
CHAPTER 388
GAMING
GAMING REGULATIONS
(SECTION 81)

S.I. 84/2014

[Commencement 18th November, 2014]

PART I
PRELIMINARY

1. These Regulations may be cited as the Gaming Regulations. Citation.

CHAPTER 1: INTERPRETATION

2. In these Regulations, any word or expression to which a meaning has been assigned in the Gaming Act, 2014 shall have the meaning so assigned and, unless the context otherwise indicates — Interpretation.

“Act” means the Gaming Act; Ch. 388.

“approved junket representative” means a person to whom a certificate of suitability as a junket representative has been issued;

“betting station” means an electronic player terminal linked to an electronic gaming table or slot machine where all wagers are placed and winnings paid out by electronic means only;

“canister” means a lockable container housed in a slot machine, electronic table game or electronic table game betting station machine which stores paper-based currency or any other representation of value accepted by such machine;

“cash” means any coins or paper-based currency customarily used and accepted as money;

“casino cheque” means a cheque issued by any casino operator or operator of a casino outside The Bahamas;

“casino game” means a gambling game made available for play in a casino by the holder of a gaming licence;

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- “casino operator” means the holder of a gaming licence referred to in section 23 (1)(a) of the Act;
- “cheque-cashing facility” means a facility provided by a casino operator where chips or chip purchase vouchers are issued by the casino operator to a patron in exchange for a cheque payable to the casino operator which has not been deposited with and cleared by an authorised bank;
- “chip” means a manufactured object used exclusively for gaming and transacting in a casino and redeemable for a cash value stipulated on the face thereof and issued or sold by the holder of a gaming licence to patrons for exclusive use at its licensed premises;
- “effective date” means the date of coming into force of these Regulations;
- “Electronic Credit Transfer (“ECT”)” means a process whereby gaming credits are transferred to or from a slot machine or gaming device by any means other than the use of coins, tokens or paper-based currency;
- “employee” means a key employee or a gaming employee referred to in sections 23(1)(j) and (k) of the Act;
- “excluded person” means a person who has been excluded from participation in gaming under section 74 of the Act;
- “handle” means the total recorded value of all wagers made in a slot machine or at an electronic table game;
- “junket agreement” means a contract or other arrangement pertaining to the conduct of a junket;
- “progressive jackpot” means a jackpot which is electronically linked to two or more slot machines (“linked slot machines”), offering a jackpot payout amount, which increases automatically over time as the games offered by the linked slot machines are played, and payable —
- (a) in the duly displayed amount, for a stipulated winning combination com-

prised of numbers, playing cards, symbols, pictures, figures or any similar representations capable of being generated by a linked slot machine; or

- (b) when generated by an electronic monitoring system upon the occurrence of a pre-defined event;

“return to player percentage” —

- (a) in respect of slot machines, means the ratio of total winnings to total handle, expressed as a percentage, which is calculated by dividing the total amount won on a slot machine by the casino by the total handle on that slot machine over a defined period and deducting such percentage from 100%; and
- (b) in respect of other casino games, means the theoretical ratio, expressed as a percentage, of all amounts won by casino patrons to all amounts staked by casino patrons in respect of a particular casino game or gaming device over a stipulated period of time; and

“slugs” includes counterfeit currency, dye-stained notes, counterfeit chips, counterfeit tokens and coins, foreign coins and all tokens and coins and denominations of tokens and coins not programmed to be accepted by a particular slot machine or found in the table game drop box or table game float.

PART II GAMING BOARD FOR THE BAHAMAS

CHAPTER 2: APPOINTMENT OF BOARD MEMBERS

- 3. The Board shall consist of —
 - (a) at least one member who has, for a cumulative period of at least five years after having so qualified —
 - (i) practised as an advocate or an attorney;
 - (ii) lectured in law at a college in The Bahamas; or

Composition of Board.

- (iii) been involved in the application or administration of law;
- (b) at least one member who —
 - (i) is duly registered as an accountant or auditor and has, for a cumulative period of at least five years, engaged in public practice; or
 - (ii) for a cumulative period of at least five years, has lectured in accounting or accountancy at any college or comparable educational institution in The Bahamas;
- (c) at least two other members who, in the opinion of the Minister, have knowledge or experience in other fields in respect of which expertise is required for the proper functioning of the Board.

Appointment of Members.

4. (1) Where vacancies occur on the Board, the Minister shall by notice published in the Gazette and in such other printed media as he may consider appropriate, invite applications for appointment to the Board.

(2) Notwithstanding the provisions of paragraph (1), the Minister may, in addition to inviting applications for membership of the Board, invite such persons as he may deem suitable to make application in accordance with the procedure set forth in paragraph (3).

(3) An application referred to in paragraph (2) shall stipulate the closing date for the submission of applications, shall be in such format and require the disclosure of such information as the Minister may determine, and shall be accompanied by —

- (a) a declaration signed by the applicant stating his willingness to disclose full details of all his personal and financial affairs; and
- (b) a statement signed by the applicant confirming that he in all respects complies with the provisions of section 4 of the Act.

(4) Failure to complete the application form in full, or to submit the declaration and statement, referred to in paragraph (3), shall render an application invalid.

Procedure for appointment.

5. (1) An investigation shall be performed to determine whether the persons who have made application for membership of the Board comply with the qualification criteria stipulated in section 5 of the Act.

(2) A comprehensive list of all applicants together with all available information and documentation regarding their personal and financial affairs, shall be formulated and submitted for consideration to such person or body of persons as the Minister may appoint to perform an initial assessment of the applications received, against the qualification criteria for membership of the Board set forth in the Act.

(3) The person or body of persons referred to in paragraph (2) shall, within seven days of receiving the documentation referred to in paragraph (2), submit recommendations to the Minister for consideration, in consultation with the Cabinet.

(4) After consultation with the Cabinet, the Minister shall make the relevant appointment to the Board, provided that no person shall be appointed as a member of the Board unless he fully complies with the requirements of section 5 of the Act.

PART III GENERAL POWERS AND FUNCTIONS

CHAPTER 3: APPEALS TO THE BOARD

6. (1) A person who is directly affected by a decision of any person taken pursuant to a power or function of the Board delegated under section 10 of the Act, other than the resolution of a patron dispute referred to in Chapter 26, may within thirty days of such decision, lodge an appeal with the Board.

Appeal in respect of delegated powers or functions.

(2) An appeal under paragraph (1) shall be in writing and shall state —

- (a) the decision against which the appeal is lodged;
- (b) the ground or grounds on which the appeal is founded;
- (c) the name, address and telephone number of the person lodging the appeal; and
- (d) the nature of the interest of the person lodging the appeal.

(3) The Board shall, on receipt of an appeal, conduct or cause to be conducted, such investigation as it deems necessary or expedient.

(4) The provisions of sections 20 and 21 of the Act shall, with the necessary changes, apply to an investigation referred to in paragraph (3).

(5) After considering the appeal and, if applicable, the outcome of any investigation conducted in connection with the appeal, the Board may —

- (a) endorse the decision;
- (b) revoke the decision; or
- (c) make any decision it deems appropriate in the circumstances, after which the Board shall inform both parties involved of its decision in writing.

CHAPTER 4: HEARINGS

Person presiding.

7. (1) Subject to paragraph (2), the Chairperson of the Board shall preside at a hearing of the Board under the Act.

(2) The Chairperson may appoint a member or employee of the Board or the Board may co-opt a person to preside at or to conduct a hearing of the Board.

(3) The procedure to be followed in conducting a hearing shall be determined by the person presiding at the hearing, having regard to the circumstances of each case.

Evidence at hearing.

8. (1) The rules of evidence applicable in a court of law need not be applied at a hearing under the Act, and the person presiding shall in his discretion decide upon the admissibility of evidence.

(2) Hearsay evidence may be admitted and the person presiding shall have the power to determine the weight to be given to such hearsay evidence.

(3) For the purposes of any hearing, the Board may take official notice of any information, principles or technical or scientific matter regarding gaming which is generally known in the gaming industry.

Record of proceedings.

9. (1) The proceedings and evidence at a hearing shall be recorded in the manner deemed fit by the Chairperson to ensure the preservation of the record.

(2) Subject to the provisions of the Act and any other applicable legislation, a recording of a hearing may be transcribed at the request of any party.

(3) A copy of the record of a hearing shall be retained by the Board for a period of at least two years.

(4) The provisions of regulation 27 shall apply with the necessary changes to a request under paragraph (2).

10. (1) The person presiding at a hearing shall render the Board's final order in writing and shall simultaneously furnish the reasons for that order.

Decisions,
reasons and final
orders.

(2) Copies of the written order shall be served on the affected parties in accordance with these Regulations.

(3) A final order shall become effective when it has been served under paragraph (2).

PART IV LICENSING AND APPROVALS

CHAPTER 5: LICENSING AND APPROVALS

11. (1) Any licence, certificate of suitability or approval granted under the Act shall be revocable, and shall be dependent on the ongoing suitability of the person to whom such licence, certificate of suitability or approval relates, and compliance by that person with the provisions of the Act.

General.

(2) The Board may at any time and on good cause shown, by notice to a licence or certificate holder, call for such information it may deem necessary to satisfy itself of the ongoing suitability and compliance of any person referred to in paragraph (1).

(3) Any person who or which applies for a licence or a certificate of suitability or for registration, authorisation or approval, shall bear the burden of proving full compliance with the qualification criteria in respect of that licence, permit, certificate of suitability registration, authorisation or approval.

12. (1) An application for a licence, a permit or certificate of suitability, registration, or for authorisation or approval under the Act shall be submitted —

Application and
information.

- (a) in the case of an individual, on the duly completed Multi-Jurisdictional Personal History Disclosure Form, as used in the States of Nevada and New Jersey in the United States of America; or

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- (b) in the case of a company, in the form determined by the Board and shall include and be accompanied by the documents and information specified or required by the Board.
 - (2) The Board —
 - (a) may decline to take receipt of an application;
 - (b) may, but shall not be obliged to, remit an application to the applicant at any time prior to the final consideration thereof, and request or require —
 - (i) further information in respect of that application; or
 - (ii) such amendment or supplementation of that application as it may deem necessary, within such period as it may determine;
 - (c) may postpone the consideration of an application; or
 - (d) may refuse an application, if any information required to be included in or to accompany such application is not full and accurate.
 - (3) Every application for a licence lodged shall be submitted on forms furnished or approved by the Board and shall contain and be accompanied and supplemented by such documents and information as may be specified or required by the Board.
 - (4) It is the duty of an applicant to ensure that all information provided in an application is true and complete as at the date on which such application is finally considered, by the Board or the Minister, as the case may be, and should anything stated in an application change subsequent to its being lodged with the Board but prior to the final consideration thereof, the applicant shall be obliged forthwith to notify the Board in writing of such changes and of their effect on the application.
 - (5) An application may, with the approval of the Board, or the Minister, as the case may be, be amended in any respect at any time prior to final consideration thereof.
 - (6) An applicant may identify any document or information included in the application which in the opinion of the applicant is confidential or should for any reason not be disclosed to the public, and show cause why the Board may determine that such document or infor-

mation should not be open to public inspection, as contemplated in paragraph (7).

- (7) The Board may determine that —
 - (a) any document or information relating to the personal history and financial capacity of any person participating in an application, to the names of prospective employees, the financial projections of the application or the business plans of an applicant, shall not be open to public inspection; provided that such document or information can be separated from the remainder of the application and is marked confidential; and
 - (b) the identity of any person who lodged an objection to an application, shall not be divulged to any other person.

13. (1) An application for a new gaming licence, shall, at a minimum, contain comprehensive information in respect of —

Application for new gaming licence.

- (a) the financial strength of the applicant and the source and nature of the funding to be provided in respect of the casino development project, as defined in regulation 56;
- (b) the capital expenditure and financial and cash-flow projections in respect of the casino development project;
- (c) the management expertise of the applicant, with reference to —
 - (i) the quality, ability, operating history, applicable experience and adaptability of the applicant; and
 - (ii) all jurisdictions in which the applicant has been or is licensed;
- (d) the location of the proposed casino development, with reference to the location, prominence and visibility of the site; and
- (e) provision for the training of employees at various levels of employment.

14. Within seven days of receipt of a valid application for the grant of an operator licence or a premises licence, the Secretary shall publish for objections or comment in the Gazette or any other printed media he considers appropriate, the following information —

Advertising of application.

- (a) the name of the applicant;
- (b) if the applicant is a company, the names of all persons who have a financial or other interest of—
 - (i) five per centum or more in the applicant; or
 - (ii) thirty per centum or more in the applicant in the case of an application for a junket operator licence referred to in section 23(1)(e) of the Act;
- (c) the type of licence applied for;
- (d) the address and the premises from which the applicant intends to operate, if applicable;
- (e) the address to which objections to or comment on the application may be sent;
- (f) the closing date for the submission of such objections or comment to the Board, which date shall not be less than twenty-one days from the date of publication; and
- (g) the address at which such application may be inspected and to which comments or objections should be directed.

Public
inspection.

15. All applications for licences other than employment licences shall, subject to regulation 12(6) and (7), be open for inspection by interested persons at the Board's offices, or such other place as may be specified under regulation 14(g), during normal office hours for a period of twenty-one days from the date of publication of the notice referred to in section 27 of the Act or the advertisement referred to in regulation 14.

Objections and
comment.

16. (1) Any person wishing to object to or comment on an application submitted to the Board shall do so in writing within twenty-one days of publication of the notice referred to in regulation 14 or such further period as may be determined by the Board, and shall specify in writing—

- (a) the application to which the objection relates;
- (b) in the case of an objection, the grounds on which the objection is founded;
- (c) in the case of comment, full particulars and facts to substantiate the comment; and
- (d) the name, address and telephone number of the person submitting the objection or offering the comment.

(2) On receipt of an objection to or adverse comment on an application, the Board shall submit the objection or adverse comment to the applicant, who may reply to it in writing within twenty-one days after having received it or within such further period as may be determined by the Board.

17. An applicant may at any time prior to the final consideration of an application withdraw such application, provided that no fee paid to the Board in respect of such application shall be refunded.

Withdrawal of application.

18. (1) An applicant for a licence or other approval who is subject to a disqualification under the Act, but which is capable of being remedied, may be granted such reasonable period to rectify the disqualification, prior to the final consideration of the application, as may be determined by the Board, or the Minister.

