is
22 the result of a top award jackpot or bonus jackpot payment which is paid directly by
23 an attendant and which is not accounted for by the device; or

24 (e) A change to software used for artistic attributes of a game, including graphics,
25 sound and animation providing entertainment unless such elements are material to
26 game play because they are necessary for the player to understand the game or
27 game outcome.

28 28. “On-line slot metering system” means the collective hardware, software and
29 other associated equipment used to monitor, accumulate, and record meter
30 information from gaming devices within a licensed establishment.

1 29. "Operator" means, except as otherwise provided, any person or entity holding
2 a license to operate:

3 (a) An inter-casino linked system or mobile gaming system in Nevada;

4 (b) A slot machine route that operates an inter-casino linked system for slot
5 machines only;

6 (c) A nonrestricted gaming operation that operates an inter-casino linked system
7 of affiliates; or

8 (d) An inter-casino linked system under the preceding paragraphs (a) or (b) of
9 this ~~[section]~~ *subsection* which system also is linked to or otherwise incorporates a
10 multi-jurisdictional progressive prize system.

11 30. "Private residence" means a noncommercial structure used by a natural
12 person as a place of abode and which is not used for a commercial purpose.

13 31. "Proprietary hardware and software" means hardware or software
14 specifically designed for use in a gaming device including a mobile gaming system
15 and interactive gaming system.

16 32. "Randomness" is the observed unpredictability and absence of pattern in a
17 set of elements or events that have definite probabilities of occurrence.

18 33. "Rules of play" means those features of a game necessary for a reasonable
19 person to understand how a game is played including, but not limited to, the
20 following:

21 (a) Help screens;

22 (b) Award cards; and

23 (c) Pay-line information.

24 → The term does not include those inherent features of a game that a reasonable
25 person should know or understand prior to initiating the game.

26 34. "Skill" means the knowledge, dexterity or any other ability or expertise of a
27 natural person.

28 35. "Theme" means a concept, subject matter and methodology of design.

29

30 **14.020 License required; applications; investigative fees; registration of**

1 **a manufacturer or distributor of associated equipment.**

2 1. ~~[A]~~ *Except as provided for in subsection 2 of NRS 463.160 and subsections 2 to*
3 *7 of NRS 463.650, a person may only act as a manufacturer, distributor, or*
4 ~~{manufacturer of an interactive gaming system, or as an}~~ operator~~{, only}~~ if that
5 person holds a license specifically permitting the person to act as ~~{a manufacturer,~~
6 ~~distributor, or manufacturer of an interactive gaming system, or as an operator~~
7 ~~except as provided for in NRS 463.160(2)}~~ *such.*

8 2. ~~[Applications]~~ *An application* for a manufacturer's, distributor's,
9 ~~{manufacturer of interactive gaming systems,}~~ or operator's ~~{licenses}~~ *license* shall
10 be made, processed, and determined in the same manner as ~~{applications}~~ *an*
11 *application* for a nonrestricted gaming ~~{licenses}~~ *license*, using such forms as the
12 Chair may require or approve.

13 3. ~~[Applications]~~ *An application* for a manufacturer's, distributor's,
14 ~~{manufacturer of interactive gaming systems,}~~ or operator's ~~{licenses, or for a~~
15 ~~finding of suitability to be a manufacturer of equipment associated with interactive~~
16 ~~gaming}~~ *license* shall be subject to the application and investigative fees established
17 pursuant to ~~[Regulation]~~ *section 4.070 of these regulations.*

18 4. Any manufacturer or distributor of associated equipment for use in this State,
19 *other than a licensee as defined under NRS 463.0171,* must register with the
20 ~~{Commission}~~ *Board* pursuant to NRS 463.665 if such associated equipment:

21 (a) Is used directly in gaming;

22 (b) Has the ability to add or subtract cash, cash equivalents or wagering credits
23 to a game, gaming device or cashless wagering system;

24 (c) Interfaces with and affects the operation of a game, gaming device, cashless
25 wagering system or other associated equipment;

26 (d) Is used directly or indirectly in the reporting of gross revenue;

27 (e) Records sales for use in an area subject to the tax imposed by NRS 368A.200;

28 or

29 (f) Is otherwise determined by the Commission to create a risk to the integrity of
30 gaming and protection of the public if not inspected.

1 *5. A person required to register as a manufacturer or distributor of associated*
2 *equipment under subsection 4, shall submit an application for registration or*
3 *renewal of registration pursuant to the process set forth in section 14.302.*

4

5 **14.0215 Determination of suitability.**

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

12 2. An independent contractor may be required by the Commission, upon
13 recommendation of the Board, to file an application for a finding of suitability to be
14 an independent contractor for a licensed manufacturer.

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

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

23 (a) All licensed manufacturers shall, upon written notification, immediately
24 terminate any existing relationships, direct or indirect, with ~~[such]~~ *the unsuitable*
25 independent contractor;

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

29 (c) Any previously approved gaming device with a control program that contains
30 software, source language, or executable code created in whole or in part by the

1 *unsuitable* independent contractor is subject to revocation of its approval if the
2 reasons for the finding of unsuitability also apply to that gaming device.

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

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

10 7. A failure on the part of an independent contractor to submit an application for
11 a finding of suitability within 30 days after being ~~demanded~~ *required* to do so by
12 the Commission shall constitute grounds for a finding of unsuitability of the
13 independent contractor.

14 8. An independent contractor, or employee thereof, is not considered a gaming
15 employee under NRS 463.0157 in relation to any work conducted designing,
16 programming, producing or composing a control program within the scope of an
17 agreement entered into with a licensed manufacturer. An independent contractor or
18 employee thereof, is in no way exempt from being classified as a gaming employee
19 under NRS 463.0157 for such work performed outside the scope of an agreement
20 with a licensed manufacturer or for other work performed related to gaming.

21

22 **14.024 Manufacturer’s responsibilities for independent contractors.**

23 Each licensed manufacturer must:

24 1. Complete a review of any software, source language or executable code
25 designed, developed, produced or composed by an independent contractor for
26 compliance with all applicable regulations and technical standards of the
27 Commission and Board prior to submission to the Board; and

28 2. As to such submission, maintain a record of the general subject matter
29 description of the software, source language or executable code that was designed,
30 developed, produced or composed by an independent contractor, by *independent*

1 contractor name.

2 ↪ Unless the Chair approves or requires otherwise in writing, such records shall be
3 maintained for a minimum of five years from the date of the relevant submission
4 and must be made available to the Board upon request. Failure to keep and provide
5 such records is an unsuitable method of operation.

6 **14.025 Certain themes prohibited in association with gaming devices ~~for~~**
7 **~~slot machines~~.**

8 1. A gaming device or gaming device modification submitted for approval by a
9 manufacturer or made available for play by a licensee must not use a theme that:

10 (a) Is derived from or based on a product that is currently and primarily
11 intended or marketed for use by persons under 21 years of age, or

12 (b) Depicts a subject or material that:

13 (1) Is obscene;

14 (2) Offensively portrays persons based on race, religion, national origin,
15 gender, or sexual preference; or

16 (3) Is otherwise contrary to the public policy of this state as set forth in NRS
17 463.0129.

18 2. A manufacturer, licensee or other person holding the intellectual property
19 rights to a theme may, concurrent with or independent of an application for
20 approval of or modification to a gaming device, file a request with the Chair, in such
21 manner and using such forms as the Chair may prescribe, for a determination as to
22 whether subsection 1 prohibits use of the theme in connection with a gaming device.

23 (a) The request for determination must be accompanied by a nonrefundable fee
24 of \$500 for each separate theme.

25 (b) The requesting party shall articulate the reasons that the theme is not
26 prohibited by subsection 1 along with any additional information it deems relevant
27 to the determination. Information submitted pursuant to this section is confidential
28 and subject to the provisions of NRS 463.120 and NRS 463.3407~~†~~.

1 3. Within 30 days of the submission of the request for determination pursuant to
2 subsection 2, the Chair shall administratively approve, approve with modification
3 or condition, or deny the request for determination.

4 4. A written request for withdrawal of the request for determination may be
5 made by the requesting party at any time prior to the Chair's final action on such
6 request. A request for withdrawal is effective upon delivery to the Chair and is
7 without prejudice. *For purposes of this subsection, "final action" means the Chair's*
8 *administrative approval, with or without modification or condition, or denial of the*
9 *request for determination made pursuant to subsection 3.*

10 5. The requesting party may appeal to the Commission the administrative
11 decision of the Chair. The appeal shall be made and processed pursuant to
12 ~~regulation~~ *section 4.195 of these regulations*, except such an appeal may be taken
13 without first submitting the matter to the Board for review of such administrative
14 decision in accordance with ~~regulation~~ *section 4.190 of these regulations*.

15 6. This section does not apply to any themes that were used in connection with
16 gaming devices that were approved for play prior to January 27, 2000.

17 **14.030 Approval of gaming devices and the operation of new inter-**
18 **casino linked systems; applications and procedures.**

19 1. A manufacturer or distributor shall not distribute a gaming device in Nevada
20 and a licensee shall not offer a gaming device for play unless it has been approved
21 by the Commission or is offered for play pursuant to a field test ordered by the
22 Chair.

23 2. An operator of an inter-casino linked system shall not install and operate a
24 new inter-casino linked system in Nevada and a licensee shall not offer any gaming
25 device or game for play that is part of such a system unless operation of the inter-
26 casino linked system and all gaming devices or games that are part of or connected
27 to the inter-casino linked system have been approved by the Commission or are
28 offered for play pursuant to a field test ordered by the Chair.

29 3. Applications for approval of a new gaming device or to operate a new inter-
30 casino linked system shall be made and processed in such manner and using such

1 forms as the Chair may prescribe. Only licensed manufacturers may apply for
2 approval of a new gaming device. Only operators may apply for approval to operate
3 a new inter-casino linked system.

4 4. At the Chair's request an applicant for a manufacturer's or inter-casino linked
5 system operator's license shall, or upon the Chair's prior approval an applicant for a
6 manufacturer's or operator's license may, apply for a preliminary determination
7 that a new gaming device or new inter-casino linked system meets the standards
8 required by this regulation.

