



JOE LOMBARDO
Governor

NEVADA GAMING CONTROL BOARD

1919 College Parkway, P.O. Box 8003, Carson City, Nevada 89702
555 E. Washington Avenue, Suite 2600, Las Vegas, Nevada 89101
3650 S. Pointe Circle, Suite 203, P.O. Box 31109, Laughlin, Nevada 89028
557 W. Silver Street, Suite 207, Elko, Nevada 89801
9790 Gateway Drive, Suite 100, Reno, Nevada 89521
750 Pilot Road, Suite I, Las Vegas, Nevada 89119

KIRK D. HENDRICK, *Chairman*
HON. GEORGE ASSAD (RET.), *Member*
BRITTNIE WATKINS, *Member*

NOTICE TO LICENSEES

Notice # 2023-56

Issuing Division: Investigations

DATE: July 18, 2023

TO: All Licensees and Interested Persons

FROM: Kirk D. Hendrick, Chairman

SUBJECT: FOREIGN GAMING REPORTING POLICY STATEMENT

I. INTRODUCTION

This Notice to Licensees constitutes a policy statement of the Nevada Gaming Control Board's ("Board") position concerning Foreign Gaming reporting requirements. In the absence of codified regulations, this policy statement will be the controlling document concerning the Foreign Gaming reporting requirements and supersedes all previous policies and notices related to Foreign Gaming.

Recent changes to NRS 463.710, by way of Senate Bill 266, and the Board's Foreign Gaming Reporting Policy are addressed in this Notice to Licensees. Additionally, the Foreign Gaming Forms ("Forms") have been revised to align with these changes.

Inquiries regarding Foreign Gaming can be submitted to Senior Agent Candice Nishizawa with the Investigations Division, Corporate Securities, Compliance Unit at cnishizawa@gcb.nv.gov or (775) 684-7801.

All completed Forms must be electronically submitted in Word or PDF format to NVForeignGaming@gcb.nv.gov.

II. FOREIGN GAMING REPORTING REQUIREMENTS

NRS 463.680 through 463.720, inclusive, provide certain reporting requirements for any Nevada Licensee as defined by NRS 463.680 ("Licensee") who participates in the conduct of gaming outside of Nevada ("Foreign Gaming").

A Licensee participates in Foreign Gaming when the Licensee exposes a game or gaming device to the public for play, or when a Licensee acquires an interest in a Foreign Gaming operation which currently exposes a game or gaming device to the public for play. Further, a Licensee who receives any recurring gaming revenue (percentage of coin-in or win, lease agreement, flat fee, etc.) from the placement of machines or gaming devices in a foreign jurisdiction is deemed to be participating in Foreign Gaming. An individual licensed or found suitable in Nevada who is an equity owner in a Foreign Gaming operation is also deemed to participate in Foreign Gaming.

The absolute sale of gaming devices (whereby absolute title in a gaming device is passed from a Licensee to another party) in a foreign jurisdiction does NOT constitute participation and therefore does not subject the seller to Foreign Gaming requirements. However, a Licensee that sells gaming devices in a foreign jurisdiction is subject to the provisions of NRS 463.720, which proscribes certain, prohibited practices.

Foreign Gaming Revolving Fund

NRS 463.700(1) requires a Licensee to establish a revolving fund in the amount of \$10,000 “no later than 30 days after the Licensee executes a definitive agreement pertaining to the proposed participation in Foreign Gaming or files an application for licensing or related approval pertaining to the proposed participation (“Triggering Event”) ...”

For purposes of this provision, a “definitive agreement” shall mean any agreement which would legally bind the parties to proceed with Foreign Gaming, regardless of whether or not regulatory approval has been received, or any agreement which is deemed sufficiently important that the Licensee or an affiliated company issues a press release or would be reportable under the requirements of the Form 8-K Current Report under Section 13 or 15(d) of the Securities Exchange Act of 1934. Additionally, the filing of any application for licensing or related approval pertaining to the proposed participation will trigger NRS 463.700(1).