Disqualified persons.

(2) Any person who becomes disqualified to hold a licence or other approval after such has been issued, must, within ten working days of having become aware of the disqualification, deliver a written notice of that disqualification to the holder of the affected licence and to the Board.

(3) If a person referred to in paragraph (2) —

- (a) holds an interest in the relevant licence, that person must dispose of that interest within such period as may be determined by the Minister after considering the circumstances, and the nature of the disqualification; provided that if the disqualification can be remedied, the provisions of paragraph (1) shall apply, with the necessary changes; or
- (b) is a manager of the business concerned, the Board may impose such reasonable conditions on the continuation of the relevant business as in its view will ensure ongoing compliance with the principles of the Act.

CHAPTER 6: PROCUREMENT OF FINANCIAL
INTERESTS IN LICENCE HOLDER

Procedures in
respect of
procurement of
financial
interests.

19. (1) A licence holder who is party to or becomes aware of any contract for the proposed disposal or procurement by any person of an interest referred to in section 51(1) of the Act in the business to which its licence relates shall —

- (a) within fourteen days of concluding or becoming aware of such contract, notify the Board in writing of —
 - (i) the name and address of the person proposing to procure such interest;
 - (ii) the extent of the interest proposed to be procured; and
 - (iii) if such information is available to it, the consideration to be paid in respect of such procurement; and
- (b) furnish the Board, within such period as the Board may specify, with such further information in respect of the transaction as may be requested or required by the Board.

(2) Any person referred to in section 51(1) of the Act must within no more than fourteen days of concluding a contract, whether written or verbal for the procurement of a financial interest referred to in that section, apply to the Board for approval to hold that interest in the manner referred to in paragraph (3).

(3) The application referred to in paragraph (2) shall set forth —

- (a) the name, address and other identifying details of the applicant;
- (b) the entity in which the interest is proposed to be procured;
- (c) the extent of the interest proposed to be procured;
- (d) the consideration to be paid or payable in respect of the procurement; and
- (e) the extent of the total financial in the relevant licence holder held by the applicant should the proposed procurement be approved by the Minister.

(4) Where a licence holder is party to any contract regulating the proposed acquisition of an interest referred to in this regulation, it shall ensure that the provisions of section 51(4) of the Act are incorporated into such contract.

(5) The provisions of paragraph (1) shall be complied with by the holder of a licence who is party to or becomes aware of any contract for the proposed procurement of a further financial interest in it by any person other than a person referred to in section 51(5) of the Act.

(6) The provisions of this regulation shall not apply to the indirect procurement of a financial interest in a licence holder by shareholders in a publicly listed company, by virtue of their investment or shareholding in such listed company.

CHAPTER 7: APPROVAL OF GAMING-RELATED CONTRACTS

20. All gaming-related contracts to which the holder of an operator licence other than a junket operator licence or an applicant for such a licence is a party or intends to become a party shall be in writing.

Formal requirements for gaming-related contracts.

21. (1) Every licence holder referred to in regulation 20 shall, within five working days of being required by the Board to submit a copy of a gaming-related contract or proposed gaming-related contract to it, submit a copy of such contract or proposed contract at the offices of the Board.

Submission of gaming-related contracts.

(2) The Board may, when evaluating a contract or proposed contract entered into or proposed to be entered into between the licence holder and the contractor, consider the suitability of the contractor.

(3) The Board may at any time review a contract approved by it.

(4) If a contractor is found to be or becomes unsuitable, the Board shall —

- (a) provide the licence holder with notice of its decision and the reasons for such decision; and
- (b) direct the licence holder or applicant to terminate its contract with such contractor within

fourteen days or such longer period as the Board may determine.

(5) A licence holder or an applicant required by the Board to terminate a gaming-related contract pursuant to this regulation shall do so within a period determined by the Board for such purpose.

(6) Every gaming-related contract shall provide for its termination in the circumstances provided for in paragraphs (4) and (5).

Contracts for submission to Board.

22. Unless otherwise specified by the Board, the holder of an operator licence other than a junket operator licence, shall submit to the Board for review pursuant to this Chapter, and approval of the relevant contractor under regulation 21(2), all contracts relating to —

- (a) the provision or supply of secured stationery;
- (b) internal security services;
- (c) the supply of monitored keys;
- (d) the supply of seals for use in gaming machines;
- (e) the supply of cards and dice for use in gaming;
- (f) the installation and maintenance of security and surveillance equipment; and
- (g) such other goods or services as may be stipulated by the Board from time to time.

CHAPTER 8: CONTRACTS WITH GAMING SERVICE PROVIDERS

Applicability of other provisions to gaming service provider contracts.

23. The provisions of regulations 20, 21(2) to (6), and Chapter 9 of these Regulations, shall apply, with the necessary changes, to gaming service provider contracts.

CHAPTER 9: CERTIFICATES OF SUITABILITY

Procedures in respect of certificates of suitability.

- 24.** (1) A person who —
- (a) proposes to procure a financial interest in a licence holder of the nature referred to in section 51(1) of the Act;
 - (b) is a party to a gaming-related contract with the holder of a licence referred to in this Chapter, if required by the Board to do so under section 54(2) or (6) of the Act;
 - (c) is a gaming service provider, as referred to in section 55 of the Act; or

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- (d) has significant control over the operations of an independent testing laboratory, as referred to in section 2 of the Act,

shall be required to apply for a certificate of suitability to procure such financial interest, to enter into such contract or to exercise such control, as the case may be.

(2) Any person referred to in paragraph (1) shall submit to the Board an application for a certificate of suitability.

(3) After consideration of an application referred to in this regulation, or completion of the mandatory approval process, which shall apply only in respect of persons referred to in paragraph (1)(c), as the case may be, the applicant shall be found —

- (a) suitable, or
- (b) unsuitable,

and the Board shall by written notice inform such person of the decision on the application.

(4) Where a person is found unsuitable under paragraph (3)(b), the Board must require the licence holder or applicant to terminate its association with that person within a period determined by the Board, and the provisions of section 48(12) of the Act shall apply, with the necessary changes.

(5) Where a person is found suitable under paragraph (3)(a), the Board shall issue a certificate of suitability to such person.

(6) The Board shall inform the licence holder in question of any finding under paragraph (3).

(7) With effect from the date on which the Board serves notice upon the licence holder or applicant of a finding of unsuitability under paragraph (3) (b), the person found to be unsuitable shall not —

- (a) directly or indirectly exercise any voting right conferred by the holding of a financial interest in the relevant licence holder; or
- (b) continue to participate in any contract executed or purported to have been executed with the relevant licence holder.

(8) The provisions of section 35 of the Act shall, with the necessary changes, apply to the duration and renewal of a certificate of suitability, provided that the Board may hold the holder of a certificate of suitability liable for any non-compliance by that holder with the provisions of section 36(3) of the Act, and may —

- (a) impose any penalty referred to in the Act or these Regulations on such holder;
- (b) where the Board is on good cause of the view that the holder no longer qualifies to hold a certificate of suitability suspend or revoke any certificate granted by it under this regulation, whereupon the provisions of paragraph (7) shall apply.

Termination of association.

25. (1) If the certificate of suitability granted to a person is suspended or revoked, the licence holder or applicant concerned shall, within fourteen days or such further period as may be determined by the Board, terminate any agreement or association between the licence holder or applicant and that person.

(2) Failure to include the provisions of paragraph (1) in an agreement shall not be a defence in any action brought under this regulation to terminate the agreement.

CHAPTER 10: RECOVERY OF COSTS

Recovery of investigation costs for grant or renewal of licence.

26. (1) Unless otherwise specified by the Board, an application for the grant or renewal of a licence or certificate of suitability shall be accompanied by the following deposit, or such other deposits as the Board may determine, for the recovery of costs incurred under section 29 of the Act —

KIND OF LICENCE	DEPOSIT (\$)
Gaming licence	100,000.00
Proxy gaming licence	75,000.00
Mobile gaming licence	50,000.00
Restricted interactive gaming licence	75,000.00
Junket Operator licence	30,000.00
Supplier licence	15,000.00

Key employee licence	2,000.00
Gaming employee licence	1,000.00
CERTIFICATES OF SUITABILITY	DEPOSIT (\$)
For the procurement of a financial interest	10,000.00
For a third party contractor or gaming service provider	75,000.00
In respect of a junket representative	5,000.00
For persons having significant control over the operations of an independent testing laboratory	5,000.00

(2) An amount paid to the Board under paragraph (1) shall be paid into an interest-bearing account, which is to be separate from any other funds of the Board, at a banking institution to the credit of the applicant concerned.

(3) The interest, if any, on money deposited under paragraph (1) shall accrue to the applicant.

(4) The Secretary may from time to time draw upon the deposits paid by the applicant for payment of all costs incurred by the Board under section 29 of the Act.

(5) The Secretary shall keep proper accounting records containing particulars and information of any money received, held or paid by him for or on account of an applicant.

(6) If a deposit approaches a zero balance, the Board may request a further deposit of an amount equal to or less than the initial deposit; provided that, until receipt of such further deposit, any investigation relating to the application shall cease.

(7) A statement of draws upon the deposit, payments made by the Board and the balance available shall, at the request of an applicant, be provided within fourteen days of the date of such request.

(8) Where all application for a licence is —

(a) withdrawn by the applicant or refused by the Board or the Minister, as the case may be, any credit balance in respect of a deposit made shall be returned to the applicant within ninety days of the withdrawal or refusal accompanied by a statement reflecting all the draws upon the

deposit, payments made by the Board and the balance available; or

- (b) granted by the Board or the Minister, as the case may be, any credit balance in respect of a deposit made shall be transferred into a trust account opened by the Board in respect of such licence holder and managed by the Board, for the duration of validity of the licence, including any subsequent renewal thereof, in accordance with the provisions of this regulation.

(9) If an applicant disputes any payments made or the need for further deposits, the applicant may request a written explanation from the Board regarding the matter in dispute.

(10) No licence shall be issued until the applicant has made full payment to the Board of any costs incurred under section 29 of the Act.

Recovery of costs for reproduction of document, form or record.

27. Subject to the provisions of sections 15 and 21(9) to (11) of the Act and other applicable legislation regulating access to information, any person may request a transcription of any audio record of the proceedings of the Board or a copy of any document, form or record of the Board, and the Board shall make the transcription or copy available to that person upon payment of the costs of its reproduction.

PART V GENERAL OBLIGATIONS OF LICENCE HOLDERS

CHAPTER 11: DISPLAY OF LICENCE

Display of licence.

28. The holder of a gaming licence shall prominently display a current copy of the gaming licence issued to it by the Board on the licensed premises.

CHAPTER 12: BOOKS, ACCOUNTS AND RECORDS

General.

29. (1) All books, accounts and records required to be kept by a licence holder under the Act shall —

- (a) be in the format;
- (b) contain the information; and

- (c) be kept in the manner stipulated in the approved internal control standards of the licence holder; and
- (d) unless otherwise specified, be retained for a period of at least five years.

(2) The books, accounts and records referred to in paragraph (1) shall at all times —

- (a) be kept in a safe place; and
- (b) be immediately and easily accessible.

(3) All documents, books, accounts and records required to be kept under the Act may be kept, maintained and provided in electronic form.

30. The holder of an operator licence other than a junket operator licence shall keep —

Gaming and
accounting
records.

- (a) accurate, complete, legible and permanent records of all gaming transactions; and
- (b) accounting records maintained in accordance with generally accepted accounting principles, on a double entry system of accounting, with detailed subsidiary records, identifying revenue, expenses, assets, liabilities and equity, including —
 - (i) individual game records to reflect drop, win and the percentage of win to drop by table for each table game and to reflect drop, win and the percentage of win to drop for each type of table game, per such accounting period as may be approved by the Board;
 - (ii) individual game records reflecting similar information in respect of all other games;
 - (iii) slot machine analysis reports which reflect turnovers and pay-outs per machine and compare actual hold percentages to theoretical hold percentages on a month-to-date, 12 month rolling and life-to-date;
 - (iv) the records required by such licence holder's approved internal control standards; and
 - (v) any other records that the Board specifically requires to be maintained.

31. A licence holder referred to in regulation 30 shall, where it is a company, keep —

Other records.

- (a) a copy of its incorporation documentation and memorandum and articles of association or the equivalent thereof, including any amendments thereto;
- (b) a permanent register of all licensed employees, reflecting the date of appointment, status and, where applicable, date of termination of employment of each;
- (c) minutes of all shareholder meetings;
- (d) minutes of all meetings of the Board of directors;
- (e) if the Board or the Minister so requires, in the case of a company which is not listed, a register of all shareholders, listing every shareholder's name, address, the number of shares held and the date on which the shares were acquired; and
- (f) any other information stipulated by the Board or the Minister.

Audited financial statements.

32. (1) A licence holder referred to in regulation 30 shall at the end of each financial year prepare annual financial statements in accordance with the applicable standards set for accounting practices.

(2) A licence holder referred to in this regulation shall appoint an independent certified public accountant, duly registered in accordance with the requirements of law, who shall audit the licence holder's annual financial statements in accordance with generally accepted auditing standards.

(3) A licence holder referred to in this regulation shall, not later than one hundred and twenty days of the last day of its financial year, or such further period as may be approved by the Board, submit to the Board copies of its audited annual financial statements.

(4) The Board may request additional information or documents from either the licence holder or its auditor regarding the financial statements or the services performed by the auditor.

Returns and reports to be rendered.

33. A licence holder other than the holder of an employment licence shall submit such returns and reports as the Board may from time to time determine within such times and in the manner and format determined by the Board.

CHAPTER 13: LICENSED EMPLOYEES

34. In addition to employees who are listed as key employees under section 48 of the Act, persons in the following or substantially similar positions shall be regarded as key employees for the purposes of the Act —

Key employees.