9 5. Each application shall include, in addition to other items or information as the
10 Chair may require:

11 (a) A complete, comprehensive, and technically accurate description and
12 explanation in both technical and lay language of the manner in which the *gaming*
13 device or inter-casino linked system operates and complies with all applicable
14 statutes, regulations and technical standards, signed under penalty of perjury;

15 (b) A statement under penalty of perjury that, to the best of the manufacturer's
16 knowledge, the gaming device meets the standards of section 14.040 or, in the case
17 of an inter-casino linked system, that to the best of the operator's knowledge the
18 system meets the standards of section 14.045;

19 (c) In the case of a gaming device, a copy of all executable software, including
20 data and graphic information, and a copy of all source code for programs that
21 cannot be reasonably demonstrated to have any use other than in a gaming device,
22 submitted on electronically readable, unalterable media;

23 (d) In the case of a gaming device, a copy of all graphical images displayed on the
24 gaming device including, but not limited to, reel strips, rules, instructions and
25 paytables;

26 (e) In the case of an inter-casino linked system:

27 (1) An operator's manual;

28 (2) A network topology diagram;

29 (3) An internal control system;

30 (4) A hold harmless agreement;

1 (5) A graphical representation of the system theme and all related signage;

2 (6) Information sufficient to calculate a theoretical payoff schedule amount
3 including, but not limited to, the base and reset amounts, the total contribution
4 percentage and a breakdown of that percentage including contribution rates to all
5 progressive payoff schedules and all reset funds, the odds of winning the
6 progressive payoff schedule and the amount of the wager required to win the
7 progressive payoff schedule; and

8 (7) The form of any agreement or written specifications permitted or required
9 of an operator by any other state or tribal government and affecting a multi-
10 jurisdictional progressive prize system~~[.];~~;

11 (f) In the case of a mobile gaming system:

12 (1) An operator's manual;

13 (2) A network topology diagram; *and*

14 (3) An internal control system; and

15 ~~[(4) A description of the method used to isolate game function to the areas-~~
16 ~~listed in Regulation 5.220(1)(i)]; and]~~

17 (g) All materials relating to the results of the registered independent testing
18 laboratory's inspection and certification process that are required under section
19 14.400.

20 **14.040 Minimum standards for gaming devices.**

21 1. All gaming devices must:

22 (a) Theoretically pay out a mathematically demonstrable percentage of all
23 amounts wagered, which must not be less than 75 percent for each wager available
24 for play on the device.

25 (b) Determine game outcome solely by the application of:

26 (1) Chance;

27 (2) The skill of the player; or

28 (3) A combination of the skill of the player and chance.

29 (c) Display in an accurate and non-misleading manner:

30 (1) The rules of play;

1 (2) The amount required to wager on the game or series of games in a gaming
2 session;

3 (3) The amount to be paid on winning wagers;

4 (4) Any rake-off percentage or any fee charged to play the game or series of
5 games in a gaming session;

6 (5) Any monetary wagering limits for games representative of live gambling
7 games;

8 (6) The total amount wagered by the player;

9 (7) The game outcome; and

10 (8) Such additional information sufficient for the player to reasonably
11 understand the game outcome.

12 (d) Satisfy the technical standards adopted pursuant to ~~Regulation~~ *section*
13 14.050.

14 2. Once a game is initiated by a player on a gaming device, the rules of play for
15 that game, including the probability and award of a game outcome, cannot be
16 changed. In the event the game or rules of play for the game, including probability
17 and award of a game outcome, change between games during a gaming session,
18 notice of the change must be prominently displayed to the player.

19 3. Gaming devices connected to a common payoff schedule shall:

20 (a) All be of the same denomination and have equivalent odds of winning the
21 common payoff schedule/common award based as applicable on either or both of the
22 combined influence of the attributes of chance and skill; or

23 (b) If of different denominations, equalize the expected value of winning the
24 payoff schedule/common award on the various denominations by setting the odds of
25 winning the payoff schedule in proportion to the amount wagered based as
26 applicable on either or both the combined influence of the attributes of chance and
27 skill, or by requiring the same wager to win the payoff schedule/award regardless of
28 the device's denomination. The method of equalizing the expected value of winning
29 the *common* payoff schedule/*common* award shall be conspicuously displayed on
30 each device connected to the common payoff schedule/common award. For the

1 purposes of this requirement, equivalent is defined as within a ~~5~~ five percent
2 tolerance for expected value and no more than a ~~1~~ one percent tolerance on return
3 to player or payback.

4 4. All possible game outcomes must be available upon the initiation of each play
5 of a game upon which a player commits a wager on a gaming device.

6 5. For gaming devices that are representative of live gambling games, the
7 mathematical probability of a symbol or other element appearing in a game
8 outcome must be equal to the mathematical probability of that symbol or element
9 occurring in the live gambling game.

10 6. Gaming devices that offer games of skill or hybrid games must indicate
11 prominently on the gaming device that the outcome of the game is affected by
12 player skill.

13 7. Gaming devices must not alter any function of the device based on the actual
14 hold percentage.

15 8. Gaming devices may use an identifier to determine which games are
16 presented to or available for selection by a player.

17 9. For gaming devices manufactured and distributed before September 28, 1989,
18 the Chair may waive the requirements of *paragraph (d) of* subsection 1~~[(d) of~~
19 ~~section 14.040]~~ for a licensee exposing a gaming device to the public for play, if the
20 licensee can demonstrate to the Chair's satisfaction that:

21 (a) After the waiver the aggregate theoretical payout for all amounts wagered on
22 all gaming devices exposed for play by the licensee at a single establishment meets
23 the 75 percent standard of *paragraph (a) of* subsection 1~~[(a) of section 14.040]~~, and

24 (b) The licensee is unable to bring the device into compliance with the
25 requirements of *paragraph (a) of* subsection 1~~[(a) of section 14.040]~~ because of
26 excessive cost or the unavailability of parts.

27 10. The Chair may waive for good cause shown the requirements of a technical
28 standard for a game. The Chair has full and absolute authority to condition or limit
29 a waiver granted under this section for any cause deemed reasonable.

30 **14.045 Minimum standards for inter-casino linked systems.** All inter-

1 casino linked systems submitted for approval:

2 1. Shall, in the case of an inter-casino linked system featuring a progressive
3 payoff schedule that increases as the inter-casino linked system is played, have a
4 minimum rate of progression for the primary jackpot meter of not less than .4 of one
5 percent of amounts wagered. In the case of an inter-casino linked system featuring
6 a progressive payoff schedule that increases over time, have a minimum rate of
7 progression for the primary jackpot meter of not less than one hundred dollars per
8 day. The provisions of this subsection do not prevent an operator from limiting a
9 progressive payoff schedule as allowed by ~~[Regulation 5.112(5)]~~ *subsection 5 of*
10 *section 5.112 of these regulations.*

11 2. Shall have a method to secure data transmissions between the games and
12 devices and the main computer of the operator, as approved by the Board.

13 3. Shall display the rules of play and the payoff schedule.

14 4. Shall meet the applicable minimum standards for internal control that have
15 been adopted pursuant to ~~[Regulation]~~ *section 6.090 of these regulations.*

16 **14.050 Technical standards.**

17 1. The Chair shall publish technical standards for approval of gaming devices,
18 on-line slot metering systems, cashless wagering systems, and associated
19 equipment.

20 2. The Chair shall:

21 (a) Publish notice of proposed technical standards or revisions by posting the
22 proposed changes or revisions on the Board's website;

23 (b) Mail notice of the posting of the proposed technical standards or revisions on
24 the Board's website and a copy of this section ~~[of Regulation 14]~~ to every
25 nonrestricted licensee, licensed manufacturer and every person who has filed a
26 request with the Commission; and

27 (c) Provide a copy of the proposed technical standards or revisions to the
28 Commission.

29 3. The Chair shall consider all written statements, arguments, or contentions
30 submitted by interested parties within 30 days of service of the notice provided for

1 in subsection 2.

2 4. Not later than 45 days after service of written notice that the Chair has
3 proposed the technical standards or revisions, any nonrestricted licensee or licensed
4 manufacturer may object to the technical standards or revisions by filing a written
5 objection with the Commission.

6 5. The Commission shall consider any objections filed to the technical standards
7 or revisions proposed by the Chair. If the Commission does not concur with any of
8 the technical standards, the Chair shall revise the technical standards to reflect the
9 order of the Commission.

10 6. The Chair shall send written notice of the effective date of the standards or
11 revisions to all nonrestricted licensees, licensed manufacturers and every person
12 who has filed a request with the Commission.

13 7. Nonrestricted licensees or licensed manufacturers may propose the adoption,
14 revision, or deletion of technical standards by submitting a written request to the
15 Chair who will consider the request at the Chair's discretion. If the Chair does not
16 propose the technical standard, the nonrestricted licensee or licensed
17 manufacturers may file a request with the Commission to adopt, revise, or delete a
18 technical standard. The Commission may consider the request at its discretion.

19

20 **14.075 Board evaluation of inter-casino linked systems.** The Chair may
21 require transportation of not more than one working model of an inter-casino linked
22 system to the Board's offices or some other location for review and inspection
23 pursuant to ~~[Regulation]~~ *section* 14.260. The associated equipment manufacturer
24 seeking approval of the system shall pay the cost of the inspection and
25 investigation. The Board may dismantle the model and may destroy electronic
26 components in order to fully evaluate the inter-casino linked system. The Chair may
27 require that the operator of an inter-casino linked system provide specialized
28 equipment or the services of an independent technical expert to evaluate the inter-
29 casino linked system.

30

1 **14.090 Certification by manufacturer.**

2 1. After completing its evaluation of a new gaming device, the Board's new
3 games lab shall send a report of its evaluation to the manufacturer seeking
4 approval of the device. The report must include an explanation of the manner in
5 which the device operates. The report must not include a position as to whether the
6 device should be approved. The manufacturer shall return the report within 15
7 ~~working~~ *business* days and shall either:

8 (a) Certify under penalty of perjury that to the best of its knowledge the
9 explanation is correct; or

10 (b) Make appropriate corrections, clarifications, or additions to the report and
11 certify under penalty of perjury that to the best of its knowledge the explanation of
12 the gaming device is correct as amended.

13 2. The Chair may order additional evaluation and a field test of the new gaming
14 device of up to 60 days in addition to the test period provided for in section 14.080 if
15 the Chair determines, based upon the manufacturer's certification, that such
16 additional evaluation is necessary.

17 **14.100 Final approval of new gaming devices and new inter-casino**
18 **linked systems.**

19 1. After completing its evaluation of the new gaming device or the operation of a
20 new inter-casino linked system, the Board shall recommend to the Commission
21 whether the application for approval of the new gaming device or operation of a new
22 inter-casino linked system should be granted.

23 2. In considering whether a new gaming device or operation of a new inter-casino
24 linked system will be given final approval, the Board and Commission shall
25 consider whether:

26 (a) Approval of the new gaming device or operation of a new inter-casino linked
27 system is consistent with the public policy of this state.