Once the Triggering Event of NRS 463.700(1) occurs, it is necessary to establish the revolving fund of \$10,000 pursuant to NRS 463.700. Regardless of the number of Foreign Gaming operations, only one revolving investigative fund is required per Licensee.

Any individual or entity that is first licensed in a foreign jurisdiction and then becomes a Nevada Licensee will be referred to as a “New Licensee.” A New Licensee with existing Foreign Gaming will have 30 days from the date of approval of its Nevada gaming license(s) (also considered a “Triggering Event”) to establish the required Foreign Gaming revolving fund.

III. FOREIGN GAMING FORMS

The Forms have been revised to align with the recent changes to NRS 463.710, by way of Senate Bill 266. The Forms are intended for use by ALL Licensees who engage in Foreign

Gaming. Only one (1) Form should be submitted per Licensee or Registered Entity (e.g., ABC Resorts, Inc. files one form for ABC Louisiana Casino and DEF Indiana Casino).

FG-710-1 – FOREIGN GAMING NOTIFICATION STATEMENT
DUE WITHIN 30 DAYS AFTER THE TRIGGERING EVENT

Licensees are expected to file the Foreign Gaming Notification Statement FG-710-1 with the Board 30 days after the initial Triggering Event occurs. A Licensee does not need to complete an FG-710-1 form for every new Foreign Gaming agreement or operation. The FG-710-1 form should only be filed when a Licensee first engages in Foreign Gaming.

New Licensees are expected to file the FG-710-1 form with the Board 30 days after the Triggering Event of becoming a Nevada Licensee. The New Licensee is expected to include all existing Foreign Gaming agreements or operations on the FG-710-1 form.

The Foreign Gaming Notification Statement FG-710-1 form should include the following information: (a) a brief summary of the foreign gaming operation(s); (b) a list of the gaming regulatory agency responsible for regulating the foreign gaming operation(s); (c) list any partners, joint ventures, or involved parties in the foreign gaming operation(s); and (d) the actual or expected date of commencement of the gaming operations.

FG-710-2 – FOREIGN GAMING QUARTERLY REPORT
DUE WITHIN 30 DAYS AFTER THE END OF THE QUARTER

All Licensees engaging in Foreign Gaming are expected to file the Foreign Gaming Quarterly Report FG-710-2 form within 30 days after the end of the quarter. A Licensee should include new Foreign Gaming agreements or operations on the FG-710-2 form and indicate the actual date the new Foreign Gaming began.

New Licensees are expected to file the FG-710-2 form beginning with the first quarter that follows the approval of its Nevada gaming license. This means that the first FG-710-2 form could be for a period shorter than three months (e.g., six weeks).

The Foreign Gaming Quarterly Report FG-710-2 form should include the following information: (i) pertaining only to Operators and Sports Books: a list of all Foreign Gaming locations; (ii) pertaining only to Manufacturers, Distributors, Slot Route Operators, Information Service Providers: a list of all jurisdictions licensed in and indicate all participation locations are "Available Upon Request"; (a) any changes in ownership or control; (b) any changes in officers, directors, or key employees that hold licensable positions in any gaming jurisdiction; (c) list all complaints, disputes, orders to show cause, and disciplinary actions aggregating a total of \$10,000 or more per regulatory agency per quarter; (d) list all employee arrests related to gaming; and (e) list any arrest or conviction, which would constitute a gross misdemeanor or felony in Nevada, of any officer, director, key employee that holds a licensable position in any gaming jurisdiction, or equity owner.

**FG-710-3 – TERMINATION OF FOREIGN GAMING
DUE WITHIN 30 DAYS AFTER TERMINATION**

The Foreign Gaming Termination Statement FG-710-3 form is to be completed when the Licensee has exited from ALL Foreign Gaming agreements and operations. The FG-710-3 form requests the date the foreign operation(s) ceased and the reason.