- (a) any person who individually or as a member of a group formulates management policy in respect of any aspect of the gaming operations of such business;
- (b) any person in the employ of a licence holder who has authority to appoint or terminate the appointment of supervisory staff licensed under the Act;
- (c) any person who has authority to supervise or direct a gaming or security activity shift, including, without being limited to, the supervision or direction of the entire pit operation and all slot machines or other gaming operations, and any person who has authority to supervise or direct the first-mentioned person;
- (d) any person who has authority to manage, or to be responsible for the management of, one or more of the gaming-related departments or functions of a gaming operation, including, without being limited to —
 - (i) accounting;
 - (ii) credit and collections;
 - (iii) the cage department;
 - (iv) licensed staff;
 - (v) internal audit;
 - (vi) information technology, for the purposes of the licences referred to in section 23(1)(b), (c), (d) and (f) of the Act;
 - (vii) security; and
 - (viii) surveillance;
- (g) any person who, by virtue of his employment, has the ability in any manner to alter the functionality of, or any data captured by, any gaming-related computer software used in the conduct of licensed operations, having a bearing on the tax liability of the licence holder; and

- (h) any person who has been specifically represented to the Board by a licence holder or an officer or a director of the licence holder as being important or necessary for the operation of any aspect of the gaming business of the licence holder.

Proof of licensing.

35. The holder of an operator licence other than a junket operator licence shall at all times keep a copy of the licence of every employee licensed under sections 23(1)(g) or (h) of the Act on that employee’s employment record.

Suspension or revocation of licence.

36. (1) If a licence issued to any employee under section 23(1)(j) or (k) of the Act —

- (a) is revoked by the Board, the licence holder which employs that employee shall immediately cease to employ that employee in any capacity in which he is required to be so licensed; or
- (b) is suspended by the Board, the licence holder which employs that employee shall immediately cease to employ that employee in any capacity in which he is required to be so licensed for the period of the suspension,

without liability on the part of the licence holder or the Board in respect of the termination of employment of such person.

(2) The provisions of paragraph (1) shall be a condition of employment.

PART VI - GAMING DEVICES AND GAMBLING GAMES

CHAPTER 14: APPROVAL REQUIREMENTS IN RESPECT OF GAMING DEVICES

Approval of devices and games.

37. Only gaming devices and gambling games meeting the relevant standards shall be approved by the Board for use in licensed operations.

Alterations and modifications prohibited.

38. Except as otherwise provided, a licence holder shall not alter the manner of operation of, or otherwise modify any approved gaming device or gambling game without the prior written approval of the Board.

Summary suspension of approval.

39. (1) The Board may issue a summary order, in the form of notice to the relevant licence holders,

suspending approval of a gaming device if it determines that such device does not operate in the manner approved by the Board, or if it reasonably suspects that the relevant manufacturer or supplier has misrepresented the manner in which such gaming device operates.

(2) Subsequent to the issue of an order referred to in paragraph (1), the Board may seal or seize all models of the gaming device in respect of which approval has been suspended.

40. (1) The standards applicable to gaming devices shall be the following standards issued by Gaming Laboratories International, LLC — Applicable standards.

- | | | |
|-----|---------------------|-------------------------------------------|
| (a) | GLI-11, version 2.1 | [Gaming devices]; |
| (b) | GLI-12, version 2.1 | [Progressive]; |
| (c) | GLI-13, version 2.1 | [Monitoring Control Systems]; |
| (d) | GLI-16, version 2.1 | [Cashless Systems]; |
| (e) | GLI-17, version 1.3 | [Bonusing Systems]; |
| (f) | GLI-18, version 2.1 | [Promotional Systems]; |
| (g) | GLI-19, version 1.0 | [Interactive Gaming Systems - Operators]; |
| (h) | GLI-19, version 1.0 | [Interactive Gaming Systems - Suppliers]; |
| (i) | GLI-20, version 1.5 | [Redemption Kiosks]; |
| (j) | GLI-21, version 2.2 | [Client Server Systems]; |
| (k) | GLI-24, version 1.3 | [Electronic Table Game Systems]; |
| (l) | GLI-25, version 1.2 | [Dealer Controlled Table Game Systems]; |
| (m) | GLI-26, version 1.1 | [Wireless Gaming Systems]; |
| (n) | GLI-27, version 1.0 | [Network Security]; |
| (o) | GLI-28, version 1.0 | [Player User Interface Systems]; |

- (p) GLI-29, version 1.0 [Card Shufflers and Dealer Shoes];
- (q) such further versions of any standard referred to in paragraph (a) to (p) as may be released from time to time and approved in writing by the Board, subject to the provisions of regulation 41; and
- (r) such further or additional standards as may be approved in writing by the Board.

Amendment or substitution of standards.

41. (1) Where the standard applicable to a gaming device is amended or substituted, any type, variation or model of gaming device certified as complying to the immediately preceding standard may be exposed for play for a maximum of three years, or such further period as the Board, on good cause shown, may approve in writing, after such substitution or amendment and, if it is to continue to be exposed for play after such period or extended period, as the case may be, must be certified against the amended or substituted standard.

(2) All gaming devices that were approved by the Board and exposed for play prior to the effective date are, to the extent required, exempted from the provisions of sections 52(1) and 67(3) of the Act, until a date to be determined in writing by the Board, and may continue to be exposed for play subject to compliance with the relevant legislation.

Independent testing laboratories.

42. (1) The Board shall utilize the services of independent testing laboratories registered with it in accordance with the provisions of these Regulations for the inspection and certification of any gaming device proposed to be used in The Bahamas.

(2) The holder of any licence which seeks the certification of any gaming device shall be solely responsible for the payment of any fees imposed by the independent testing laboratory for its services.

(3) The holder of a gaming licence or supplier licence shall pay all costs associated with any review or approval process performed by the Board in relation to any gaming device, including any costs associated with the Board's review of the registered independent laboratory's inspection, certification or review.

43. (1) Subject to the provisions of paragraph (3) —

(a) an independent testing laboratory which intends to inspect and certify any gaming device for use in The Bahamas must be registered with the Board; and

Registration of independent testing laboratories.

(b) each person or entity that has significant control over the operations of such independent testing laboratory must apply for a certificate of suitability, in the manner referred to in Chapter 9 of these Regulations.

(2) Each independent testing laboratory must be registered for each category of inspection and certification for which the laboratory seeks to provide results.

(3) Upon written request, the Board may, under such terms and conditions as it may deem appropriate, issue a provisional registration to an independent testing laboratory to allow it to perform the functions of a registered independent testing laboratory pending the final consideration of its application for registration.

(4) A provisional registration referred to in paragraph (3) may be revoked by the Board at any time and for any reason.

(5) An application for the registration of an independent testing laboratory shall be made to the Board in such form and manner and contain such particulars as the Board may determine.

(6) The Board may approve an application for registration if the Board is satisfied that all the applicable requirements have been fulfilled, and shall issue a certificate of registration to the applicant.

(7) The Board may refuse any application for a certificate of registration, in which case the provisions of section 48(12) of the Act shall apply, with the necessary changes.

(8) The provisions of section 35 of the Act shall apply, with the necessary changes, to any certificate of registration referred to in this regulation.

(9) A registration referred to in this regulation is effective until it is revoked expires or is terminated at the request of the registered independent testing laboratory.

(10) The Board shall maintain a list of registered independent testing laboratories on its website along with

the categories of inspection and certification each is registered to perform.

Revocation of registration of independent testing laboratory.

44. (1) The Board may revoke the registration of a registered independent testing laboratory if the Board determines that such independent testing laboratory no longer meets the qualifications necessary to be registered or has failed to comply with any of the Act or the regulations promulgated hereunder. The Board shall provide written notification within thirty days of the designated revocation date unless circumstances are such that the public interest warrants an earlier revocation.

(2) A decision of the Board to revoke the registration of an independent testing laboratory may be appealed to the Minister within thirty days; provided that the decision of the Minister shall be final.

Voluntary termination of registration of an independent testing laboratory.

45. (1) A registered independent testing laboratory may request the termination of its registration by providing written notice to the Board of its intention at least three months prior to the requested termination date.

(2) Upon submission of a request under paragraph (1), the registration of the independent testing laboratory shall not be deemed to be terminated until the Board provides written notification that the voluntary termination request has been accepted.

Independent testing laboratory registration fees.

46. (1) The fees payable in respect of any registration referred to in this regulation shall be as set forth in regulation 185.

(2) No fee contemplated in this regulation shall be refundable.

CHAPTER 15: REVIEW OF CUSTOMS OR IMPORT DUTIES

Review of customs or import duties in relation to gaming devices.

47. (1) The Minister of Finance shall, at such periods as he may deem appropriate, review the customs or import duties referred to in section 86(1) of the Act and may, by notice in the *Gazette*, waive, alter or impose any customs or import duty in respect of the importation of any gaming device into The Bahamas as he may consider appropriate.

(2) Prior to exercising the power referred to in paragraph (1), the Minister of Finance shall cause to be served on the Board a written notice —

- (a) reflecting the date of such notice;
- (b) containing details in respect of any customs or import duty proposed to be made payable in respect of the importation of any gaming device into The Bahamas and the date from which customs or import duty is proposed to take effect; and
- (c) inviting the submission, within twenty days of the date of the notice, of written representations in respect of the proposed imposition of the relevant customs or import duty.

(3) The Board shall, on receipt of a notice referred to in paragraph (2), forthwith transmit such notice to the holders of licences referred to in section 23(1)(a), (b), (c), (d) and (e) of the Act.

(4) The Board and the licence holders referred to in paragraph (3) may, within twenty days of the date referred to in paragraph (2)(a), address representations to the Minister of Finance regarding the proposed customs or import duty set forth in the notice.

(5) The Minister of Finance shall consider any representations made pursuant to paragraph (4) prior to making a final determination.

(6) If a licence holder on which a notice referred to in paragraph (2) has been served fails to submit written representations within the period referred to in paragraph(4) —

- (a) such licence holder shall be deemed to have elected neither to contest nor to address the merits or potential impact of the imposition of the customs or import duty proposed to be imposed; and
- (b) the Minister of Finance shall forthwith consider the matter, in conjunction with such written representations as he may have received, and shall make a determination in respect thereof, without reverting to such' licence holder.

(7) Notwithstanding —

- (a) the provisions of paragraph (1);
- (b) the procedures provided for in this regulation; or

- (c) any action taken by the Minister of Finance under this regulation, no claim of legitimate expectation in respect of any reduction in or exemption from any tax, duty, fee, charge, levy or other assessment referred to in this regulation, or the continued applicability of any rate set by the Minister of Finance in respect of any customs or import duty under this regulation, shall accrue to any licence holder at any time.

(8) Nothing in this regulation shall preclude the holder of any licence, other than a junket operator licence or employment licence from making application to the Minister of Finance for the exercise of the powers conferred upon him by this regulation, whereupon, if the Minister of Finance proposes to vary the then prevailing rate of customs or import duty in any manner, the provisions of this regulation shall apply.

CHAPTER 16: REGISTRATION AND MAINTENANCE OF GAMING DEVICES

Registration of
gaming devices.

48. (1) Every gaming device must be registered in accordance with this Chapter unless it is of a category exempted under paragraph (3).

(2) Every gaming device made available for play in The Bahamas must be certified as complying with the relevant standards for such a device referred to in Chapter 14.

(3) The Board may, in Rules made under section 83 of the Act, exempt categories of gaming devices from the application of any or all of the provisions of this Chapter.

Identification of
gaming machines
and devices.

49. (1) The holder of a supplier licence must keep a record in the manner and form determined by the Board of every gaming device that such supplier acquires, manufactures, or otherwise distributes, to or in The Bahamas.

(2) Wherever physically possible, a gaming device manufactured in, or imported into, The Bahamas must include in the design of that device a mechanism that permanently identifies —

- (a) the name of the manufacturer;
- (b) a unique serial number of the machine or device;
and

(c) the date of manufacture of the machine or device.

(3) A person must not remove, alter, disfigure, obscure or destroy an identification mechanism that is required under this regulation.

50. (1) The Board must —

(a) establish and maintain, in such manner and form as it may determine, a central registry of every gaming device manufactured within or imported into The Bahamas;

(b) assign a permanent and unique registration number for each such device, which number is co-related to —

(i) the name of the manufacturer of that device;

(ii) the date of manufacture of that device; and

(iii) the unique serial number assigned to that device by the manufacturer; and

(c) for each such device, record the name, licence number and such other particulars as it may determine, of —

(i) the registered owner; and

(ii) any other person who has leased that machine or device, or to whom registered possession of the machine or device has been transferred.

(2) If a gaming machine is networked with other machines or systems of machines, each machine in that network is deemed to be a separate gaming machine for the purpose of this Chapter.

51. (1) A person who imports a gaming device into The Bahamas, or who manufactures such a device within The Bahamas, must register that machine or device by providing the information required under regulation 50(1)(b) to the Board in such manner and form as the Board may determine.

(2) The Board must not register a gaming device unless that type device has been certified as complying with the relevant standards for such a device referred to in Chapter 14.

(3) A person who registers a gaming device in accordance with paragraph (1) is deemed to be the

Central register of gaming machines and devices.

Gaming machines and devices to be registered.

registered owner of that gaming device for the purposes of this Chapter, subject to any transfer of registered ownership under this Chapter.

(4) The registered owner of a gaming device must ensure that the possession, use, maintenance and certification of that device complies with this Act, subject to any registered transfer of possession under this Chapter.

Transfer of registered ownership or possession.

52. (1) A person who proposes to transfer registered ownership of a gaming device to another person must apply to the Board, in manner and form determined by the Board, for approval to transfer registered ownership of that device.

(2) Subject to paragraphs (3) and (4), a person who proposes to lease, or transfer possession of a gaming device to another person, while retaining legal title to that device, must apply to the Board, in manner and form determined by the Board, for approval to lease or transfer possession of that device.

(3) A registered owner of a gaming device who repossesses that gaming device from a lessee or other person to whom possession had been transferred under this regulation is not required to apply for approval under this regulation, but must notify the Board that the gaming device has been repossessed.

(4) A person is not required to apply for approval under this regulation before transferring possession of a gaming device to another person solely for purpose of —

- (a) transporting it from one place to another for a lawful purpose; or
- (b) performing essential maintenance work on, or repairing, that gaming device.

(5) The Board may approve a transfer of ownership, a lease or transfer of possession of a gaming device only if —

- (a) the proposed transferor is the registered owner of that gaming device;
- (b) the gaming device has been certified as complying with the applicable standards and the certification has not expired; and
- (c) the proposed transferee —
 - (i) holds a valid licence permitting that person to possess that category of gaming device,

or has concurrently applied for such a licence;

- (ii) holds a valid licence, issued under the Act, to engage in or conduct gaming or to make available gaming activities that include the operation of that category of gaming device, or has concurrently applied for such a licence; or
- (iii) is otherwise authorised to possess that category of gaming device under the Act.