28 (b) The terms of any agreement or written specifications permitted or required of
29 an operator by any other state or tribal government and affecting a multi-
30 jurisdictional progressive prize system:

1 (1) Comply with the provisions of these regulations; and

2 (2) Include procedures satisfactory to the Commission for:

3 ~~(A)~~ (I) Ensuring compliance with the requirements of subsection 3 of
4 section 14.040;

5 ~~(B)~~ (II) Resolution of patron disputes under procedural and substantive
6 requirements equal to or greater than the standards applied by the Board;

7 ~~(C)~~ (III) Surveillance and security of gaming devices connected to such
8 system;

9 ~~(D)~~ (IV) Record-keeping and record-retention;

10 ~~(E)~~ (V) Control of access to any internal mechanism of gaming devices
11 connected to such system;

12 ~~(F)~~ (VI) Prior administrative approval of the Chair for any adjustments to
13 progressive meters;

14 ~~(G)~~ (VII) Access by the Board to audit compliance with the requirements of
15 this subparagraph; and

16 ~~(H)~~ (VIII) Any special procedures necessary for a multi-jurisdictional
17 progressive prize system with lawfully operated gaming locations participating
18 outside the United States, including without limitation matters of currency
19 conversion and the availability of English translations of all relevant and material
20 documentation and information.

21 (c) For an inter-casino linked system of games of skill or hybrid games:

22 (1) The types of games that will be connected to such a system are compatible;

23 (2) The communications technology used to connect participating gaming
24 devices is adequate for the operating environment for such a system; and

25 (3) The progressive payoff schedules used for such systems are accurately
26 described for players and comply with subsection 3 of section 14.040.

27 Notwithstanding the provisions of ~~[regulation]~~ sections 5.110 and ~~[regulation]~~ 5.112
28 *of these regulations*, such schedules may broaden and encourage participation in
29 games with skill attributes, by providing, without limitation, for partial prize

1 awards, and prize awards for games with different themes or based on the use of
2 identifiers.

3 3. Commission approval of a gaming device or inter-casino linked system does
4 not constitute certification of the device's or inter-casino linked system's safety.
5 Commission approval of a multi-jurisdictional progressive prize system shall
6 include approval of any agreement or written specifications permitted or required
7 by any other state or tribal government and affecting such system. The Chair will
8 complete any written acknowledgement necessary to document the Commission's
9 approval of any such agreement or written specifications. The prior administrative
10 approval of the Chair is required of any modification to such agreement or written
11 specifications.

12 4. A manufacturer or distributor who becomes aware that a gaming device or
13 ~~associated equipment~~ *inter-casino linked system* approved by the Commission or
14 the Board no longer complies with the regulations of the Commission or the
15 technical standards adopted pursuant to ~~regulation~~ *section* 14.050 shall notify the
16 Board in writing within ~~3~~ *three* business days.

17

18 **14.110 Approval to modify gaming devices or inter-casino linked**
19 **systems; applications and procedures.**

20 1. Modifications to gaming devices may only be made by licensed manufacturers
21 who have received prior written approval of the Chair. Inter-casino linked system
22 modifications may only be made by operators of such systems who have received
23 prior written approval of the Chair.

24 ↪ The Chair, in the Chair's sole and absolute discretion, may refer an inter-casino
25 linked system modification to the full Board and Commission for consideration of
26 approval. In an emergency when a modification is necessary to prevent cheating or
27 malfunction, the Chair may, in the Chair's sole and absolute discretion, orally
28 approve a modification to be made by a manufacturer or operator. Within 15 days of
29 the emergency modification, the manufacturer or operator making such
30 modification shall submit a written request for approval of the modification that

1 shall contain the information required by subsection 3 and such other information
2 as required by the Chair.

3 2. A manufacturer shall not modify a gaming device unless the device, as
4 modified, meets the standards of section 14.040. An operator shall not modify an
5 inter-casino linked system unless the system, as modified, meets the standards of
6 section 14.045. The Chair may, in the Chair's sole and absolute discretion, waive all
7 or some of the standards of section 14.040 or section 14.045, respectively, if the
8 modification is necessary to prevent cheating or malfunction. A waiver shall be
9 effective when the manufacturer or operator receives a written notification from the
10 Chair that all or some of the standards will be waived pursuant to this subsection.
11 A waiver of all or some of the standards pursuant to this subsection is not an
12 approval of the modification.

13 3. Applications for approval to modify a gaming device or an inter-casino linked
14 system shall be made by a manufacturer and processed in such manner and using
15 such forms as the Chair may prescribe. Each application shall include, in addition
16 to such other items or information as the Chair may require:

17 (a) A complete, comprehensive, and technically accurate description and
18 explanation of the modification in both technical and lay language signed under
19 penalty of perjury;

20 (b) Unless the standards of section 14.040 or section 14.045 have been waived
21 pursuant to subsection 2, a statement under penalty of perjury that to the best of
22 the manufacturer's knowledge, the gaming device, as modified, meets the standards
23 of section 14.040 or, in the case of an inter-casino linked system, a statement under
24 penalty of perjury that to the best of the operator's knowledge the inter-casino
25 linked system, as modified, meets the standards of section 14.045;

26 (c) In the case of a gaming device:

27 (1) A copy of all executable software, including data and graphic information,
28 and a copy of all source code for programs that cannot be reasonably demonstrated
29 to have any use other than in a gaming device, submitted on electronically readable,
30 unalterable media;

1 (2) A copy of all graphical images displayed on the gaming device including,
2 but not limited to, reel strips, rules, instructions and paytables;

3 (d) In the case of a modification to the control program of a gaming device that
4 includes software, source language or executable code designed or developed by an
5 independent contractor:

6 (1) The name of the independent contractor; and

7 (2) A general subject matter description of such software, source language or
8 executable code compiled into the control program as part of the submission to the
9 Board;

10 (e) In the case of an inter-casino linked system:

11 (1) An operator's manual;

12 (2) An internal control system;

13 (3) A hold harmless agreement;

14 (4) A graphical representation of the system theme and all related signage;

15 and

16 (5) Information sufficient to calculate a theoretical payoff schedule amount.

17 (f) All materials relating to the results of the registered independent testing
18 laboratory's inspection and certification process that are required under section
19 14.400.

20

21 **14.170 Marking, registration, and distribution of gaming devices.**

22 1. Except as otherwise provided in subsection 2, a manufacturer or distributor
23 shall not distribute a gaming device unless the gaming device has:

24 (a) A permanent serial number which must be affixed as required by the
25 provisions of the Gaming Device Act of 1962, 15 U.S.C. 1173; and

26 (b) For devices distributed in this state:

27 (1) A permanent serial number which must be the same number as given the
28 device pursuant to the provisions of the Gaming Device Act of 1962, 15 U.S.C. 1173,
29 permanently stamped or engraved in lettering no smaller than 5 millimeters on the
30 metal frame or other permanent component of the device and on a removable metal

1 plate attached to the cabinet of the device; and

2 (2) The Board approval number or, if the device has been modified since initial
3 approval of the device, the modification approval number affixed on all program
4 storage media placed in the device.

5 2. The Chair may, in the Chair's sole and absolute discretion, waive the
6 requirements of subsection 1 if:

7 (a) The device was manufactured prior to January 1, 1962, and the
8 manufacturer or distributor permanently stamps or engraves in lettering no smaller
9 than 5 millimeters a distributor's identification code assigned by the Chair and a
10 ~~{seriatim}~~ *serial* number on the metal frame or other permanent component of each
11 device covered by this subsection.

12 (b) The program storage media in 1(b) can be altered through a means that does
13 not require removal from the device or if the *physical* size of such media does not
14 permit it.

15 3. Each manufacturer or distributor shall keep records of the date of each
16 distribution, the serial numbers of the devices, the Board approval number, or if the
17 device has been modified since initial approval of the device, the modification
18 approval number, and the name, addresses and telephone numbers of the person to
19 whom the gaming devices have been distributed for use or play in Nevada and shall
20 provide such records to the Chair immediately upon the Chair's request.

21 4. For all gaming devices distributed from a location within Nevada that are not
22 for use or play in Nevada, a manufacturer or distributor shall provide any and all
23 records documenting such distributions to the Chair upon request. Such records
24 shall include the information required under the Gambling Device Act of 1962, 15
25 U.S.C. 1173, and shall be retained for a period of five years.

26 **14.180 Approval for category I licensees to distribute gaming devices**
27 **out of Nevada; applications and procedure; recordkeeping requirements**
28 **for category II licensees; extraterritorial distribution compliance;**
29 **inspection of facilities and devices.**

1 1. Subject to the exemption set forth in subsection 4, category I manufacturers
2 and distributors shall not distribute gaming devices out of this state without
3 applying for and receiving the prior written approval of the Chair. Applications for
4 such approval to distribute gaming devices out of this state must be made,
5 processed, and determined in such manner and using such forms as the Chair may
6 prescribe. Each application must include, in addition to such other items or
7 information as the Chair may require:

8 (a) The full name, state of residence, address, telephone number, social security
9 number, and driver's license number of both the purchaser and the person to whom
10 the shipment is being made, if neither is currently licensed by the Commission. If
11 the purchaser or person to whom the shipment is being made does not have a social
12 security number or driver's license number, the birth date of the purchaser or
13 person to whom the shipment is being made may be substituted;

14 (b) The name and permanent address of the purchaser or person to whom the
15 shipment is being made if either is currently licensed by the Commission;

16 (c) The destination, including the port of exit if the destination is outside the
17 continental United States;

18 (d) The number of devices to be shipped;

19 (e) The serial number of each device;

20 (f) The model number of each device and year each device was manufactured, if
21 known;

22 (g) The denomination of each device;

23 (h) The expected date and time of shipment; and

24 (i) The method of shipment and name and address of carrier.

25 2. Except as provided in paragraph (c) of this subsection, category II
26 manufacturers and distributors are exempt from subsection 1, and shall:

27 (a) Prepare and maintain records of the information required by the Gaming
28 Devices Act of 1962, 15 U.S.C. 1173. The records and documentation required by
29 this paragraph ~~[(a) will]~~ *shall* be retained for a period of five years and must be
30 produced for inspection upon request by the Board. The failure to prepare and

1 maintain such records and documentation will be an unsuitable method of
2 operation.

3 (b) Submit to the Board on or before the 15th day of January and July of each
4 calendar year an electronic record of the name and address of all current customers
5 which shall be in a searchable format. The record required by this paragraph ~~{(b)-~~
6 ~~will}~~ shall be received and retained by the Board as confidential pursuant to NRS
7 463.120.

8 (c) A category II manufacturer and distributor may by written notice to the
9 Chair elect to be treated as and comply with the requirements of this ~~{regulation}~~
10 ~~section~~ applicable to a category I manufacturer and distributor.

11 3. Manufacturers and distributors shall not ship gaming devices to a destination
12 where possession of a gaming device is unlawful.