(6) The Board —

- (a) may approve a lease, a transfer of ownership or possession of a gaming device concurrently with the issuing of a licence to the transferee; and
- (b) must not refuse a lease or a transfer of ownership or possession of a gaming device on any grounds other than non-compliance with the requirements of paragraph (5).

53. (1) The holder of a gaming licence shall develop and maintain accurate internal registers of the following gaming devices —

Internal registers regarding gaming and related devices.

- (a) roulette wheels;
- (b) card shuffling devices; and
- (c) slot machines.

(2) The internal control standards of the holder of a gaming licence shall incorporate procedures that provide adequate security over cards, dice and roulette balls and limit the possibility of unauthorised access and tampering, including a card, dice and roulette ball inventory system providing for —

- (a) the balance of the number of playing card decks by game type, dice and roulette balls held in a primary storage area;
- (b) the number of playing card decks, dice and roulette balls removed from storage for use;
- (c) the number of playing card decks, dice and roulette balls returned to storage or received from the manufacturers and placed in storage;
- (d) the date of each transaction; and
- (e) the identity of the employees who recorded each such transaction.

Maintenance of registered gaming and related devices.

54. The holder of an operator licence other than a junket operator licence shall maintain all gaming devices used or available for play in a good working condition in accordance with the specifications of the manufacturer or supplier and shall, subject to section 37(1)(g)(ii) of the Act, ensure ongoing compliance with the prescribed standards for such gaming devices.

Records to be kept by licence holder.

55. A licence holder referred to in regulation 54 shall keep such records in respect of all gaming devices referred to in regulation 53 as the Board may require or approve.

PART VII FINANCIAL GUARANTEES FOR CASINO RESORTS

CHAPTER 17: FINANCIAL GUARANTEES

Guarantee for completion of premises.

56. (1) If an application for a new gaming licence submitted after the effective date is granted by the Minister and the licence holder —

- (a) fails to implement the project, in the form undertaken in any representations to any Government agency or set forth in its application for the licence (“the casino development project”) substantially in accordance with the undertakings made, other than as a result of developments or occurrences over which it has no control or limited control; and
- (b) upon receipt of a written notification by the Board requiring an explanation for such failure, fails to show good cause for such failure and fails to propose reasonable measures to reverse such failure, the Minister may require the licence holder or its parent company, before continuing with the development, to furnish a financial guarantee for the completion of the casino development in the format referred to in paragraph (2).

(2) If a guarantee is required by the Minister under paragraph (1) —

- (a) the proposed total financial commitment of the licence holder in respect of the casino development project (“the project”), expressed

- in US Dollars, shall be underwritten by an irrevocable guarantee;
- (b) the quantum of the guarantee shall be twenty-five per centum of the Adjusted Project Cost, taking into account all possible cost escalations;
 - (c) the Adjusted Project Cost shall be the total cost of the implementation of the project less —
 - (i) costs included in the calculation of capital expenditure in respect of the project but already incurred by the licence holder on the date of the submission of the guarantee; and
 - (ii) all costs associated with or incurred in connection with processing the licence application, provided that all costs already incurred pursuant to this paragraph are certified as having been so incurred by the external auditors of the licence holder;
 - (d) the Board may, on a monthly basis, and with effect from the date of issue of the guarantee, upon production by a Quantity Surveyor or other expert acceptable to the Board of a certificate, certifying the nature and quantum of costs incurred by the licence holder in constructing the casino development in the previous month, periodically reduce the guarantee by twenty-five cents for every Dollar expended by the licence holder; and
 - (e) the guarantee shall be deemed to have reached a nil value upon completion of all components of the project in accordance with the application submitted by the licence holder, or such further developmental components as the responsible may approve subsequent to the issue of the licence.

CHAPTER 18: CREDIT EXTENSION

- 57.** A casino operator or a licensed junket operator shall not —
- (a) provide an amount of chips on credit to a patron or enter into any credit transaction permitted under this Part except on the prior request of the patron; or

No unsolicited credit to be granted to patrons.

- (b) provide more chips on credit or grant a higher amount of credit to the patron than the amount of the chips credit requested by the patron.

Credit account
and cheque-
cashing account.

58. (1) Any casino operator wishing to provide chips on credit, or any other form of credit allowed under this Part, to a patron shall establish for that patron —

- (a) a credit account through which may be granted chips on credit or credit for a deposit account; or
- (b) a cheque-cashing account through which may be granted a cheque-cashing facility, or both, and shall comply with the requirements in this Chapter in relation to the account or accounts.

(2) Any licensed junket operator wishing to provide chips on credit, or any other form of credit allowed under this Part, to a patron shall establish for that patron a credit account, through which may be granted chips on credit or credit for a deposit account, and shall comply with the requirements of this Chapter in relation to the account.

Credit
agreement.

59. (1) A casino operator or a licensed junket operator shall, before establishing a credit account for a patron under regulation 58, enter into a credit agreement in accordance with paragraph (2) with the patron.

(2) The credit agreement to be entered into with the patron shall be in writing and be signed by the parties or their authorised representatives, and shall contain all the terms and conditions governing the granting of credit to the patron, including the following —

- (a) the names of the parties to the credit agreement;
- (b) the date on which the credit agreement was entered into;
- (c) the period of validity of the credit agreement;
- (d) the maximum credit limit of the patron under the credit agreement;
- (e) the patron's eligibility to draw upon the full amount of credit granted under the credit agreement, up to the credit limit referred to in paragraph (d); and
- (f) any interest or other consideration payable by the patron for the granting of credit to him.

Application for
cheque-cashing
facility.

60. (1) A casino operator may, upon an application by a patron for a cheque-cashing facility in accordance with paragraph (2), establish for the patron a cheque-

cashing account through which may be granted a cheque-cashing facility.

(2) An application for a cheque-cashing facility shall be in writing and shall contain —

- (a) the date on which the application is made;
- (b) the name and signature of the patron making the application; and
- (c) the name and signature of the person approving the application on behalf of the casino operator, and in respect of the approved cheque-cashing facility —
 - (i) the period of validity of the cheque-cashing facility granted;
 - (ii) the maximum credit limit of the patron granted under the cheque-cashing facility; and
 - (iii) any interest or other consideration payable by the patron for the granting of the cheque-cashing facility to him.

61. (1) Every casino operator and licensed junket operator shall keep, in relation to each patron of the casino to whom the casino operator or licensed junket operator grants credit, as the case may be —

Record -keeping.

- (a) a copy of the signed credit agreement entered into with the patron and any supporting documentation, amendment or supplementary agreement thereto for not less than five years after the expiry of the agreement;
- (b) a copy of any signed application for a cheque-cashing facility by the patron for not less than five years after the expiry of the facility; and
- (c) the following records relating to the patron's credit account and, where applicable, cheque-cashing account for not less than five years after the completion of the transaction to which the record relates —
 - (i) in the case of a casino operator, the records specified in the system of internal control standards approved by the Board under section 83 of the Act; and
 - (ii) in the case of a licensed junket operator —
 - (aa) the amount of each issuance of chips on credit to a patron or amount of

credit given for a patron's deposit account, and the date of issuance of such chips or amount on credit; and

- (bb) the amount of each repayment of chips on credit or credit given for the patron's deposit account, and the date of such repayment.

(2) A casino operator or a licensed junket operator shall, whenever requested by the Board to do so —

- (a) produce to the Board all records referred to in paragraph (1) and permit the examination of those records, the taking of extracts from them and the making copies of them; and
- (b) furnish to the Board all such information as the Board may require in connection with any such records,

Credit policy,
procedures and
controls.

62. (1) Every casino operator and licensed junket operator shall, before issuing any chips on credit or granting any other form of credit, develop and implement a credit policy and procedures and controls relating to the granting of credit to its patrons, and shall communicate these to its employees and officers.

(2) The credit policy, procedures and controls referred to in paragraph (1) shall include —

- (a) the credit assessment criteria by which the creditworthiness of a patron is to be assessed;
- (b) the credit limits applicable to different classes of patrons;
- (c) the approving authority and procedures for the approval of —
 - (i) the establishment of a credit account or cheque-cashing account for a patron; and
 - (ii) the patron's credit limit and any increase in credit limit;
- (d) the procedures for the issuance of credit and the administration of a credit account or cheque-cashing account;
- (e) the records and documents to be kept and checks to be carried out in relation to a credit account or cheque-cashing account; and
- (f) debt recovery procedures.

-
- (3) Every casino operator and licensed junket operator shall —
- (a) cause its credit policy, procedures and controls to be reviewed at least once in every six months by an employee or employees holding a senior managerial or executive position of the casino operator or licensed junket operator, as the case may be;
 - (b) ensure that its credit policy, procedures and controls are implemented in all its branch offices, whether in The Bahamas or elsewhere; and
 - (c) produce its credit policy, procedures and controls to the Board for inspection whenever requested to do so.

CHAPTER 19: RETURN TO PLAYER PERCENTAGES, STAKES AND PRIZES

63. (1) All gaming machines used for play in The Bahamas, other than those used for event betting and parimutuel wagering —

Return to player percentages, stakes and prizes.

- (a) must theoretically pay out a mathematically demonstrable return to player percentage of not less than seventy-five per centum;
- (b) where gaming machines may be affected by player skill, must meet the seventy-five per centum standard in paragraph (a) when using a method of play that will provide the greatest return to the player over a period of continuous play;
- (c) must use a random selection process to determine the game outcome of each play of a game, which process must meet ninety-five per centum confidence limits using a standard chi-squared test for goodness of fit;
- (d) each possible permutation or combination of game elements which produce winning or losing game outcomes must be available for random selection at the initiation of each play;
- (e) for gaming machines that are representative of live gambling games, the mathematical probability of a symbol or other element appearing in a game outcome must be equal to

-
- the mathematical probability of that symbol or element occurring in the live gambling game;
- (f) for gaming machines other than those referred to in paragraph (e) the mathematical probability of a symbol appearing in a position in any game outcome must be constant;
 - (f) the selection process must not produce detectable patterns of game elements or detectable dependency upon any previous game outcome, upon the amount wagered, or upon the style or method of play; and
 - (g) must display an accurate representation of the game outcome. After selection of the game outcome, the gaming machine must not make a variable secondary decision that affects the result shown to the player.
- (2) The Board may waive the seventy-five per centum standard referred to in paragraph (1)(a) if the supplier can demonstrate to the satisfaction of the Board that —
- (a) this requirement inhibits design of the machine or is inappropriate under the circumstances;
 - (b) the machine theoretically pays out at least seventy-five per centum of all wagers made when all wagers are played equally; and
 - (c) the machine otherwise meets the standards of the laws and regulations of The Bahamas.
- (3) A waiver referred to in paragraph (2) will be effective when the supplier receives written notification from the Board that this standard will be waived pursuant to this regulation.
- (4) Any applicable minimum and maximum stake allowed and the odds payable in respect of winning wagers applicable to every table game shall at all times be displayed on the table or in a conspicuous place immediately adjacent thereto.
- (5) All winning combinations, together with the corresponding prizes, must be clearly displayed, or be easily accessible by the player, on every slot machine exposed for play.

CHAPTER 20: CHIPS

64. (1) The holder of a gaming licence shall not issue any chips for use in its casino, or sell or redeem any such chips, unless the chips have been supplied by a reputable international supplier.

Chips:
Procedures.

(2) A licence holder must retain, in a secure location, in respect of each chip issued by it for use in gaming —

- (a) a physical sample thereof;
- (b) an exact drawing, in colour, of each side and the edge thereof, drawn to actual size or drawn to larger than actual size and in scale, and showing the measurements thereof in each dimension;
- (c) written specifications in respect thereof;
- (d) the name and address of the manufacturer; and
- (e) a list of the casino games or gaming activities in relation to which it may be used.

(3) The Board may inspect any chip retained by a licence holder under paragraph (2).

65. (1) Chips must be designed, manufactured, and assembled in compliance with these Regulations and any Rules made by the Board in terms of the Act, so as to prevent counterfeiting of the chips to the extent reasonably possible.

Specifications for
chips and metal
tokens.

(2) Chips must not deceptively resemble any current or past coinage of The Bahamas or any other nation.

(3) In addition to such other specifications as the Board may approve —

- (a) the name of the issuing casino must be inscribed on each side of each chip, other than chips used exclusively for roulette;
- (b) the value of the chip must be inscribed on each side of each chip, other than chips used exclusively for roulette; and
- (c) each chip must be designed so that when it is stacked with chips of other denominations and viewed on closed-circuit television, the denominations of the chip can be distinguished from those of the other chips in the stack.

66. (1) A holder of a gaming licence that uses chips at its casino shall —

Use of chips.

- (a) comply with all applicable laws of The Bahamas pertaining to chips;
- (b) sell chips only to patrons of its casino and only at their request;
- (c) promptly redeem its own chips from its patrons;
- (d) post material at its casino notifying patrons that the law prohibits the use of chips outside the establishment for any monetary purpose whatever; and
- (e) take reasonable steps, including examining chips and segregating those issued by other licence holders, to prevent sales to its patrons of chips issued by another licence holder.

(2) A holder of a gaming licence shall not knowingly sell, use, permit the use of, accept, or redeem chips issued by another holder of a gaming licence, provided that such licence holder may redeem chips issued by another such licence holder if—

- (a) the chips are presented by a patron for redemption at the cashier's cage of the licence holder's casino; or
- (b) the chips are presented by a patron at a table game and the licence holder redeems the chips with chips of its own, places the redeemed chips in the table's drop box, and separates and properly accounts for the redeemed chips during the count performed under the licence holder's system of internal control.

(3) Chips whose use is restricted to uses other than at table games or other than at specified table games may be redeemed by the issuing holder of a gaming licence at table games or non-specified table games if the chips are presented by a patron, and the holder of a gaming licence redeems the chips with chips issued for use at the game, places the redeemed chips in the table's drop box, and separates and properly accounts for the redeemed chips during the count performed under such licence holder's system of internal control.

Redemption and disposal of discontinued chips.

- 67.** (1) Prior to —
- (a) the permanent removal from use or circulation of approved chips;
 - (b) the replacement of approved chips; or

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- (c) the cessation of operations at a casino, for any reason,

the holder of a gaming licence shall submit to the Board a written notification detailing the procedure to be implemented by it regarding the redemption of chips issued by it which remain outstanding at the time of such removal from use or circulation or the replacement thereof.

(2) The holder of a gaming licence shall submit the notification referred to in paragraph (1) to the Board not less than thirty days before the proposed removal, replacement, or cessation of operations, unless the cause for discontinuation of the chips could not reasonably have been anticipated, in which event the holder of a gaming licence shall submit the proposal within a period which is reasonable in the circumstances, or such other period as may be determined by the Board.

(3) The Board may approve the proposal or require such modifications thereto as it may stipulate as a condition of approval.

(4) Upon notification of approval of the proposal referred to in paragraph (1), the licence holder shall implement the proposal in the format approved.

(5) In addition to such other provisions as the Board may approve or require, the proposal shall provide for —

- (a) the redemption of outstanding or discontinued chips in accordance with this Chapter over a period of at least one hundred and twenty days after the removal, replacement or cessation of operations or over such longer or shorter period as the Board may approve, on good cause shown, or require;
- (b) the redemption of such chips at the premises of the casino or at such other location as the Board may approve;
- (c) the publication of a notice, at such times and in such format as approved by the Board, in respect of the discontinuation of the chips, indicating the times and locations at which redemption thereof may be effected, in at least two newspapers of general circulation in the region and approved by the Board and one such newspaper at least twice during each week of the period allocated in respect of redemption;

- (d) the conspicuous posting of the notice referred to in paragraph (c) at various locations of the gaming establishment or other redemption location; and
- (e) the destruction or such other disposition of the discontinued chips as the Board may approve or require.

Destruction of counterfeit chips and disposal of coins.

68. (1) The holder of a gaming licence shall destroy or otherwise dispose of counterfeit chips discovered at its casino in such manner as the Board may approve or require.

(2) A licence holder may dispose of coins of any country discovered to have been unlawfully used at its casino by including them in its coin inventory or, in the case of foreign coins, by exchanging them for local currency or coins and including same in its currency or coin inventory, or by disposing of them in any other lawful manner.

(3) In addition to such other information as the Board may require in respect of coins and counterfeit chips destroyed or otherwise disposed of under this Chapter, the relevant licence holder shall record —

- (a) the number and denominations, actual and purported, thereof;
- (b) the month during which they were discovered;
- (c) the date, place and method of destruction or other disposition, including, in the case of foreign coin exchanges, the applicable exchange rate and the identity of the bank, exchange company or other business or person effecting the exchange; and
- (d) the names of any persons carrying out the destruction or other disposal under this regulation on behalf of the licence holder.

Other value instruments.

69. Value instruments with which gaming is conducted other than those referred to in this Chapter shall be designed, manufactured, used, discontinued, destroyed and otherwise disposed of in accordance with the provisions of the approved internal control standards of the licence holder.

CHAPTER 21: PROGRESSIVE CASINO GAMES

70. (1) A display, showing the current amount of a progressive jackpot, shall be conspicuously displayed at or in the immediate vicinity of the casino game to which a progressive jackpot applies.

Progressive
jackpot displays
and limits.

(2) At least once each day, and only if the information specified in this paragraph is not automatically recorded by the casino gaming system, the holder of a gaming licence shall record, in respect of each progressive jackpot displayed at its gaming establishment, other than such jackpots which can be paid directly from coins located in the hopper of the slot machine in respect of which they are offered —

- (a) the value of such progressive jackpot;
- (b) movements in such value during the preceding day; and
- (c) explanations for any movements recorded under paragraph (b).

(3) A licence holder shall record on each progressive meter reading sheet the initial amount of the progressive jackpot to which that sheet pertains.

(4) A licence holder may limit a progressive jackpot to an amount which is equal to or greater than the current amount of the jackpot at the time of the imposition of such limit, provided that a conspicuous notice of such limit shall, at the time of imposition of such limit, be posted at or in the immediate vicinity of the casino game to which such limit applies.

71. A licence holder shall not reduce the amount displayed on a progressive jackpot meter or otherwise reduce, withdraw or eliminate a progressive jackpot, unless —

Reduction of
progressive
jackpots.

- (a) a player wins such jackpot;
- (b) the licence holder adjusts the progressive jackpot meter to correct a malfunction or to prevent the display of an amount greater than any limit imposed pursuant to these Regulations, and the licence holder documents such adjustment and the reasons for it; or
- (c) the licence holder withdraws the progressive jackpot, retains the base amount of such jackpot as a fixed jackpot and transfers the incremental

amount, being the amount in excess of the base amount, to another progressive jackpot at the licence holder's establishment; and —

- (i) the licence holder documents such transfer;
- (ii) such incremental amount is transferred to the same type of casino game, unless otherwise approved by the Board; and
- (iii) the transfer is completed no later than thirty days after the progressive jackpot is withdrawn from play or within such longer period as the Board may, on good cause shown, approve.

CHAPTER 22: ELECTRONIC MONITORING AND TABLE GAME INFORMATION SYSTEMS

Electronic
Monitoring and
Table Game
Information
System
Requirements.

72. (1) The holder of a gaming licence must implement and maintain an electronic monitoring system which shall provide for —

- (a) compliance with generally and commonly accepted international technical standards, and which will ensure accurate logging, searching and reporting of occurrences and data pertaining to slot machines and fully electronic table games, where applicable, including the following events, howsoever they may be described by the electronic monitoring system —
 - (i) power on and off;
 - (ii) connection or communication or break-in connection or communication with the electronic monitoring system;
 - (iii) authorised and unauthorised opening of a slot machine or table game betting terminal door, drop box cabinet door and canister or the failure to close any such door;
 - (iv) logic area open and close when the power is switched off;
 - (v) the identification of employees performing any of the activities referred to in subparagraph (iii);
 - (vi) invalid employee service or key cards;
 - (vii) hopper empty;

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- (viii) jackpot and accumulated credit won and the value thereof;
 - (ix) progressive jackpot won and the value thereof; where applicable;
 - (x) coins paid out from hopper while door open; and
 - (xi) coin jam;
 - (b) the collection of financial data in respect of individual gaming devices;
 - (c) the accurate collection of data in respect of individual slot machines or table game betting stations, including, at a minimum, the information prescribed in these Regulations;
 - (d) the reconciliation of soft meter data to enable projected revenues and comparison against the physical count figures;
 - (e) the collection of soft meter data, which must be performed via a secure link to the slot machine and table game betting station;
 - (f) a selectable choice report, capable of reflecting the actual return to player percentage of each slot machine computed for selectable time frames, providing, at a minimum, for the generation of month-to-date, rolling 12-month and life-to-date data;
 - (g) system security, including, at a minimum, the registering and logging of all manual inputs to the electronic monitoring system reflecting the identity of the employee performing the input and authorising the input, the prevention of unauthorised access thereto and providing an audit trail reflecting the inputs and changes made; and
 - (h) such other requirements as may be determined or approved by the Board.

(2) The electronic monitoring system must be so designed and configured as to have sufficient features and capacity efficiently and continuously to monitor, log and control all slot machines and electronic table game betting stations in the manner prescribed in this regulation.

(3) All slot machine information referred to in this regulation shall be retained for a period of six months, provided that all tax-related slot machine and electronic

table game betting station information shall be retained for a period of five years.

(4) The electronic monitoring system shall not allow for the alteration of any records without a full audit trail of such alterations, unless otherwise approved by the Board.

CHAPTER 23: SURVEILLANCE AND SECURITY

Minimum
Standards.

73. This Chapter sets forth the minimum standards that shall be followed by holder of a gaming licence with respect to closed circuit television (CCTV) surveillance systems.

CCTV
Surveillance
Systems: General
Requirements.

74. (1) Every holder of a gaming licence shall install, maintain and operate at all times a CCTV surveillance system comprised of cameras, monitors and video recorders and a related operating system, that provides the coverage required by this Chapter and any Rules made by the Board under the Act.

(2) The CCTV surveillance system must provide for date and time generators that display on each video recording the date and time of the recorded events, and the positioning of the displayed date and time on the video must not obstruct the required view.

(3) All equipment that may be utilised to monitor or record views obtained by the surveillance system must be and remain located in either —

- (a) a room used exclusively for surveillance purposes; or
- (b) a computer server room, provided that the entrance to such room must be located away from the view of casino employees and the general public and access to such room is strictly monitored and controlled.

(4) Surveillance room equipment must have total override capability over any other satellite CCTV surveillance systems located in other areas or offices.

(5) The Board and its agents shall at all times be provided immediate access to the surveillance room and other surveillance areas, upon production of valid identifying credentials.

(6) The CCTV surveillance system room must be staffed and the CCTV and related equipment must be monitored at all times by trained personnel employed by

the licence holder exclusively for CCTV surveillance purposes, who must possess knowledge of all casino slots and table games and the regulations pertaining to gaming operations.

(7) The surveillance system and its equipment must be directly and securely wired in a way to prevent tampering and an auxiliary power source must be available and capable of providing uninterrupted power to the surveillance system in the event of a power loss and sufficient lighting for the proper operation of the surveillance system.

(8) If applicable, any video printer used in the CCTV surveillance system must possess the capability to generate instantaneously upon command, a clear, still black and white or colour copy or photograph of the images depicted on a video recording.

(9) The licence holder must have the capability of creating first generation copies of recorded video and related audio.

75. (1) The CCTV surveillance system must monitor and record clear views of the following areas within count rooms and the casino cage —

- (a) the hard count room and any area where uncounted coin is stored during the drop and count process, including walls, doors, scales, wrapping machines, coin sorters, vaults, safes, and general work surfaces;
- (b) the soft count room, including walls, doors, drop boxes, vaults, safes, and counting surfaces; and
- (c) the casino cage, satellite casino cages and change booths, including patron windows, employees' windows, cash drawers, vaults, safes, counters, chip storage, counting devices and float credit or fill collection windows.

(2) All transactions within the hard count room, soft count room, and casino cage, must be recorded with sufficient clarity to permit identification of each employee and his movements, and to permit identification of all currency, coins, and paperwork.

(3) The CCTV coverage of the soft count room shall have live audio monitoring and audio recording capabilities.

CCTV
Surveillance
Systems: Count
Rooms and
Casino Cage.

(4) The soft and hard count room recordings must be retained for a minimum of fourteen days.

CCTV
Surveillance
Systems: Table
Games and Card
Rooms.

76. (1) The CCTV surveillance system must monitor and record clear views of —

- (a) all table game and card room areas with sufficient clarity to permit identification of all dealers, patrons, spectators and pit personnel;
- (b) all table games or card table surfaces, including table bank trays, with sufficient clarity to permit identification of all chip, cash, dice and card values, and the outcome of the game;
- (c) roulette tables and wheels, so as to permit views of both the table and the wheel on one monitor screen;
- (d) the insert slots of all drop boxes and table numbers; and
- (e) all card room and pit desks, including any drawers, cabinets and safes contained therein.

(2) Cameras must be placed in such a manner as to record both the table game area and the table game surface in respect of any one table being monitored and recorded.

CCTV
Surveillance
Systems: Slot
machines.

77. The CCTV coverage of slot machines and slot machine areas must be so arranged as to record clear, unobstructed views of all areas that contain slot machines with sufficient clarity to identify all patrons and employees in such areas.

CCTV
Surveillance
Systems: Casino
Security Offices.

78. (1) The CCTV surveillance system must cover all areas of any security office in which any persons may be detained, questioned, interviewed or interrogated by casino security officers.

(2) Security office CCTV coverage must include both audio and video, be recorded at all times that a person is detained, questioned, interviewed or interrogated therein, and the signal must terminate in the surveillance room.

(3) The recordings must be retained by the licence holder for at least 30 days after the recorded event.

(4) In each office or room covered by this regulation, a sign must be conspicuously displayed which states that the area is under constant audio and video surveillance.

79. (1) Every holder of a gaming licence shall establish and maintain a written log of any and all casino surveillance system equipment malfunctions, and retain the log for at least one year after the date of the most recent entry in the log.

CCTV
Surveillance
System
Equipment
Malfunctions.

(2) Each malfunction must be repaired within twenty-four hours of its occurrence.

(3) If repair is not completed within twenty-four hours, the licence holder should inform the Board of the reason for the delay in repair, whereupon the Board may order that all activity in the area affected by the malfunction be suspended pending repair; provided that such an order —

(a) shall be made only in cases where the continuation of operations in the relevant area can reasonably be expected to prejudice the integrity of the operation from the perspective of fair play or the proper calculation of taxes; and

(b) shall not be made if there are alternative means to monitor and record play in the relevant area pending repair.

(4) In the event of a malfunction of a dedicated camera, recorder or monitor, the activity, games or slot machines being viewed must be suspended or closed pending repair, unless there are alternative means to monitor and record play in the relevant area pending repair.

80. (1) In addition to any other video recording requirements that are or may be imposed by this Chapter, every holder of a gaming licence shall record all views, activities, and locations as the Board may from time to time require in areas where gaming or activities related thereto take place.

CCTV
Surveillance
System
Recording
Requirements.

(2) Every holder of a gaming licence shall video record and maintain a written log of all activities observed by casino surveillance personnel that appear unusual or irregular, or that violate or appear to violate any law of The Bahamas, the Act or the regulations or rules made thereunder, and notify the Board immediately in the event of any such activity.

(3) All video recordings produced by a CCTV surveillance system must present a clear and unobstructed view of the content depicted therein.

(4) Every holder of a gaming licence must retain all video recordings for at least seven days after the recording is produced, unless a longer time period is required by another provision of this Chapter, or by order of the Board.

(5) All video recordings must be made in real time or extended play time and not in a time lapse recording mode.

CCTV
Surveillance
System Plans:
Alterations to
CCTV
Surveillance
System.

81. (1) Every applicant for a gaming licence shall submit to the Board upon its request a CCTV surveillance system plan for approval by the Board.

(2) The CCTV surveillance system plan must include a casino floor plan that shows the placement of all surveillance camera equipment in relation to the locations required by this Chapter to be covered, and a detailed description of the CCTV surveillance system and its equipment.

(3) No applicant or holder of a gaming licence shall alter or modify any camera view or cameras installed in the approved CCTV surveillance system referred to in paragraph (1) —

- (a) without informing the Board, prior to effecting such change; and
- (b) providing the relevant details in respect of such change.

(4) A holder of a gaming licence shall submit to the Board an amended plan reflecting alterations in respect of cameras and recording of the related views no later than thirty days after effecting such alteration.