13 4. Category I manufacturers and distributors are exempt from the requirements
14 of subsection 1 ~~{of this regulation}~~ for shipments of gaming devices provided:

15 (a) The gaming devices are only distributed to:

16 (1) Persons licensed to expose such devices for play or for further distribution,
17 in the jurisdiction of destination or by a tribal gaming authority in the jurisdiction
18 of destination;

19 (2) A federal, state or tribal gaming regulatory authority or law enforcement
20 agency; or

21 (3) A testing laboratory authorized by an entity identified within
22 subparagraph (2) of this paragraph.

23 (b) The category I manufacturer and distributor files the information required by
24 subsection 1 on or before the 15th of the month following the month of distribution.

25 ↪ The Chair may publish a list of jurisdictions or licensees to which this exemption
26 does not apply and where category I manufacturers and distributors may not ship
27 gaming devices without prior approval as required by subsection 1 ~~{of this-~~
28 ~~regulation}~~.

29 5. Category I manufacturers and distributors shall obtain and thereafter
30 maintain, a statement by the purchaser under penalty of perjury that each device

1 will be used only for lawful purposes, unless the purchaser is currently licensed by
2 the Commission or comparable agency of another state or tribal gaming agency or
3 the destination is outside the United States.

4 6. Manufacturers and distributors shall, on or before the 15th day of January of
5 each calendar year, give the Board a copy of the documentation evidencing
6 registration with the United States Attorney General pursuant to the provisions of
7 the Gaming Devices Act of 1962, 15 U.S.C. 1173, for the ensuing year.

8 7. An agent of the Board may inspect:

9 (a) The premises of manufacturers and distributors and all gaming devices
10 located therein.

11 (b) All gaming devices for which an application has been filed by a category I
12 manufacturer or distributor pursuant to subsection 1 ~~[of this regulation]~~ prior to
13 distribution out of this state. Category I manufacturers and distributors shall make
14 the gaming devices subject to such applications available for such inspection.

15 8. If the Chair does not deny an application filed by a category I manufacturer or
16 distributor for approval to distribute gaming devices out of this state pursuant to
17 subsection 1 within ~~[5-working]~~ *five business* days of receipt of a complete
18 application, the application will be deemed to be approved.

19 9. A category I manufacturer or distributor shall keep a record of all shipments
20 made out of state of parts specifically designed for use in a gaming device. The
21 record must include the information set forth in subsection 1, if applicable. A
22 manufacturer or distributor shall not ship parts specifically designed for use in a
23 gaming device to a destination where possession of a gaming device is unlawful.

24 10. The Chair may, in the Chair's discretion, waive one or more of the
25 requirements of this section upon good cause shown.

26 11. As used in this section:

27 (a) "Category I manufacturer or distributor" means any manufacturer or
28 distributor licensed by the Commission that does not qualify as a category II
29 manufacturer or distributor.

1 (b) “Category II manufacturer or distributor” means any manufacturer or
2 distributor that:

3 (1) Is and has been licensed in good standing by the Commission for the
4 preceding five years;

5 (2) Is and has been licensed, registered, approved or qualified in at least ten
6 other domestic United States or tribal jurisdictions for the preceding three years;

7 (3) Maintains pursuant to or consistent with the requirements of ~~Regulation~~
8 *section 5.045 of these regulations* a compliance review and reporting system;

9 (4) Has annual gross sales exceeding \$5 ~~Million Dollars~~ *million dollars* for
10 such licensee’s preceding fiscal year;

11 (5) Maintains an office or other facility in the state of Nevada at which the
12 records required by this ~~Regulation~~ *section* are stored and may be inspected and
13 copied by the Board~~;~~; *and*

14 (6) Did not during the preceding year exclusively distribute used gaming
15 devices.

16 ↪ As used in this ~~subparagraph~~ *paragraph*, “used gaming devices” means gaming
17 devices previously used or played in a gaming operation in Nevada, including such
18 devices that have been in any way modified or refurbished since original
19 manufacture.

20 (c) “Current customer” means a person to whom the applicable manufacturer or
21 distributor has shipped or delivered a gaming device within the preceding six
22 months pursuant to a contract, agreement or other arrangement with such
23 manufacturer or distributor, or its affiliate, for the purchase, lease, license or other
24 right to use such gaming device.

25 **14.190 Approval for certain licensees to sell or dispose of gaming**
26 **devices.**

27 1. A licensee, other than a manufacturer and distributor, shall not dispose of
28 gaming devices without the prior written approval of the Chair, unless the devices
29 are sold or delivered to its affiliated companies or a licensed manufacturer or
30 distributor, in which case approval is deemed granted.

1 2. A licensee, other than a manufacturer and distributor, shall not request
2 approval to sell or deliver gaming devices to a person other than its affiliated
3 companies or a licensed manufacturer or distributor unless the devices have been
4 marked pursuant to subsection 1 of ~~[regulation]~~ *section* 14.170.

5 3. Applications for approval to sell gaming devices under this ~~[regulation]~~ *section*
6 must be made, processed, and determined in such manner and using such forms as
7 the Chair may prescribe. Each application must include the information required by
8 subsection 1 of ~~[regulation]~~ *section* 14.180, in addition to such other items or
9 information as the Chair may require.

10 4. Applications for approval to dispose of gaming devices under this ~~[regulation]~~
11 *section* must be made, processed, and determined in such manner and using such
12 forms as the Chair may prescribe.

13

14 **14.230 Approval of new games and game variations; applications and**
15 **procedures.**

16 1. A licensee shall not offer a new game for play unless the new game has been
17 approved by the Commission. A licensee shall not offer a game variation for play
18 unless the game variation has been approved in writing by the Chair.

19 2. Applications for approval of a new game or game variation must be made and
20 processed in such manner and using such forms as the Chair may prescribe. The
21 applicant seeking approval of the new game or game variation shall pay the cost of
22 the investigation. Each application must include, in addition to such other items or
23 information as the Chair may require:

24 (a) The name, permanent address, social security number, and driver's license
25 number of the person developing the new game or game variation. If the person
26 developing the new game or game variation does not have a social security number
27 or a driver's license number, the person's ~~[birth-date]~~ *birthdate* may be substituted;

28 (b) The name of the game which must be different than the name of a game
29 currently approved by the Commission;

1 (c) A description of the new game or game variation, including the rules of play,
2 the proposed schedule of payouts, and a statistical evaluation of the theoretical
3 percentages of the game; and

4 (d) All materials relating to the results of the registered independent testing
5 laboratory's inspection and certification process that are required under section
6 14.400.

7

8 **14.260 Approval of associated equipment; applications and procedures.**

9 1. Unless otherwise waived pursuant to subsection 2, a manufacturer or
10 distributor of associated equipment shall not distribute *and a licensee shall not*
11 *operate or offer* associated equipment unless it has been approved by the Chair.
12 Applications for approval of associated equipment shall be made and processed in
13 such manner and using such forms as the Chair may prescribe. Each application
14 ~~[must]~~ *shall* include, in addition to such other items or information as the Chair
15 may require:

16 (a) ~~[The name, permanent address, social security number, and driver's license~~
17 ~~number of the manufacturer or distributor of associated equipment unless the~~
18 ~~manufacturer or distributor is currently licensed by the Commission. If the~~
19 ~~manufacturer or distributor of associated equipment is a corporation, the names,~~
20 ~~permanent addresses, social security numbers, and driver's license numbers of the~~
21 ~~directors and Officer must be included. If the manufacturer or distributor of~~
22 ~~associated equipment is a partnership, the names, permanent addresses, social~~
23 ~~security numbers, and driver's license numbers of the partners and their~~
24 ~~partnership interest must be included. If social security numbers or driver's license~~
25 ~~numbers are not available, the manufacturer's or distributor's birth date may be~~
26 ~~substituted;~~

27 ~~(b)~~ A complete, comprehensive and technically accurate description and
28 explanation in both technical and lay language of the associated equipment or a
29 modification to previously approved associated equipment and its intended usage,
30 signed under penalty of perjury;

1 ~~(e)~~ (b) Detailed operating procedures for the associated equipment;
2 ~~(d)~~ (c) The standards under which such tests were performed, including
3 Technical Standards 2 and 3 if applicable, and the results of such testing that
4 confirms the associated equipment is functioning as represented, signed under
5 penalty of perjury; and

6 ~~(e)~~ (d) All materials relating to the results of the registered independent
7 testing laboratory's inspection and certification process that are required under
8 section 14.400.

9 2. Except as provided in subsection 3, upon written request from the
10 manufacturer or distributor of associated equipment, or as the Chair otherwise
11 deems reasonable, the Chair may, in the Chair's sole and absolute discretion, waive
12 the approval requirement for associated equipment upon such terms and conditions
13 that the Chair may approve or require or refer the associated equipment to the full
14 Board and Commission for consideration of approval.

15 3. Except as otherwise provided in subsection 4, the Chair shall not grant an
16 approval pursuant to subsection 1 or waive such approval requirement pursuant to
17 subsection 2 with respect to any associated equipment that, when installed, will
18 allow a patron to use a debit instrument for purposes of making electronic funds
19 transfers from an independent financial institution to a game or gaming device
20 through a cashless wagering system until such time as the appropriate regulations
21 for such transfers are adopted.

22 4. The Chair may grant approvals pursuant to subsection 1 or waive such
23 approval requirements pursuant to subsection 2 with respect to the use of a prepaid
24 access instrument in conjunction with an approved cashless wagering system.

25 5. A manufacturer or distributor of associated equipment who becomes aware
26 that associated equipment approved by the Board no longer complies with the
27 regulations of the Commission or the technical standards adopted pursuant to
28 ~~regulation~~ section 14.050 shall notify the Board in writing within ~~3~~ three
29 business days.

30 **14.270 Board evaluation of associated equipment.** The Chair may require

1 transportation of not more than ~~[2]~~ *two* working models of associated equipment to
2 the ~~[new game lab of the Board]~~ *Board's offices* or some other location for review
3 and inspection. The manufacturer seeking approval of the equipment must pay the
4 cost of the inspection and investigation. The lab may dismantle the associated
5 equipment and may destroy electronic components in order to fully evaluate the
6 equipment. The Chair may require the manufacturer ~~[or distributor]~~ seeking
7 approval *of the equipment* to provide specialized equipment or the services of an
8 independent technical expert to evaluate the associated equipment.