Compliance with
CCTV
Surveillance
System
Requirements.

82. Where applicable, a holder of a gaming licence shall comply with the requirements set forth in this Chapter no later than seven days prior to the commencement of its gaming operations.

CHAPTER 24: REQUIREMENTS FOR SLOT MACHINES AND GAMING TABLES

Slot machine soft
meters.

83. (1) Each slot machine shall electronically and accurately record and store the following information —

- (a) in cases where coins may be used, the number of coins inserted into the slot machine (coin-in);
- (b) total number of credits bet;
- (c) total number of credits won;

- (d) in cases where coins may be used, the total number of coins automatically paid out by the slot machine (coin-out);
- (e) in cases where coins may be used, the number of coins deposited into the slot machine drop box (hard drop);
- (f) jackpot amounts and accumulated credit wins;
- (g) number of games played;
- (h) in respect of slot machines with a bill validator —
 - (i) currency inserted in dollar value; or
 - (ii) the number of notes accepted per denomination;
- (i) in respect of slot machines operating with ECT cards or other credit instruments, the dollar value of —
 - (i) the total number of credits transferred from the ECT card or other credit instrument to the slot machine; and
 - (ii) the total number of credits cashed out from the slot machine to the ECT card or other credit instrument; and
- (j) in respect of slot machines operating with a ticket-in-ticket out system, the dollar value of —
 - (i) the total number of credits booked from a ticket to the slot machine (“ticket-in); and
 - (ii) the total number of credits cashed out from the slot machine to a ticket (“ticket-out”).

84. A maximum of 16 betting stations, or such higher number as the Board may approve, may be linked to a slot machine.

Betting stations per slot machine.

85. (1) The holder of a gaming licence shall ensure that the plate, fitted by the manufacturer, reflecting —

Slot machine identification.

- (a) the unique serial number of the machine; and
- (b) the name of the manufacturer of such machine.

shall permanently remain affixed to the cabinet of every slot machine.

(2) A number shall be assigned to each slot machine, which shall be clearly visible from the front of the slot machine.

RAM Clear.

86. A RAM clear shall not be possible except by accessing the slot machine logic area and only after procurement of the authorisation provided for in the approved internal control standards of the licence holder.

Gaming Tables.

87. (1) Permanent table numbers shall be affixed to all gaming tables in such a manner as to enable individual gaming tables to be easily identified and distinguished by the number thereof.

(2) In the event that a table game betting station is linked to a table game, the betting station shall be deemed to be part of that specific table.

(3) A maximum of 16 betting stations, or such higher amount as may be approved by the Board, may be linked to a table game.

(4) Unless otherwise approved by the Board, a minimum of two patrons and a maximum of 12 patrons may play on one electronic poker table game; provided that the table is so configured.

(5) All provisions relating to the management and control of slot machines shall, with the necessary changes, apply to table game betting stations and electronic table games.

CHAPTER 25 : CLEARANCE AND COUNT

Table game and slot machine clearance procedures.

88. (1) All drop boxes, buckets or canisters shall be clearly marked to identify the specific gambling table or slot machine from which a clearance has been made.

(2) All drop boxes shall be cleared from the gambling tables at least once every 48 hours regardless of whether the tables were opened for play.

(3) All canisters and, where applicable, buckets, shall be cleared from slot machines at least once every forty-hours.

(4) A clearance team shall be constituted in the manner provided for in the approved internal control standards of the licence holder.

(5) The Surveillance CCTV monitoring section shall observe and monitor the entire table game clearance process.

(6) All drop boxes, buckets or canisters removed from gambling tables or slot machines shall immediately be secured in a trolley for transportation.

(7) Tables and slot machines shall be cleared and the trolleys shall be moved in a manner which ensures that the opened slot machines, the removed drop boxes, buckets or canisters and the trolleys are at all times in full view of the surveillance cameras.

(8) The trolleys containing the removed drop boxes, buckets or canisters shall immediately be locked after the clearance and transferred to the relevant count room, secured storeroom or a secured area approved by the Board.

(9) The Surveillance Department shall continuously monitor and record all removed drop boxes, buckets and canisters containing uncounted drop.

(10) The storeroom or secured area referred to in this Regulation shall have solidly constructed floors, walls and ceilings and shall have no exterior windows.

(11) Access to the storeroom or secured area referred to in this Regulation shall, unless the Board approves otherwise, be limited to members of the count and clearance teams or to individuals authorised thereto under the licence holder's approved internal control standards only.

89. (1) The hard and soft count rooms shall be so designed as to provide for separate secured counting areas used exclusively for the storage of drop boxes, buckets or canisters and to count the hard and soft drop proceeds.

Count Rooms.

- (2) Each count room shall have —
- (a) a steel-lined door that can be secured from the inside of the count room;
 - (b) solidly constructed floors, walls and ceilings and no exterior windows;
 - (c) an internal telephone within easy reach of the Count Supervisor;
 - (d) continuous lighting, arranged in such a manner as to ensure that no reflections or glare obstruct the views of any of the surveillance cameras;
 - (e) an emergency lighting system which shall immediately be activated in the event of a power

cut, and shall have the capacity to operate continuously for at least eight hours;

- (f) no shelves or objects on, above or below the working surfaces that might obstruct the view of the Count Supervisor or the surveillance cameras of the contents of the working surfaces or the room or any employee therein;
- (g) interior walls, of which such portion as shall be required or approved by the Board, shall be mirrored; and
- (h) a transparent table with a transparent partition to separate counted cash and chips from uncounted cash and chips.

(3) Access to the count rooms shall be limited to members of the count and clearance teams or to individuals authorised thereto under the licence holders approved internal control standards only, unless the Board approves otherwise.

(4) A count team shall consist of at least three licensed employees, unless otherwise approved by the Board, on demonstration by a casino operator that a lesser number is warranted owing to the nature and functionality of equipment used in the count process, who shall be present whenever counting takes place, one of whom shall function as a Count Supervisor.

(5) No equipment or items other than equipment or an item utilised during the count process shall be permitted in the count room.

(6) The Surveillance Department shall be informed prior to any person accessing or exiting the count room or any secured storage area where uncounted drop is held and shall record the identification details of such person.

(7) The Surveillance Department shall observe, monitor and record the entire table soft count.

(8) During the count, the door to the count room shall be opened only upon request by a person authorised to enter or leave the count room and only after the Surveillance Department has been notified.

(9) No person shall enter or leave the count room, or open the count room door, at any time during the count process until all monies, chips, tokens and gaming-related documentation contained in or retrieved from opened drop boxes, buckets or canisters have been counted, verified and

accepted into the Cash Desk or have been secured to prevent any unauthorised access thereto.

(10) Gratuities shall be accounted for separately from any other count proceeds.

(11) Slugs found in slot machine drop buckets, hoppers, slot machine canisters and table game drop boxes, shall be counted as gambling revenue.

(12) Token and coin slugs found in a slot machine shall carry the value of the denomination of the relevant slot machine.

(13) Counterfeit and ink-stained notes shall carry the value accepted by a gaming device or table game employee for the purposes of play.

(14) Slugs shall be separately accounted for on the respective count sheets.

CHAPTER 26: PATRON DISPUTES

90. Patron disputes must be resolved in accordance with this Chapter, unless the resolution of any such dispute in such manner is impractical, owing to the location of the player, in which case such a dispute shall be resolved in the manner determined by the Board in rules made under section 80 of the Act.

Resolution of patron disputes.

91. (1) Whenever a patron dispute arises, the licence holder shall forthwith conduct such investigation as is necessary to resolve the dispute, and shall have regard to all sources of information which may assist in the resolution thereof, including —

Investigation by licence holder.

- (a) information provided by the patron and any employee of the casino in relation to the factual context within which the dispute arose;
- (b) relevant data stored on the electronic monitoring system;
- (c) surveillance video footage in relation to the incident which gave rise to the dispute;
- (d) the rules of the game in relation to which the dispute arose;
- (e) in the case of any malfunction of gaming devices or equipment, such disclaimers as may be applicable thereto which were displayed or

otherwise accessible to patrons at the time of the dispute;

- (f) the provisions of the internal control standards of the licence holder in relation to the resolution of patron disputes; and
- (g) such other information as may assist in the resolution of the dispute.

(2) Disputes shall be resolved at the level of management provided for in the internal control standards of the licence holder.

(3) A record shall be kept of all patron disputes arising, and shall be retained by the holder of a gaming licence for a period of no less than ninety days.

Notification of Board in event of dispute which cannot be resolved.

92. (1) Whenever a patron dispute arises, and the holder of a gaming licence and the patron are unable to resolve the dispute to the satisfaction of both parties, the licence holder shall inform the patron that the dispute will be referred to the Board for resolution, and shall, within forty-eight hours of so informing the patron, refer the dispute to the Board.

(2) The provisions of paragraph (1) shall not preclude a patron from lodging a complaint directly with the Board.

(3) Acting under the delegated authority of the Board, as referred to in section 10 of the Act, such employee of the Board as the Board may stipulate, shall conduct whatever investigation is deemed necessary to resolve the dispute and shall serve a written notice on the licence holder and the patron, informing them of the resolution of the matter.

(4) The resolution referred to in paragraph (3) shall become effective on the date when the parties receive a written notice of the resolution.

Request for hearing by Board.

93. (1) Within fourteen days after the date of receipt of a written resolution referred to in regulation 92(3), any of the parties may in writing request the Board to conduct a hearing to reconsider the resolution.

(2) The written request shall set forth the grounds for reconsideration of the resolution.

(3) The Board shall schedule a hearing and shall give both parties at least fourteen days' written notice of

the date, time and place of such hearing and shall submit a copy of the petition to both parties.

(4) The party requesting a hearing referred to in paragraph (1) shall bear the burden of showing that the Board's resolution should be reversed or amended.

(5) Both parties shall at such hearing be entitled to lead relevant evidence and to address the Board.

(6) The Board may uphold, amend or reverse the original resolution and shall make known its final resolution to both parties to the dispute in the manner deemed appropriate by it, which shall set forth the reasons for such decision.

(7) The Board may, on good cause, require such party to the dispute as it may specify, to bear the whole or part of the costs incurred by the Board in the resolution of the dispute.

(8) If no request for reconsideration is filed within the time prescribed in paragraph (1), the resolution referred to in regulation 92(3) shall become final upon expiry of the period referred to in paragraph (1) and shall no longer be subject to reconsideration by the Board.

(9) Effect shall be given to the Board's final resolution within seven days —

- (a) of having been pronounced under paragraph (6);
or
- (b) of the period referred to in paragraph (1).

CHAPTER 27: BOARD FACILITIES

94. (1) The holder of a gaming licence shall provide and maintain an electronic access or link of its gaming revenue reports to the gambling-related systems of the Board.

Link to Board's gaming-related systems and Board office facilities.

(2) A licence holder referred to in this regulation shall provide all the necessary equipment to establish, maintain and secure the access or link.

(3) A licence holder referred to in this regulation shall supply the authorised officers of the Board with the software and training necessary to enable such authorised officers to access its revenue reports.

(4) A licence holder referred to in this regulation shall provide at its casino suitable office accommodation to be utilised by officials of the Board.

(5) The office shall provide for —

- (a) furnished work stations for at least two employees of the Board;
- (b) access to the licence holder's surveillance system, two monitors with reviewing and PTZ capabilities; and
- (c) a computer with read-only access to the licence holder's electronic monitoring system and other gambling-related systems, and a printer.

(6) The entrance to the office allocated to the Board shall be continuously monitored by the Surveillance Department.

(7) No person shall, without the consent of the Board or an authorised officer of the Board, monitor, record or copy any activity, document or information in the Board office.

PART VIII JUNKETS

CHAPTER 28: REQUIREMENTS IN RESPECT OF JUNKETS

Authority for
conduct of
junkets.

- 95.** (1) For the purposes of section 43 of the Act —
- (a) subject to paragraph (b), no company shall organise, promote or conduct a junket referred to in section 43(1)(a) and (b) of the Act unless it holds a junket operator licence; and
 - (b) no natural person shall organise, promote or conduct a junket unless he —
 - (i) has been approved as a junket representative by the Board, if he is employed to do so by a junket operator; or
 - (ii) holds a junket operator licence from the Board, if he is acting on his own behalf.
- (2) Paragraph (1) shall not apply to —
- (a) any licensed key employee of a casino operator who organises or promotes a junket in the performance of his duties for the casino operator by which he is employed;

-
- (b) any person who receives a commission or other payment from the casino operator, or the person in charge of the casino, based solely on the price of the transportation or lodging arranged for by the first-mentioned person; or
 - (c) any person whose commission or other payment from the casino operator, or the person in charge of the casino, is a fixed amount or a fixed rate that is —
 - (i) not based on the gaming revenue of the casino operator attributable to the players introduced by the first-mentioned person; and
 - (ii) not otherwise calculated by reference to such gaming revenue, provided that the aggregate value of such commission or other payment received in relation to a single casino does not exceed \$100,000.00 in a calendar year or any part thereof during which the first-mentioned person does not hold a junket operator licence.
- (3) Notwithstanding paragraph (2), if, in the opinion of the Board —
- (a) any person referred to in paragraph (2)(b) or (c), by reason of his remuneration or functions in relation to any junket, should be licensed as a junket operator or approved as a junket representative; or
 - (b) the commission or other payment received by any person referred to in paragraph (2)(b) or (c) forms part of a series of such other commissions or similar payments that may reasonably be considered to have been arranged for the purpose of avoiding the requirement to be licensed as a junket operator or approved as a junket representative, the Board may, by a notice in writing given to the person, require that person to apply for the appropriate licence or certificate of suitability within the period specified in the notice.
- (4) If the period specified in the notice for the making of an application expires with no application having been made by the person referred to in paragraph (3), the Board may give a direction to any casino operator to cease any further arrangement or business association

with that person from such date as may be specified in the direction, and the casino operator shall comply with such direction.

Information relating to unlicensed persons being paid commission.

96. A casino operator must prepare and submit to the Board, on such date as may be specified by the Board, a monthly report of the commission or other payment paid by the casino operator, or the person in charge of the casino, to any unlicensed person referred to in regulation 95(2)(b) or (c).

Duty of casino operator in relation to unlicensed persons.

- 97.** A casino operator shall not allow a person —
- (a) who is neither a licensed junket operator nor an approved junket representative;
 - (b) who is not a person referred to in regulation 95(2); or
 - (c) whose licence or certificate of suitability has lapsed,

to perform any function in relation to organising, promoting or conducting a junket referred to in section 43(1)(a) and (b) of the Act pertaining to its licensed premises.

Application for junket operator licence.

98. (1) An application for a junket operator licence shall be made to the Board in such manner and form as the Board may require or approve, and shall be accompanied by —

- (a) the disclosure of corporate or personal information in the form provided by the Board for the applicant and such associates of the applicant as the Board may specify;
- (b) documentary evidence from any casino operator or applicant for a gaming licence that it intends to enter into a junket agreement with the applicant;
- (c) an endorsement of the application by each casino operator or applicant for a gaming licence referred to in paragraph (b), that, having regard to the suitability of the applicant for the junket operator licence, the junket agreement will not affect the credibility, integrity and stability of casino operations;
- (d) such other documents as the Board may require for the consideration of the application; and
- (e) the deposit required under regulation 26(1).

(2) The Board may refuse to consider an application under paragraph (1) if —

- (a) the application is incomplete; or
- (b) the deposit required under regulation 26(1) has not been paid.

99. (1) An application for a certificate of suitability as a junket representative shall be made to the Board by a licensed junket operator, or an applicant for a junket operator licence, on behalf of any person he or it intends to employ to organise, promote or conduct a junket.

Application for certificate of suitability as a junket representative.

(2) Every application under paragraph (1) shall be submitted using the relevant application form issued by the Board and shall be accompanied by —

- (a) the appropriate application fee specified in the Schedule to the Act, which fee is not refundable;
- (b) the disclosure of the business and personal information of the applicant for the certificate of suitability in respect of a junket representative in the form provided by the Board;
- (c) such other documents as the Board may require to determine the application; and
- (d) the deposit required under regulation 26(1).

(3) The Board may refuse to consider an application under paragraph (1) if —

- (a) the application is incomplete; or
- (b) the deposit required under regulation 26(1) has not been paid.

100. (1) No person shall be eligible to apply for or to hold a junket operator licence or a certificate of suitability as a junket representative, if —

Eligibility to apply for or to hold junket operator licence or certificate of suitability.

- (a) in the case of an individual —
 - (i) he is below the age of eighteen years;
 - (ii) he is excluded from any casino by virtue of section 74 of the Act; or
 - (iii) he has been declared bankrupt, whether in The Bahamas or elsewhere; and
- (b) in the case of a body corporate —
 - (i) it has been declared insolvent by a court, whether in The Bahamas or elsewhere; or
 - (ii) winding-up proceedings against it have commenced or it has gone into liquidation

or receivership, whether in The Bahamas or elsewhere.

(2) Where a licensed junket operator or approved junket representative becomes ineligible to hold the licence or certificate under paragraph (1), the licence or certificate shall lapse.

(3) Where a licence or certificate has lapsed under paragraph (2), the person who held the licence or certificate shall, within fourteen days after the date on which the licence or certificate lapsed, notify the Board in writing of the lapsing of the licence and shall return the licence or certificate to the Board.

Licences and certificates not transferable.

101. No junket operator licence or certificate of suitability as a junket representative shall be transferable.

Lapse of certificate of suitability.

102. A certificate of suitability as a junket representative shall lapse when —

- (a) the approved junket representative ceases to be employed by the licensed junket operator by which he is employed; or
- (b) the licence of the junket operator by which the approved junket representative is employed expires or is cancelled.

Licence or certificate holder authorised in relation to specific casino or casinos.

103. A licensed junket operator and every approved junket representative employed by a licensed junket operator shall be authorised to organise, promote or conduct a junket only in or in relation to the casino or casinos specified in the junket operator licence.

Duty of licensed junket operator in relation to junket representatives.

104. A licensed junket operator shall not employ or use the services of a person to organise, promote or conduct a junket within any casino unless that person is the holder of a valid certificate of suitability as a junket representative.

Duty of licensed junket operator in relation to granting of credit.

105. No licensed junket operator may grant credit to his or its junket visitors except in accordance with the requirements of the Act and the regulations relating to the granting of credit, as set forth in Chapter 18.

Records to be kept of junket.

106. (1) A licensed junket operator must keep a record of every junket, which must include —

- (a) the following information relating to each junket visitor —
 - (i) full name;
 - (ii) date of birth;

- (iii) nationality;
 - (iv) the address of his usual place of residence; and
 - (v) an identity card number, a passport number or the number of any other document of identity issued by any government as evidence of the individual's nationality or residence and bearing a photograph of the individual, which may be in encrypted form if so required by any applicable law;
- (b) the date and time of arrival at the casino of the junket visitors;
 - (c) the names and certificate numbers of the approved junket representatives, if any, accompanying the junket visitors; and
 - (d) the amount and type of any commission, rebate or complimentary facility extended to each junket visitor.
- (2) The licensed junket operator shall, whenever requested by the Board to do so —
- (a) produce to the Board all records referred to in paragraph (1) and permit the examination of those records, the taking of extracts from them and the making copies of them; and
 - (b) furnish to the Board all such information as the Board may require in connection with any such records.

107. Every licensed junket operator shall ensure that every record relating to his or its operations as a junket operator, including any record required to be kept under these Regulations and regulations relating to the granting of credit —

Keeping of records.

- (a) is kept in The Bahamas at a location made known to the Board, unless otherwise approved by the Board;
- (b) is retained for not less than five years after the completion of the transactions to which the record relates; and
- (c) is available for inspection by an authorised officer at any time during that period.

108. Every licensed junket operator and approved junket representative shall, at all times while in the casino premises, wear identification of a kind issued by the casino

Identification to be worn while in casino premises.

operator and approved by the Board in such manner as to be visible to other persons within the casino premises.

Junket
agreements.

109.(1) A casino operator must not permit a junket referred to in section 43(1) of the Act to commence in its casino unless —

- (a) a junket agreement that complies with paragraph (2) has been entered into by the casino operator and a licensed junket operator who or which organised the junket; and
- (b) the junket agreement has been lodged with the Board at least five days before the commencement of the junket, or within such shorter period as the Board may allow.

(2) A junket agreement must be in writing and include the following —

- (a) the name of the casino operator;
- (b) the name and licence number of the licensed junket operator;
- (c) a description of the essential terms of the agreement relating to commission or other payment, including —
 - (i) the rate of commission or other payment payable to the junket operator; and
 - (ii) the basis on which the commission or other payment is to be calculated;
- (d) the duration of the junket agreement;
- (e) the date on which the junket agreement was entered into; and
- (f) the signatures of persons authorised to represent the parties to the agreement.

(3) If a junket agreement is not written in the English language, the casino operator must lodge at the same time with the Board a certified translation thereof in the English language.

(4) The casino operator must notify the Board of any change to —

- (a) any of the parties to the junket agreement; or
- (b) any of the terms of the junket agreement referred to in paragraph (2)(c) or (d), not later than three days before the commencement of the first junket subject to the revised terms after the

change, or within such shorter period as the Board may allow.

(5) The casino operator must notify the Board not later than five days after the termination of any junket agreement to which it is a party.

(6) For the purposes of regulation 110, a junket commences in a casino when junket visitors commence gaming in the casino on the junket.

110.(1) A casino operator must give an arrival report to the Board in writing in a form approved by the Board, not less than one hour before the commencement of a junket in its casino, or within such shorter period as the Board may allow.

Arrival report.

(2) The arrival report under paragraph (1) must contain —

(a) the following information relating to each junket visitor —

- (i) full name;
- (ii) date of birth;
- (iii) nationality;
- (iv) the address of his usual place of residence; and
- (v) an identity card number, a passport number or the number of any other document of identity issued by any government as evidence of the individual's nationality or residence and bearing a photograph of the individual;

(b) the date and time of arrival at the casino of the junket visitors and the proposed date and time of their departure from the casino at the conclusion of the junket; and

(c) the names and licence numbers of the approved junket representatives, if any, accompanying the junket visitors.

(3) If any change occurs in the information referred to in paragraph (2) provided in the arrival report, the casino operator must without delay give the Board written particulars of the change.

(4) No commission may be paid in relation to the participation of any person in a junket whose name is not

reflected as a junket visitor in the arrival report referred to in paragraph (1).

Directions to casino operator to provide information.

111. The Board may, by written direction, require a casino operator to notify the Board of matters relating to any licensed junket operator with which the casino operator has a junket agreement or to provide such information relevant to any junket as the Board may specify, and the casino operator shall comply with such direction.

Identification passes to be issued by casino operator.

112.(1) A casino operator shall issue an identification pass of a type approved by the Board to every licensed junket operator (who is an individual) and approved junket representative who is approved to conduct junkets in its casino premises.

(2) An identification pass issued to the holder of a licence or certificate under paragraph (1) shall contain —

- (a) the preferred name of the junket operator or junket representative to whom the identification pass is issued;
- (b) the full name of the licensed junket operator or, in the case of an approved junket representative, the licensed junket operator by which he is employed;
- (c) the licence or certificate number issued by the Board to the junket operator or junket representative;
- (d) a recent colour photograph of the junket operator or junket representative according to such specifications as to standard, quality, dimension or any other matter as may be determined by the Board; and
- (e) such other information as may be determined by the Board.

PART IX PROXY GAMING

CHAPTER 29: REQUIREMENTS FOR THE CONDUCT OF PROXY GAMING

Interpretation.

113. For the purposes of this Part —

“Authorised player” means a person who has registered as a player with an operator;

“Operator of proxy gaming” or “operator” means the holder of a proxy gaming licence issued under the Act which operates proxy gaming in or from the premises of its casino resort;

“Proxy gaming account” means an electronic ledger operated and maintained by an operator wherein information relative to proxy gaming is recorded on behalf of an authorised player including, but not limited to, the following types of transactions —

- (a) deposits;
- (b) withdrawals;
- (c) amounts wagered;
- (d) amounts paid on winnings; and
- (e) adjustments to the proxy gaming account;

“Proxy gaming system” means the system provided by an operator, used by an authorised player and the surrogate player to communicate wagering or betting information and gambling game information while the surrogate is located on the premises of the operator;

“Relevant legislation” means the Financial Transactions Reporting Act, the Financial Transactions Reporting Regulations, the Financial Intelligence Unit Act, the Financial Intelligence (Transactions Reporting) Regulations, and the Proceeds of Crime Act and any other legislation in force in The Bahamas for the prevention and detection of money-laundering and counter-terrorist financing;

“Surrogate player” means an employee of an operator of proxy gaming that acts on behalf of an authorised player to place wagers funded by the authorised player’s wagering account; and

“Wagering communication” means, for the purposes of proxy gaming, the transmission of a wager, or information assisting a surrogate player in placing a wager, between a point of origin and a point of reception through communications technology.

General
requirements.

114.(1) Proxy gaming systems must be approved by the Board and certified by a registered independent testing laboratory in accordance with section 52(1) of the Act and these Regulations.

(2) Prior to operating a proxy gaming system, the operator shall provide the Board with a list of all persons who may access the main computer and data communications components of their proxy gaming system and any changes to that list shall be provided to the Board within ten days after such change.

Internal Controls.

115.(1) An operator of proxy gaming shall develop and implement internal controls for —

- (a) administrative, accounting and audit procedures for the purpose of determining the operator's liability for taxes and fees and for the purpose of exercising effective control over the operator's internal affairs;
- (b) maintenance of all aspects of security of the proxy gaming system;
- (c) registering authorised players to engage in proxy gaming;
- (d) the identification and verification of authorised players to prevent persons who are not authorised players from engaging in proxy gaming, which must incorporate identification methods and measures in order to manage and mitigate the risks of non-face-to-face transactions inherent in proxy gaming;
- (e) the identification and verification of surrogate players affiliated with an authorised player, which must incorporate identification measures of the surrogate player, along with a log of the surrogate player's presence on the gaming floor of the operator of proxy gaming;
- (f) maintenance of lists of surrogate players affiliated with an authorised player and the ability of authorised players to make changes to such lists in a recorded communication;
- (g) protecting and ensuring the confidentiality of authorised players' proxy gaming accounts;
- (h) reasonably ensuring that proxy gaming is engaged in between human individuals only;
- (i) reasonably ensuring that proxy gaming is conducted fairly and honestly, including the

prevention of unauthorised surrogates from placing wagers funded through an authorised player's proxy gaming account;

- (j) testing the integrity of the proxy gaming system on an ongoing basis;
- (k) promoting responsible gaming and preventing excluded persons from engaging in proxy gaming; and
- (l) providing methods or mechanisms to ensure substantial compliance with other regulations.

(2) The Board may determine additional aspects of proxy gaming that require internal controls having minimum standards and shall adopt and publish any such additional internal controls and the corresponding minimum standards.

(3) Each operator shall implement procedures that are designed to detect and prevent transactions that may be associated with money laundering, fraud and other criminal activities and to ensure compliance with all laws of The Bahamas related to the prevention and detection of money laundering, including, without limitation, the provisions of the relevant legislation.

116.(1) An operator may engage in proxy gaming only with authorised players who are —

Permitted transactions.

- (a) citizens of permitted foreign jurisdictions; and
- (b) persons located on the licensed premises of the holder of a proxy gaming licence, to the extent that such persons are not precluded from participation in proxy gaming by any other law.

(2) In the event that the Board receives official governmental communication from a jurisdiction outside of The Bahamas that offering proxy gaming to its residents violates the laws of that jurisdiction, the Board shall send notice to the operator and post a general notice on its website available to all operators in The Bahamas.

(3) Upon receipt of a notice referred to in paragraph (2), an operator shall use its best efforts promptly to pay out any balances in wagering accounts for players from such jurisdictions, where applicable, and to restrict any future wagering from such jurisdictions unless and until the Board approves the offering proxy gaming to players from such jurisdiction.

(4) An operator shall use all reasonable efforts to prevent persons who are prohibited by the Act or any other applicable law from engaging in authorised gaming from establishing a proxy gaming account.

Board access and inspection.

117. An operator shall not deny any Board agent, employee or authorised officer access to, inspection or disclosure of any portion or aspect of the proxy gaming operations.

House Rules.

118.(1) Each operator shall adopt and adhere to comprehensive written house rules governing proxy gaming transactions by and between authorised players that are available for review at all times by authorised players through a conspicuously displayed link or by request, which shall include —

- (a) a clear and concise explanation of all fees;
- (b) the rules of play of a game or the proposition of the wager;
- (c) any monetary wagering limits; and
- (d) any time limits pertaining to the play of a game or placing a wager.