9

10 ~~[14.290 Installation of associated equipment.]~~

11 ~~1. Except as otherwise provided in subsection 2, or regulation 14.260 (4), a~~
12 ~~licensee shall not install or use associated equipment without prior written~~
13 ~~approval of the Chair, unless the Chair has waived the approval requirement~~
14 ~~pursuant to subsection 2 of Regulation 14.260. Applications for approval to install~~
15 ~~or use associated equipment shall be made and processed in such manner and using~~
16 ~~such forms as the Chair may prescribe. The Chair shall not approve any use or~~
17 ~~installation(s) of associated equipment that allow a patron to use a debit instrument~~
18 ~~for purposes of making electronic funds transfers from an independent financial~~
19 ~~institution to a game or gaming device through a cashless wagering system until~~
20 ~~such time as the appropriate regulations for such transfers are adopted.]~~

21 ~~2. The Chair may grant approvals for the use of or installation of equipment~~
22 ~~used in conjunction with prepaid access instruments.]~~

23

24 **14.302 Manufacturer or distributor of associated equipment;**
25 **registration of a manufacturer or distributor of associated equipment;**
26 **application and procedures.**

27 1. The initial application for registration and the application for renewal of
28 registration shall be made, processed, and determined using such forms as the
29 Chair may require or approve and must be accompanied and supplemented by such
30 documents and information as may be specified or required, *including, but not*

1 *limited to, a written statement from the person seeking the registration or renewal of*
2 *registration, signed under penalty of perjury, attesting that the person:*

3 *(a) Has provided complete and accurate information to the Board;*

4 *(b) Submits to the jurisdiction of the State of Nevada, the Board, and the*
5 *Commission;*

6 *(c) Agrees to be governed and bound by the laws of the State of Nevada and the*
7 *regulations of the Commission;*

8 *(d) Designates the Secretary of State as the person's representative upon whom*
9 *service of process may be made;*

10 *(e) Will cooperate with all requests, inquiries, and investigations of the Board or*
11 *Commission; and*

12 *(f) Will provide any additional information requested by the Chair.*

13 2. Any applications for registration or renewal required under this section shall
14 be prepared and submitted by the relevant manufacturer or distributor of
15 associated equipment.

16 3. Fee Structure and Registration Period.

17 (a) Upon submission of an application for registration as a manufacturer or
18 distributor of associated equipment or renewal application, the applicant shall pay
19 an application fee of \$1,000.

20 (b) Before the ~~[Commission]~~ *Board* issues an initial registration or renewal of
21 any registration for a manufacturer or distributor of associated equipment, the
22 manufacturer or distributor of associated equipment shall pay an issuance fee of
23 \$1,000.

24 (c) The registration of a manufacturer or distributor of associated equipment
25 ~~[registered after October 1, 2015]~~ shall be effective for three calendar years from the
26 effective date of the registration or renewal. ~~[Any manufacturer or distributor~~
27 ~~deemed registered pursuant to NRS 463.665(7) must submit a complete application~~
28 ~~during the 2016 calendar year according to the 1st day of the month the original~~
29 ~~registration became effective. This and subsequent renewals will be effective for 3~~
30 ~~calendar years.]~~

1 4. Each registered associated equipment manufacturer or distributor, *or who has*
2 *a pending application for registration or for renewal of registration*, shall inform the
3 Board in writing of any changes in the ownership, officers, or directors of the
4 manufacturer or distributor of associated equipment, *and any other changes to the*
5 *information submitted to the Board pursuant to subsection 1*. Reports required
6 under this subsection shall be made to the Board within 30 days of occurrence. *The*
7 *Chair may, in the Chair's sole and absolute discretion, require a new registration*
8 *pursuant to subsection 4 of section 14.020 of these regulations if there is a change in*
9 *ownership.*

10 5. *The Chair may object to the registration of a manufacturer or distributor of*
11 *associated equipment for any cause the Chair deems reasonable. If the Chair objects*
12 *to the registration, the Chair shall send written notice of the decision to the*
13 *manufacturer or distributor of associated equipment.*

14 (a) *An objection by the Chair to the registration of a manufacturer or distributor*
15 *of associated equipment shall be considered an administrative decision, and*
16 *therefore reviewable pursuant to the procedures set forth under sections 4.185, 4.190,*
17 *and 4.195 of these regulations.*

18 (b) *A manufacturer or distributor of associated equipment whose registration has*
19 *been objected to by the Chair may not file for registration with the Board prior to the*
20 *expiration of one year from the date of the notice of the objection by the Chair to the*
21 *registration of the manufacturer or distributor of associated equipment or, if the*
22 *person has pursued an administrative review of the objection pursuant to paragraph*
23 *(a), the date upon which the review process is completed, whichever is later.*

24 6. *A person seeking registration as a manufacturer or distributor of associated*
25 *equipment, or who has been required by the Board to file an application for finding*
26 *of suitability to be a manufacturer or distributor of associated equipment pursuant*
27 *to subsection 4 or 5 of NRS 463.665, does not have a right to the granting of the*
28 *application. Any registration or finding of suitability as a manufacturer or*
29 *distributor of associated equipment is a revocable privilege, and no holder acquires*
30 *any vested right therein or thereunder. Judicial review is not available for decisions*

1 of the Board or Commission regarding an application for registration or finding of
2 suitability as a manufacturer or distributor of associated equipment.

3 **14.303 Consequences of a revocation of a registration of a manufacturer**
4 **or distributor of associated equipment.** *If the Board seeks disciplinary action*
5 *against a registered manufacturer or distributor of associated equipment and the*
6 *disciplinary action results in the revocation of the registration of the manufacturer or*
7 *distributor of associated equipment, the following consequences shall be imposed:*

8 *1. Upon the revocation of the registration of a manufacturer of associated*
9 *equipment:*

10 *(a) No new associated equipment manufactured by the manufacturer shall be*
11 *approved; and*

12 *(b) Any previously approved associated equipment manufactured by the*
13 *manufacturer shall be subject to having its approval revoked if the reasons for the*
14 *revocation of the registration also apply to the associated equipment.*

15 *2. Upon the revocation of the registration of a distributor of associated equipment,*
16 *the distributor shall no longer distribute associated equipment for use or play in*
17 *Nevada.*

18 **14.305 Manufacturer or distributor of associated equipment;**
19 **determination of suitability.**

20 1. In addition to the requirements of this regulation requiring a manufacturer or
21 distributor of associated equipment to be registered, the ~~[Commission]~~ *Board* may,
22 pursuant to *subsection 4 of* NRS 463.665 ~~[and upon recommendation of the Board]~~,
23 require a manufacturer or distributor of associated equipment who sells, transfers
24 or offers the associated equipment for use or play in Nevada to file an application
25 for a finding of suitability to be a manufacturer or distributor of associated
26 equipment.

27 2. The ~~[Commission]~~ *Board* may, pursuant to *subsection 5* NRS 463.665 ~~[and~~
28 ~~upon recommendation of the Board]~~, require any person who directly or indirectly
29 involves himself or herself in the sale, transfer or offering for use or play in Nevada
30 of such associated equipment who is not otherwise required to be licensed as a

1 manufacturer or distributor to file an application for a finding of suitability to be a
2 manufacturer or distributor of associated equipment.

3 3. The ~~{Commission}~~ *Board* shall give written notice of its decision to require the
4 filing of an application for a finding of suitability under subsection 1 and/or 2.

5 4. All investigative costs and fees associated with applications for a finding of
6 suitability are owed by the party required to file the application for a finding of
7 suitability. Failure to remit such costs and fees within such periods set by the
8 ~~{Commission, upon the advice of the Board, will}~~ *Board shall* result in a lapse of the
9 ~~{registrations}~~ *registration* of the applicable manufacturer or distributor of
10 associated equipment and will constitute an unsuitable method of operation. Where
11 the party required to file an application to manufacture or distribute associated
12 equipment is not registered, failure to pay such investigative costs and fees is
13 grounds for denial of any application associated with such manufacture or
14 distribution of associated equipment.

15 5. Failure of any party described in subsections 1 or 2 to submit an application
16 for a finding of suitability within 30 days of being ~~{demanded}~~ *required* to do so by
17 the ~~{Commission}~~ *Board* shall constitute grounds for a finding of unsuitability of
18 that party *by the Commission*.

19 6. If the Commission finds any manufacturer or distributor of associated
20 equipment, as described in subsection 1, or any person, as described in subsection 2,
21 to be unsuitable under this section:

22 (a) The registration of such manufacturer or distributor is thereupon revoked as
23 a matter of law;

24 (b) Any applications for registration as a manufacturer or distributor of
25 associated equipment associated with a party which is found unsuitable are deemed
26 denied as a matter of law; ~~{and}~~

27 (c) All gaming licensees shall, upon written notification from the Board or
28 Commission, terminate any existing relationships, direct or indirect, with such
29 unsuitable parties; *and*

1 *(d) The same consequences set forth in section 14.303 for a revocation of a*
2 *registration of a manufacturer or distributor of associated equipment shall be*
3 *imposed.*

4 7. Failure of a gaming licensee to terminate any association or agreement, direct
5 or indirect, with any party found unsuitable upon receiving written notice of the
6 determination of unsuitability constitutes an unsuitable method of operation.

7 8. Failure of a registered manufacturer or distributor of associated equipment to
8 terminate any association or agreement with any party found unsuitable upon
9 receiving written notice of the determination of unsuitability shall constitute
10 grounds for the revocation of the registration of the manufacturer or distributor of
11 associated equipment.

12 9. The Commission retains jurisdiction to determine the suitability of any party
13 described in subsections 1 or 2 regardless of whether or not that party has severed
14 any relationship with a gaming licensee or registered manufacturer or distributor of
15 associated equipment.

16

17 **14.320 Sale of antique gaming devices.**

18 1. As used in this section:

19 ~~(a) “Chair” means the chair of the Nevada Gaming Control Board or the Chair’s~~
20 ~~designee.~~

21 ~~(b) “Antique”, “antique gaming device” [means a gaming device that was~~
22 ~~manufactured before 1951] has the meaning ascribed to it paragraph (a) of~~
23 *subsection 13 of NRS 463.650.* For *the* purposes of this definition, the gaming device
24 must be completely mechanical in operation and all of the following parts that make
25 up the gaming device must have been made before ~~[1951]~~ *the year set forth in*
26 *paragraph (a) of subsection 13 of NRS 463.650:*

27 ~~[(1)]~~ (a) The cabinet and substantially all castings;

28 ~~[(2)]~~ (b) The mechanical mechanism including the following essential parts, if
29 applicable: payout slide(s); clock; reels; mechanism base; mechanism side frames;
30 and

1 ~~(3)~~ (c) Escalator assembly and coin drop assembly.

2 2. Upon approval of the Chair and compliance with the provisions of this section,
3 an owner of an antique gaming device who is not a licensed distributor may sell
4 such device through consignment with a licensed distributor. All such sales shall be
5 made only to a resident of a jurisdiction wherein ownership of such device is legal.

6 3. A licensed distributor shall not distribute a consigned antique gaming device
7 without the approval of the Chair. Applications for approval to sell a consigned
8 antique gaming device must be made, processed, and determined in such manner
9 and using such forms as the Chair may prescribe and may be denied by the Chair
10 for any cause the Chair deems reasonable.

11 4. A licensed distributor shall submit an application to sell a consigned antique
12 gaming device. Each application must include, in addition to such other items or
13 information as the Chair may require:

14 (a) The full name, address, telephone number, social security number, birth date
15 and driver's license number of the seller, the purchaser and the person to receive
16 the antique gaming device, if different from the purchaser;

17 (b) The serial number of each device. In the event a serial number does not exist,
18 the seller shall permanently engrave or stamp in lettering no smaller than 5
19 millimeters on the metal frame or other permanent component of the device, the
20 seller's initials, together with the last four digits of the seller's social security
21 number, and a different number for each device sold sequentially increasing
22 starting with the number one (1);

23 (c) The manufacturer and model or description of each device;

24 (d) The year the device was manufactured;

25 (e) The denomination of each device, if applicable;

26 (f) The final sales price of each device;

27 (g) A written verification by the distributor that the device is an antique gaming
28 device;

29 (h) A statement by the purchaser under penalty of perjury that the antique
30 gaming device will be used only for lawful purposes; and

1 (i) A statement by the seller under penalty of perjury that the device meets the
2 definition of antique gaming device as set forth within subsection 1~~[(b) above]~~.

3 5. If the Chair does not deny the application for approval to sell the antique
4 gaming device within ~~[5-working]~~ *five business* days of receipt of a complete
5 application, the application will be deemed to be approved.

6 6. Consigned antique gaming devices may be sold only at a licensed distributor's
7 location, or through a licensed distributor at an auction conducted by an auctioneer
8 licensed in the State of Nevada at a Board approved location.

9 7. In addition to the requirements of ~~[section]~~ *subsection* 4, if the antique gaming
10 device is sold at auction, the following shall be provided to the Board by the licensed
11 distributor at least ~~[ten (10)-working]~~ *10 business* days before the proposed auction:

12 (a) The auctioneer's name, address and proof of licensing in the State of Nevada;

13 (b) The date, time and location of the proposed auction; and

14 (c) The information set forth within ~~[subsections]~~ *paragraphs* ~~[4]~~(b) through (e)
15 *of subsection 4*.

16 8. An agent of the Board may inspect all antique gaming devices sold pursuant
17 to this section at any time prior to transfer of title thereto.

18 9. A person who is not the holder of a distributor's license who consigns to sell
19 antique gaming devices pursuant to this section shall not:

20 (a) Display or advertise for sale any gaming device anywhere in this state except
21 as permitted by ~~[Regulation]~~ *section* 14.340; or

22 (b) Solicit, accept, or execute orders for the purchase of any gaming device except
23 as permitted by ~~[Regulation]~~ *section* 14.330.

24 **14.330 Sale of gaming devices displayed or used in a private residence.**

25 1. A person who owns gaming devices for use or display in the person's private
26 residence may sell a total of two such devices during any 12-month period, without
27 procuring a seller's or distributor's license therefor. Requests to sell gaming devices
28 must be made, processed, and determined in such manner and using such forms as
29 the Chair may prescribe and may be granted by the Chair upon good cause shown.

1 If the Board does not object to the proposed transfer within ~~[5-working]~~ *five business*
2 days after receipt of the request, the proposed transfer may be effectuated.

3 2. Each request must include, in addition to such other items or information as
4 the Chair may require:

5 (a) The full name, state of residence, address, telephone number, social security
6 number, and driver's license number of both the purchaser and the seller. If the
7 purchaser or the seller does not have a social security number or driver's license
8 number, the birth date of the purchaser or the seller may be substituted;

9 (b) The number of devices to be sold;

10 (c) The serial number of each device;

11 (d) The model number of each device and year each device was manufactured, if
12 known;

13 (e) The denomination of each device;

14 (f) The expected date and time of sale;

15 (g) Unless the purchaser is currently licensed by the Commission, a statement
16 by the purchaser under penalty of perjury that each device will be used only for
17 lawful purposes.

18 3. A person may own or obtain gaming devices through a lease for the limited
19 purpose of display or use in that person's private residence without procuring a
20 state gaming license therefor as long as consideration is not directly or indirectly
21 received for playing or owning the devices.

22 **14.340 Display and marketing of gaming devices by unlicensed entities.**

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

26 2. An unlicensed manufacturer or distributor shall not:

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

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

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

8 **14.350 Independent testing laboratories; authority for Board to register**
9 **and utilize; fees.**

10 1. The Board is authorized to register and utilize independent testing
11 laboratories for the inspection and certification of any game, gaming device,
12 associated equipment, cashless wagering system, inter-casino linked system, mobile
13 gaming system or interactive gaming system, or any component thereof or
14 modification thereto, for use in Nevada.

15 2. The registration may be performed administratively by the Chair.

16 (a) The Chair may, at the Chair's sole and absolute discretion, approve the
17 application if the Chair determines that the applicant meets the qualifications set
18 forth under *subsection 6 of* section 14.360~~(6)~~.

19 (b) The Chair may, at the Chair's sole and absolute discretion, condition or limit
20 the registration of an independent testing laboratory in any manner and for any
21 reason the Chair deems appropriate.

22 (c) The Chair may, at the Chair's sole and absolute discretion, deny the
23 application if the Chair determines that the applicant has failed to meet the
24 qualifications set forth under *subsection 6 of* section 14.360~~(6)~~.

25 (d) An applicant for registration may have a decision of the Chair relating to its
26 application reviewed pursuant to the administrative approval review and appeal
27 process set forth under sections *4.185*, 4.190, and 4.195 of these regulations.

28 3. The Chair, at the Chair's sole and absolute discretion, may forgo approving or
29 denying an application for registration by referring the application to another Board
30 member or to the full Board for consideration. If referred to the full Board, the

1 Board may make a recommendation to the Commission to approve or deny the
2 application for registration, conditioned or limited in any manner and for any
3 reason it deems appropriate. The Commission, upon recommendation of the Board,
4 may approve or deny the application for registration, conditioned or limited in any
5 manner and for any reason it deems appropriate.

6 4. The manufacturer or operator shall be solely responsible for the payment of
7 any fees imposed by the independent testing laboratory for its services. The fees to
8 be charged shall be determined solely between the manufacturer or operator and
9 the independent testing laboratory.

10 5. The manufacturer or operator shall pay any and all costs associated with any
11 review or approval the Board performs of a game, gaming device, associated
12 equipment, cashless wagering system, inter-casino linked system, mobile gaming
13 system or interactive gaming system, or any ~~components~~ *component* thereof or
14 modification thereto, including any costs associated with the Board's review of the
15 registered independent laboratory's inspection, certification or review as described
16 in subsection 1 ~~above~~ or in *subsection 1 of section* 14.360~~(1)~~.

17 **14.360 Independent testing laboratories; registration requirement;**
18 **qualifications.**

19 1. The following persons or entities must register with the Board under this
20 section:

21 (a) Any independent testing laboratory that intends to inspect and certify games,
22 gaming devices, associated equipment, cashless wagering systems, inter-casino
23 linked systems, mobile gaming systems or interactive gaming systems, or any
24 components thereof or modifications thereto, for use in Nevada; and

25 (b) Each person or entity that owns or has significant control over the operations
26 of the independent testing laboratory seeking registration, including any
27 intermediary entities.

28 2. In order to register, an independent testing laboratory must submit an
29 application for registration to the Board as set forth in section 14.370.

1 3. The Chair, in the Chair's sole and absolute discretion, may require each
2 testing facility at which an independent testing laboratory conducts inspection and
3 certification procedures to register individually.

4 4. Each independent testing laboratory must be registered for each category of
5 inspection and certification for which the laboratory seeks to provide results. The
6 categories of inspection and certification include:

7 (a) Games and game variations;

8 (b) Gaming devices and gaming device modifications;

9 (c) Gaming associated equipment and gaming associated equipment
10 modifications;

11 (d) Cashless wagering systems and cashless wagering system modifications;

12 (e) Inter-casino linked systems and inter-casino linked system modifications;

13 (f) Mobile gaming systems and mobile gaming system modifications; ~~and~~

14 (g) Interactive gaming systems and interactive gaming system modifications;

15 *and*

16 (h) Any other category of inspection and certification that the Chair may deem
17 appropriate.

18 5. The Board shall maintain a list of registered independent testing laboratories
19 on its website along with the categories of inspection and certification each is
20 registered to perform.

21 6. To qualify to be registered, the independent testing laboratory, and any other
22 person, entity or testing facility that is required to register, must:

23 (a) Demonstrate probity;

24 (b) Be independent from any manufacturer, distributor, or operator of any game,
25 gaming device, associated equipment, cashless wagering system, inter-casino linked
26 system, mobile gaming system or interactive gaming system, or any component
27 thereof or modification thereto, regardless of whether or not such person or entity is
28 licensed, registered, or otherwise does business in Nevada;

29 (c) Be accredited in accordance with ISO/IEC 17025 by an accreditation body
30 that is a signatory to the International Laboratory Accreditation Cooperation

1 Mutual Recognition Agreement, unless the independent testing laboratory is only
2 seeking registration for the inspection and certification of games and game
3 variations;

4 (d) Demonstrate it is technically competent in testing the category of game,
5 device, or system in which it is seeking registration; *and*

6 (e) Demonstrate it is technically competent to test compliance with the
7 applicable Nevada statutes, regulations, standards and policies.

8 7. To be considered independent from a manufacturer, distributor, or operator
9 under *paragraph (b) of* subsection 6~~[(b) above]~~, the independent testing laboratory,
10 including its employees, management, directors, owners, compliance committee
11 members and gaming regulatory advisors, with the exception of the independent
12 testing laboratory's external accountants and attorneys:

13 (a) Must not have a financial or other interest, direct or otherwise, in a
14 manufacturer, distributor, or operator of any game, gaming device, associated
15 equipment, cashless wagering system, inter-casino linked system, mobile gaming
16 system or interactive gaming system, or any component thereof or modification
17 thereto, regardless of whether or not the person or entity is licensed, registered, or
18 otherwise does business in Nevada;

19 (b) Must not participate, consult, or otherwise be involved in the design,
20 development, programming, or manufacture of any game, gaming device, associated
21 equipment, cashless wagering system, inter-casino linked system, mobile gaming
22 system or interactive gaming system, or any component thereof or modification
23 thereto;

24 (c) Must not have any other interest in or involvement with a manufacturer,
25 distributor, or operator that could cause the independent testing laboratory to act in
26 a manner that is not impartial; and

27 (d) Such individuals shall not serve in any capacity with a manufacturer,
28 distributor, or operator beyond the scope of the independent testing laboratory's
29 engagement pursuant to these regulations.

30 ↪ The restrictions in subsection 7 ~~[above]~~ are not intended to limit an independent

1 testing laboratory, or the above listed individuals, from providing consulting
2 services to a manufacturer, distributor, or operator, provided that such services do
3 not directly or indirectly indicate, suggest, or imply how to design, develop, program
4 or manufacture a game, gaming device, associated equipment, cashless wagering
5 system, inter-casino linked system, mobile gaming system or interactive gaming
6 system, or any components thereof or modification thereto.

7 **14.370 Independent testing laboratories; registration; provisional**
8 **registration; application and procedures; waiver.**

9 1. Except as provided in subsection 2, an independent testing laboratory must be
10 registered with the Board prior to providing inspection and certification results for
11 any game, gaming device, associated equipment, cashless wagering system, inter-
12 casino linked system, mobile gaming system or interactive gaming system, or any
13 component thereof or modification thereto, for use in Nevada.

14 2. Upon written request, the Chair may, in the Chair's sole and absolute
15 discretion and under such terms and limitations the Chair ~~sees~~ *deems* appropriate,
16 issue a provisional registration to an independent testing laboratory to allow it to
17 perform the functions of a registered independent testing laboratory while its
18 application for registration is pending. Such provisional registration may be
19 revoked by the Chair at any time and for any reason, including but not limited to:

20 (a) If the investigation of the independent testing laboratory reveals that it does
21 not meet the qualifications to be registered with the Board; or

22 (b) If the independent testing laboratory has violated the terms or limitations of
23 its provisional registration.

24 3. Any independent testing laboratory that has had its provisional registration
25 revoked by the Chair may have the decision reviewed pursuant to the
26 administrative approval review and appeal process set forth under sections 4.190
27 and 4.195 of these regulations.

28 4. An application for registration as an independent testing laboratory shall be
29 made, processed, and determined using such forms as the Chair may require or
30 approve and must be supplemented by such documents and information as the

1 Chair may request. The information submitted with the application shall include,
2 but not be limited to, the following:

3 (a) Copies of all ISO/IEC 17025 certification and accreditation materials except if
4 the independent testing laboratory is only seeking registration for the inspection
5 and certification of games and game variations;

6 (b) All ISO required internal controls, policies and procedures, except if the
7 independent laboratory is only seeking registration for the inspection and
8 certification of games and game variations;

9 (c) Detailed description of the testing facilities;

10 (d) Detailed description of available testing staff and staff qualifications,
11 including education, training, experience and skill levels;

12 (e) Detailed description of available testing equipment;

13 (f) Copies of documented policies, systems, programs, procedures and
14 instructions to assure the quality of test results;

15 (g) Copies of all test scripts to be used for testing against the applicable Nevada
16 statutes, regulations, standards, and policies.

17 (h) Information regarding the business organization and ownership of the
18 applicant, including, but not limited to:

19 (1) Organization chart depicting the ownership structure of the applicant,
20 including, but not limited to, any parent and affiliated organizations;

21 (2) Organization chart depicting the applicant's management structure;

22 (3) List of all key employees and other individuals who have significant
23 involvement with the applicant's business operations;

24 (4) List of all officers, directors, partners, members, managers, trustees or
25 direct or beneficial owners of the independent testing laboratory and of any person
26 or entity that owns or has significant involvement with the activities of the
27 independent testing laboratory, including any intermediary entities.

28 (i) A statement subscribed by the applicant for registration that:

29 (1) The information being provided to the Board is accurate and complete;

30 (2) The applicant for registration agrees to cooperate with all requests,

1 inquiries, or investigations of the Board and Commission;

2 (3) The applicant acknowledges that the Board and Commission shall retain
3 jurisdiction over the independent testing laboratory in any matter involving a game,
4 gaming device, associated equipment, cashless wagering system, inter-casino linked
5 system, mobile gaming system or interactive gaming system, or any component
6 thereof or modification thereto, that it certifies for use in Nevada, even if its
7 registration lapses, is voluntarily terminated, or is revoked;

8 (4) The applicant for registration acknowledges that the Commission may
9 demand that the independent testing laboratory, or any of its key employees,
10 managers, or owners, submit an application for finding of suitability as an
11 independent testing laboratory, and that a failure to submit such an application
12 within 30 days of the demand may constitute grounds for the revocation of the
13 independent testing laboratory's registration; and

14 (5) The applicant agrees to indemnify and hold harmless the State of Nevada,
15 the Commission, the Board, and each of their members, agents, and employees in
16 their individual and representative capacities against any and all claims, suits and
17 actions, brought against the persons named in this subsection by reason of any
18 inspections or certifications performed by the applicant as a registered independent
19 testing laboratory, and all other matters relating thereto, and against any and all
20 expenses, damages, charges and costs, including court costs and attorney fees,
21 which may be sustained by the persons and entities named in this subsection as a
22 result of said claims, suits and actions.

23 5. The Chair may require additional information from an independent testing
24 laboratory to supplement the registration application;

25 6. During the registration evaluation process, the Board and its agents shall
26 conduct any investigation it deems reasonable, including any visit, review or
27 inspection of each independent testing laboratory seeking registration to evaluate
28 its qualifications and capabilities. The applicant is to bear the cost of all such site
29 visits and inspections held during the registration evaluation process.

30 7. The applicant is required to pay any and all costs associated with the

1 investigation and inspection of the applicant during the registration evaluation
2 period.

3 8. An independent testing laboratory is not considered registered with the Board
4 until all of the above information, including any additional information requested
5 by the Chair, has been provided and reviewed by the Board, all costs relating to site
6 visits performed by the Board have been paid in full, all other costs associated with
7 the investigation and inspection of the applicant have been paid in full, and the
8 Chair has issued written notice of the completion of the registration process to the
9 independent testing laboratory.

10 9. Upon written request, the Chair in the Chair's sole and absolute discretion,
11 may waive any requirement in sections 3-7 above.

12 **14.380 Independent testing laboratories; notification and reporting**
13 **requirements.**

14 1. Registered independent testing laboratories must notify the Board of any
15 change in ownership of the registered independent testing laboratory, any change in
16 directors, executives, or key management or employees of the independent testing
17 laboratory, and any other material changes to the information included in its
18 application for registration or the information submitted in conjunction with or
19 subsequent to its application within 30 days of such change.

20 2. By the 15th day of each January, a registered independent testing laboratory
21 shall inform the Chair in writing of any changes to the information that was
22 contained on the registered independent testing laboratory's application for
23 registration or submitted in conjunction with or subsequent to its application. If no
24 change to that information has occurred since the last reporting date, the registered
25 independent testing laboratory must provide the Chair with a written affirmative
26 statement indicating such.

27 3. Registered independent testing laboratories shall maintain copies of the
28 results of any ISO/IEC 17025 audits or reviews and shall notify the Board in
29 writing of the ~~of the~~ availability of the results within 15 days of when they become
30 available to the registered independent testing laboratory. Such copies shall be

1 provided to the Chair upon request.

2 **14.390 Independent testing laboratories; uniform protocols.**

3 1. In the interest of preserving a competitive gaming industry, a registered
4 independent testing laboratory shall not implement or maintain any procedure or
5 policy or take any action that would inhibit or prevent a manufacturer, distributor
6 or operator that has otherwise been deemed suitable for doing business in Nevada
7 by the Board or Commission from submitting a game, gaming device, associated
8 equipment, cashless wagering system, inter-casino liked system, mobile gaming
9 system or interactive gaming system, or any component thereof or modification
10 thereto, for inspection and certification for use in Nevada, or that would call into
11 question or tend to erode the independence of the registered independent laboratory
12 from any clients that utilize its services.

13 2. A registered independent testing laboratory shall maintain a version
14 controlled system of testing documentation and methodologies it uses to provide
15 certification against the Nevada regulatory structure, and such materials shall be
16 made available to the Board upon request. Original testing documentation,
17 methodologies, and any revisions to the testing documentation or methodologies
18 must be approved by the Board prior to being used to certify against the Nevada
19 regulatory structure.

20 3. All testing shall be performed using Nevada approved documentation and
21 methodologies, and must be conducted specifically in accordance with the Nevada
22 Gaming Control Act and the regulations adopted thereunder, and all technical
23 standards, control standards, control procedures, policies, and industry notices
24 implemented or issued by the Board.

25 4. All testing shall be performed by a person directly employed by the registered
26 independent testing laboratory. The registered independent testing laboratory shall
27 not assign, delegate, subcontract, or otherwise engage any person not directly
28 employed by the registered independent testing laboratory for any testing for which
29 the laboratory has been registered in Nevada. The Chair, in the Chair's sole and
30 absolute discretion, may permit a registered independent testing laboratory to

1 utilize the services of a person other than a person directly employed by the
2 independent testing laboratory to perform certain specific functions associated with
3 the testing and certification procedures to be performed. Any such request must be
4 made in writing to the Chair in advance of utilizing the services of the ~~{third party}~~
5 *third-party*. Any permission granted under this subsection must in writing and
6 shall be limited as to time and scope in whatever degree the Chair deems
7 appropriate under the circumstances and may be revoked by the Chair in writing at
8 any time at the Chair's sole and absolute discretion.

9 5. A registered independent testing laboratory shall not utilize, rely on or
10 otherwise refer to any testing, results or work product performed by another
11 registered testing laboratory for any game, gaming device, associated equipment,
12 cashless wagering system, inter-casino linked system, mobile gaming system or
13 interactive gaming system, or any component thereof or modification thereto which
14 has not previously been approved by the Board.

15 6. A registered independent testing laboratory shall implement and maintain a
16 hiring and background check that ensures, at a minimum, that no person is hired in
17 a position involving inspection or certification procedures relating to Nevada, or in a
18 position overseeing or managing an employee in such a position, who has:

19 (a) Failed to disclose or misstated information or otherwise attempted to mislead
20 the Board or Commission with respect to any information the person has provided
21 to the Board or Commission;

22 (b) Knowingly failed to comply with the provisions of NRS chapters 463, 463B,
23 464 or 465, or the regulations of the Commission at a previous place of employment;

24 (c) Committed, attempted or conspired to commit any crime of moral turpitude,
25 embezzlement or larceny or any violation of any law pertaining to gaming, or any
26 crime which is inimical to the declared policy of this State concerning gaming;

27 (d) Committed, attempted or conspired to commit a crime which is a felony or
28 gross misdemeanor in this State or an offense in another state or jurisdiction which
29 would be a felony or gross misdemeanor if committed in this State and which

1 relates to the applicant's suitability or qualifications to work for the registered
2 independent testing laboratory;

3 (e) Been identified in the published reports of any federal or state legislative or
4 executive body as being a member or associate of organized crime, or as being of
5 notorious and unsavory reputation;

6 (f) Been placed and remains in the constructive custody of any federal, state or
7 municipal law enforcement authority; or

8 (g) Had any gaming license, registration or other like credential revoked or
9 committed any act which is a ground for the revocation of a gaming license,
10 registration or other professional credential held by the person or would have been
11 a ground for the revocation of a gaming license, registration or other professional
12 credential had the person held such license, registration, or credential.

13 ↪ All procedures conducted pursuant to this subsection and the results of those
14 procedures shall be documented by the registered independent laboratory. Such
15 documentation shall be made available to the Chair upon request and shall be
16 maintained at all times while a person is employed by the registered independent
17 testing laboratory and for a minimum of five years after a person's employment
18 ends.

19 7. A registered independent testing laboratory shall implement and maintain a
20 system of peer review to monitor the quality of the inspection and certification
21 procedures performed by its employees.

22 8. A registered independent testing laboratory shall consult with the Board prior
23 to testing, evaluating, analyzing, certifying, verifying, or rendering opinions for or
24 on behalf of the Board relating to any new technology or concept.

25 9. A registered independent testing laboratory shall consult with a
26 representative of the Board's technology division on any questionable
27 interpretations of the Nevada regulatory structure as it relates to the inspection
28 and certification of any game, gaming device, associated equipment, cashless
29 wagering system, inter-casino linked systems, mobile gaming system or interactive
30 gaming system, or any component thereof or modification thereto.

1 10. A registered independent testing laboratory shall handle all information and
2 data prepared or obtained as part of the Nevada certification process as
3 confidential.

4 11. A registered independent testing laboratory shall implement and maintain
5 security and access control systems designed to secure and protect the
6 confidentiality of all equipment, software, and other information entrusted to it as
7 part of the Nevada inspection and certification process.

8 12. A registered independent testing laboratory is required to maintain all test
9 equipment in accordance with the manufacturer's specifications and
10 recommendations, and shall provide the Board with evidence of such upon demand.

11 13. A registered independent testing laboratory shall retain all submission and
12 testing related documentation. Such records may be maintained in electronic form.
13 The obligation to maintain such records continues even if the independent testing
14 laboratory ceases to be registered with the Board, or otherwise ceases its business
15 operation. The independent testing laboratory may turn all such records over to the
16 Board in electronic form as an alternative to having to maintain such records after
17 its deregistration or after its business operation ceases.

18 14. An onsite evaluation and review of each registered independent testing
19 laboratory shall be conducted by the Board periodically to evaluate certification
20 results and to verify continued compliance with all registration requirements and
21 protocols.

22 15. The Board shall, at all times, have immediate and unfettered access to the
23 registered independent laboratory's place(s) of business.

24 16. The Board may establish a system to evaluate the continued quality of the
25 inspection and certification performed by a registered independent testing
26 laboratory.

27 17. A registered independent testing laboratory shall immediately notify the
28 Board of any changes that may affect its ability to provide testing services.

29 18. A registered independent testing laboratory shall notify the Board
30 immediately of any material issues concerning any game, gaming device, associated

1 equipment, cashless wagering system, inter-casino linked system, mobile gaming
2 system or interactive gaming system, or any component thereof or modification
3 thereto, that it inspected or certified for use in Nevada, which it becomes aware of
4 subsequent to it having issued its inspection and certification report relating
5 thereto.

6 19. A registered independent testing laboratory shall notify the Board
7 immediately of any attempts by a manufacturer, distributor, or operator that has
8 attempted to improperly influence the registered independent testing laboratory, or
9 any of its employees, managers, or owners, in or in connection with any inspection
10 or certification services it is providing, has provided, or intends to provide.

11 20. A registered independent testing laboratory shall timely provide the Board
12 with such other information as the Board or Commission may request or require.

13 21. The Board may, as appropriate, periodically provide further guidance as to
14 what is required of a registered independent testing laboratory through industry
15 notices or other written communications.

16 22. A registered independent testing laboratory, its employees, management,
17 and owners shall remain independent of any manufacturer, distributor or operator
18 as set forth under *subsections 6 and 7 of* section 14.360~~[(6) and (7)]~~.

19 23. If a registered independent testing laboratory hires a person who was
20 previously employed by, or performed any work for, a manufacturer, distributor or
21 operator within one year prior to the ~~individual's~~ *person's* date of employment with
22 the independent testing laboratory, the registered independent testing laboratory
23 shall not permit that person to inspect or certify any game, gaming device,
24 associated equipment, cashless wagering system, inter-casino linked system, mobile
25 gaming system or interactive gaming system, or any component thereof or
26 modification thereto, for use in Nevada, for which the person had any involvement
27 with, whatsoever, while the person was employed by the manufacturer, distributor
28 or operator for a period of one year from the person's date of employment with the
29 independent testing laboratory.

30

1 **14.410 Independent testing laboratories; termination of registration;**
2 **revocation of registration; retention of jurisdiction.**

3 1. A registered independent testing laboratory may request to terminate its
4 registration by providing written notice to the Board of its intention at least ~~{3}~~
5 *three* months before the expected date of termination. An independent testing
6 laboratory's registration under this subsection is not deemed terminated until the
7 Chair provides written notification that the voluntary termination has been
8 granted.

9 2. The Chair may revoke the registration of a registered independent testing
10 laboratory should the Chair determine that it no longer meets the qualifications
11 necessary to be registered or has failed to comply with any of the requirements of
12 *this* regulation ~~{14}~~. Such revocation is at the sole and absolute discretion of the
13 Chair. The Chair shall provide written notification within 30 days of the designated
14 revocation date unless circumstances are such that the interests of public health,
15 safety, morals, good order and general welfare warrant an earlier revocation.

16 3. Any independent testing laboratory aggrieved by a decision of the Chair under
17 subsections 1 or 2 ~~{above}~~ may pursue a review of that decision pursuant to sections
18 ~~{4.190-4.195}~~ *4.185, 4.190, and 4.195* of these regulations.

19 4. The Board and Commission shall retain jurisdiction over the independent
20 testing laboratory in any and all matters relating to a game, gaming device,
21 associated equipment, cashless wagering system, inter- casino linked system, mobile
22 gaming system or interactive gaming system, or any component thereof or
23 modification thereto, that the independent testing laboratory certified for use in
24 Nevada while it was registered with the Board.

25 **14.415 Independent testing laboratories; unsuitable method of**
26 **operation.** Failure of a registered independent testing laboratory to comply with
27 all of the requirements of *this* regulation ~~{14}~~ shall constitute an unsuitable method
28 of operation and shall be grounds for disciplinary action by the Board and the
29 Commission.

30 **14.420 Independent testing laboratories; determination of suitability.**

1 1. Upon the recommendation of the Board, the Commission may require the
2 following persons or entities to file an application for a finding of suitability:

3 (a) A registered independent testing laboratory;

4 (b) Any employee of a registered independent testing laboratory; or

5 (c) Any officer, director, partner, principal, manager, member, trustee or direct
6 or beneficial owner of a registered independent testing laboratory or any person,
7 entity or intermediary entity that owns or has significant involvement with the
8 activities of a registered independent testing laboratory.

9 2. The Commission shall give written notice to the applicable person or entity of
10 its decision to require the filing of an application for finding of suitability. Unless
11 otherwise stated by the Commission in its written notice, a person or entity that has
12 been ordered to file an application for a finding of suitability under this subsection
13 may continue to function in their respective capacity, unless and until the
14 Commission finds the person or entity to be unsuitable.

15 3. If the Commission finds a registered independent testing laboratory to be
16 unsuitable:

17 (a) All registrations of the independent testing laboratory will be deemed
18 immediately revoked;

19 (b) All licensed manufacturers, manufacturers of interactive gaming systems,
20 distributors and operators shall, upon written notification, immediately terminate
21 any existing relationships, direct or indirect, with such independent testing
22 laboratory;

23 (c) No further games, gaming devices, associated equipment, cashless wagering
24 systems, inter-casino linked systems, mobile gaming systems or interactive gaming
25 systems, or any component thereof or modification thereto, shall be inspected or
26 certified by the independent testing laboratory for use in Nevada.

27 (d) The approval of any game, gaming device, associated equipment, cashless
28 wagering system, inter-casino linked system, mobile gaming system or interactive
29 gaming system, or any component thereof or modification thereto, inspected and
30 certified by the independent testing laboratory for use in Nevada shall be subject to

1 revocation if it is determined that the reasons for the finding of suitability applies
2 thereto.

3 4. If the Commission finds an employee of the registered independent testing
4 laboratory to be unsuitable:

5 (a) The registered independent testing laboratory must remove the person from
6 the person's position immediately, and must not reassign the person to any other
7 position that involves the inspection or certification of any game, gaming device,
8 associated equipment, cashless wagering systems, inter-casino linked systems,
9 mobile gaming systems, or interactive gaming systems, or any component thereof or
10 modification thereto, for use in Nevada;

11 (b) Failure of a registered independent testing laboratory to comply with this
12 subsection shall constitute an unsuitable method of operation and shall be grounds
13 for disciplinary action by the Board and the Commission.

14 5. If the Commission finds an officer, director, partner, principal, manager,
15 member, trustee or director or beneficial owner of a registered independent testing
16 laboratory, or any person, entity or intermediary entity that owns or has significant
17 involvement with the activities of a registered independent testing laboratory to be
18 unsuitable:

19 (a) The person or entity must divest itself of any ownership interest it has in the
20 registered independent testing laboratory; *and*

21 (b) The registered independent testing laboratory, or other applicable person or
22 entity, must indefinitely suspend the person or entity found unsuitable from
23 performing any duties or having any involvement with or supervision over its
24 operations or activities.

25 ~~(e)~~ → Failure of a registered independent testing laboratory, or other person or
26 entity, to comply with this subsection shall constitute an unsuitable method of
27 operation and shall be grounds for disciplinary action by the Board and the
28 Commission.

29 6. Failure of a licensed manufacturer, licensed manufacturer of an interactive
30 gaming system, distributor or operator to terminate any association with an

1 independent testing laboratory after receiving notice of the determination of
2 unsuitability shall constitute an unsuitable method of operation.

3 7. The Commission retains jurisdiction to determine the suitability of an
4 independent testing laboratory, or of any other person or entity to which this section
5 applies, regardless of whether the relevant independent testing laboratory remains
6 registered with the Board.

7 8. A failure on the part of the registered independent testing laboratory, or of
8 any other person or entity to which this section applies, to submit an application for
9 a finding of suitability within 30 days of being directed to do so by the Commission
10 shall constitute grounds for a finding of unsuitability. Such period may be extended
11 by the Chair of the Commission, at the Commission Chair's sole and absolute
12 discretion, upon written request by the independent testing laboratory.