(2) Prior to adopting or amending any house rules referred to in this regulation, the operator shall submit such rules to the Board for its approval.

Registration of authorised players.

119.(1) Before allowing or accepting any wagering communication from an individual in respect of proxy gaming, an operator must register the individual as an authorised player and create a proxy gaming account for the individual.

(2) An operator may register an individual as an authorised player if the individual provides the operator with documentation evidencing —

- (a) the identity of the individual;
- (b) the individual's date of birth, showing that the individual is eighteen years of age or older;
- (c) the physical address at which the individual resides;
- (d) that the individual is not an excluded person referred to in section 71 of the Act;
- (e) that the individual is not on such list of prohibited patrons as may be established by the Board or the operator; and

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- (f) any other information or documentation that may be requested by the operator or required by the laws of The Bahamas.
- (3) Before registering an individual as an authorised player, the operator must ensure that the individual —
- (a) confirms that the information provided to the operator by the individual to register is accurate;
 - (b) confirms that the individual has reviewed and acknowledged access to the house rules for proxy gaming;
 - (c) confirms that the individual has been informed and has acknowledged that, as an authorised player, he expressly grants access to his wagering account to a surrogate player;
 - (d) acknowledges that he has been informed and has understood that, as an authorised player, he is prohibited from allowing any other person access to or use of his proxy gaming account;
 - (e) confirms that the individual has been informed and has acknowledged that, as an authorised player, he is prohibited from engaging in proxy gaming from a jurisdiction in which proxy gaming is illegal and that the operator is prohibited from allowing such proxy gaming;
 - (f) consents to the monitoring and recording of any wagering communications by the operator and the Board;
 - (g) consents to the exclusive jurisdiction of The Bahamas to resolve disputes arising out of any proxy gaming conducted between him and the operator; and
 - (h) provides such other information as the operator may require.
- (4) An operator may allow an individual to register as an authorised player either remotely from licensed premises, subject to compliance with regulation 116(1)(b), or from a permitted foreign jurisdiction, or in person.

120.(1) An operator shall record and maintain, in relation to a proxy gaming account —

- (a) the date and time the account is opened or terminated;
- (b) the date and time the account is logged into or is logged out of; and

Proxy gaming
account
requirements.

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- (c) the physical location, by jurisdiction, of the authorised player while logged into his proxy gaming account or while using the proxy gaming system.
 - (2) An operator shall ensure —
 - (a) that an individual registered as an authorised player holds a D gaming account with the operator; and
 - (b) that no authorised player shall occupy more than one position at a patron competitive game at any given time.
 - (3) An operator shall not set up anonymous proxy gaming accounts or accounts in fictitious names; provided that authorised players may, while engaged in proxy gaming, represent themselves using a name other than their actual name.
 - (4) Funds may be deposited by an authorised player into a proxy gaming account assigned to him for proxy gaming by way of —
 - (a) cash deposits made directly with the operator;
 - (b) personal cheques, casino cheques made out in favour of the player cashier's cheques, traveller's cheques, wire transfers and money order deposits made directly or mailed to the operator;
 - (c) transfers from safekeeping or front money accounts otherwise held by the operator in respect of the authorised player;
 - (d) debits from an authorised player's debit card or credit card;
 - (e) transfers through an automated clearing house or from another mechanism designed to facilitate electronic commerce transactions; or.
 - (f) any other means approved by the Board.
 - (5) Proxy gaming account credits may be generated by way of —
 - (a) deposits;
 - (b) amounts won by an authorised player;
 - (c) promotional credits, or bonus credits provided by the operator and subject to the terms of use established by the operator and provided that such credits are clearly identified as such; and

(d) adjustments made by the operator following the resolution of a dispute.

(6) Proxy gaming account debits may be generated by way of —

(a) amounts wagered by a surrogate player through proxy gaming;

(b) withdrawals;

(c) transfers to safekeeping or front money accounts held by the operator in respect of the authorised player;

(d) adjustments made by the operator following the resolution of a dispute; and

(e) debits otherwise approved by the Board.

(7) Funds deposited into a proxy gaming account from a financial institution shall not be transferred out of the account to a different financial institution, except as otherwise permitted by the Board.

(8) Unless there is a pending unresolved player dispute or investigation, an operator shall comply with a request for a withdrawal of funds by an authorised player from his proxy gaming account within a reasonable amount of time.

(9) An operator shall not allow an authorised player to transfer funds to any other authorised player.

(10) An operator shall not allow an authorised player's proxy gaming account to be overdrawn unless caused by payment processing issues beyond the control of the operator.

(11) An operator shall neither extend credit to an authorised player nor allow the deposit of funds into a proxy gaming account that are derived from the extension of credit by affiliates or agents of the operator; provided that for purposes of this paragraph, credit shall not be deemed to have been extended where, although funds have been deposited into an proxy gaming account, the operator is awaiting actual receipt of such funds in the ordinary course of business.

(12) A copy of the agreement used between an operator and its authorised players pertaining to proxy gaming and authorised players' access to their proxy gaming accounts shall be provided to the Board and shall comply with any requirements established by the Board

from time to time regarding the content of such agreements.

(13) An operator shall ensure that an authorised player has the ability, through his proxy gaming account, to select responsible gambling options that include a wager limit, loss limit, time-based loss limit, deposit limit, session time limit, and time-based exclusion from wagering through his proxy gaming account.

(14) Nothing in this regulation shall prohibit an operator from closing a proxy gaming account and precluding further participation in proxy gaming by an authorised person pursuant to the terms of the agreement between the operator and an authorised player.

Reserves.

121.(1) An operator shall maintain a reserve in the form of cash, cash equivalents, an irrevocable letter of credit, a bond or a combination thereof, for the benefit and protection of authorised players' funds held in proxy gaming accounts.

(2) The amount of the reserve shall be equal to the sum of all authorised players' funds held in proxy gaming accounts; provided that amounts available to authorised players for play that are not redeemable for cash may be excluded from the reserve requirement.

(3) If a reserve is maintained —

- (a) in the form of cash, a cash equivalent or an irrevocable letter of credit, it must be held or issued, as applicable, by a bank licensed in The Bahamas;
- (b) in the form of a bond, it must be issued by a licensed bank in The Bahamas.

(4) A reserve referred to in this regulation must be established pursuant to a written agreement between the operator and the licensed bank, which must—

- (a) comply with the provisions of paragraph (5); and
- (b) be provided to the Board, in copy form, upon the execution thereof.

(5) The agreement described in paragraph (4) must —

- (a) reasonably protect the reserve against claims of creditors of the operator other than the

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- authorised players for whose benefit and protection the reserve is established;
- (b) comply with any parameters or requirements established by the Board from time to time; and
 - (c) provided that —
 - (i) the reserve is established and held in trust for the benefit and protection of authorised players to the extent the operator holds money in proxy gaming accounts for such authorised players;
 - (ii) the reserve must not be released, in whole or in part, except to the Board on the written demand of the Board or to the operator on the written instruction of the Board, and must be available within sixty days of the written demand or written notice;
 - (iii) the operator may receive income accruing on the reserve unless the Board instructs otherwise;
 - (iv) the operator has no interest in or title to the reserve except to the extent expressly allowed in this regulation; and
 - (v) the agreement may be amended only with the prior, written approval of the Board.
- (6) An operator must calculate its reserve requirements each day.
- (7) In the event that an operator determines that its reserve is not sufficient to cover the calculated requirement, the operator must, within twenty-four hours, notify the Board of this fact in writing and indicate the steps the operator has taken to remedy the deficiency.
- (8) (a) An operator must engage an independent certified public accountant to examine the pertinent records relating to the reserve each month and to determine the reserve amounts required by this regulation for each day of the previous month and the reserve amounts actually maintained by the operator on the corresponding days.
- (b) An operator shall make available to the accountant whatever records are necessary to make this determination.
 - (c) The accountant shall, by no later than the tenth day of the month following the month to which

the report pertains, provide the Board and the operator with a report, which shall —

- (i) reflect findings in respect of each day of the month under review; and
 - (ii) include the statement of the operator addressing each day of non-compliance and the corrective measures taken.
- (d) If approved in writing by the Board, the report required by this paragraph may be prepared by an employee of the operator or its affiliate, provided that such employee is independent of the operation of proxy gaming.

(9) The Board may require any reserve required by this regulation to be increased to correct any deficiency or for good cause to protect authorised players.

(10) If the reserve exceeds the requirements of this regulation, the Board shall, upon the written request of an operator of proxy gaming, authorise the release of the excess.

(11) When an operator ceases the operation of proxy gaming, the Board may require payment of the reserve and any income accruing on the reserve after such operations cease, unless such is authorised to be retained by the operator; provided that if, at the time of cessation of operations, the Board has previously instructed that income accruing on the reserve not be paid to the operator, the Board may require payment of any income accruing since the instruction took effect, whereupon the Board shall take steps as are necessary to effect the proper distribution of the funds.

(12) In addition to the reserve required pursuant to this regulation, and such other requirements as may be imposed pursuant to other regulations, an operator shall maintain cash in the sum of twenty-five per centum of the total amount of authorised players' funds held in wagering accounts, excluding those funds that are not redeemable for cash.

(13) As used in this regulation, “month” means a calendar month unless the Board requires or approves a different period to be used for purposes of this regulation, in which case “month” shall mean the monthly period so required or approved by the Board.

122.(1) An operator must establish and implement policies and procedures for the exclusion of players, as contemplated in section 74 of the Act, and take all reasonable steps immediately to refuse service or otherwise to prevent an excluded individual from participating in proxy gaming, which shall include —

Exclusions.

- (a) the maintenance of a register of excluded persons reflecting the name, address and proxy gaming account details of such individuals;
- (b) the closing of the proxy gaming account held by any excluded person;
- (c) employee training to ensure enforcement of the policies and procedures referred to in this regulation; and
- (d) if applicable, provisions precluding an excluded person from being allowed to engage in proxy gaming otherwise than in accordance with the terms of such exclusion.

(2) An operator must take all reasonable steps to prevent the transmission or provision of any marketing material to an excluded person.

123. An operator shall not accept or facilitate a wager —

Prohibited wagers.

- (a) on any game which the operator knows or reasonably should know is made by an excluded person; or
- (b) from a person who the operator knows or reasonably should know does not comply with the requirements of regulation 116(1).

124. An operator, including its employees or agents, shall be truthful and non-deceptive in respect of all aspects of any advertising and promotions conducted by such operator in relation to proxy gaming, and, in the context of promotions, shall clearly and concisely explain the terms of any such promotion and adhere to such terms.

Advertising and promotions.

125.(1) As used in this regulation, “suspicious gaming activity” means a wager which an operator knows or which, in the reasonable judgment of it or its directors, officers, employees or agents thereof is being attempted or was placed —

Suspicious gaming activities.

- (a) in violation of or as part of a plan to violate or evade any applicable law or these Regulations; or

(b) has no business or apparent lawful purpose or is not the sort of wager which the particular authorised player would normally be expected to place, and the operator knows of no reasonable explanation for the wager after examining the available facts, including the background of the wager.

(2) An operator shall file a report with the Board of any suspicious gaming activity, regardless of the amount thereof, if the operator believes it pertains to the possible violation of any law or regulation.

(3) A report referred to in paragraph (2) shall be filed no later than seven calendar days after the initial detection by the operator of the facts upon which such report is based.

(4) If no suspect was identified on the date of the detection of the incident requiring the filing of a report referred to in this regulation, an operator may delay filing a report for an additional seven calendar days to identify a suspect; provided that in no case shall reporting be delayed more than fourteen calendar days after the date of initial detection of a reportable transaction; and provided further that in situations involving violations requiring immediate attention, the operator shall immediately notify the Board or an authorised officer thereof, in person or by telephone, in addition to the timeous filing of a report.

(5) An operator shall maintain a copy of any report filed and the original or business record equivalent of any supporting documentation for a period of five years from the date of filing the report; provided that supporting documentation —

- (a) shall be identified, and maintained by the operator as such;
- (b) shall be deemed to have been filed with the report; and
- (c) shall be made available to the Board upon request.

(6) An operator and its directors, officers, employees or agents who file a report pursuant to these Regulations shall not notify any person involved in the transaction that the transaction has been reported.

Calculation of
taxes.

126. Any adjusted gross revenue, as defined in Part XVI, accruing to an operator from the operation of proxy

gaming shall be taken into account for the purpose of calculating the gaming tax payable by such operator, in accordance with the provisions of regulation 189.

127.(1) In addition to any other record required to be maintained pursuant to this regulation, each operator shall maintain complete and accurate records of all matters related to proxy gaming, including — Additional records.

- (a) the identity of all current and former authorised players;
- (b) all information used to register an authorised player;
- (c) all information regarding surrogate players utilised by it for the purposes of proxy gaming;
- (d) a record of any changes made to any proxy gaming account;
- (e) a record and summary of all person-to-person contact, by telephone or otherwise, with an authorised player;
- (f) all deposits to and withdrawals from a proxy gaming account;
- (g) a complete game history in respect of every game played, including —
 - (i) the identification of all authorised players and surrogate players who participate in a game;
 - (ii) the date and time such game begins and ends;
 - (iii) the outcome of such game;
 - (iv) the amounts wagered;
 - (v) the amounts won or lost by each authorised player; and
 - (vi) disputes arising between itself and authorised players.

(2) An operator shall preserve the records required by this regulation for at least five years after they are created.

(3) The records referred to in this regulation may be stored by electronic means, but must be maintained on the premises of the operator of proxy gaming or must otherwise be immediately available for inspection.

128. Unless inconsistent with the provisions of this Part, the provisions of Part XI of these Regulations shall Applicability of Part XI to this Part.

apply, with the necessary changes, to the holder of a proxy gaming licence.

PART X
MOBILE GAMING

CHAPTER 30: REQUIREMENTS FOR
THE CONDUCT OF MOBILE GAMING

Interpretation.

129. For the purposes of this Part, unless the context clearly indicates otherwise —

“Client terminal” means any device, other than a mobile electronic device, that is used to interact with a gaming system for the purpose of conducting mobile gaming;

“Daily limit” means the daily maximum amount a patron may use to fund his mobile gaming account, excluding winnings;

“Game server” means any server which contains game software and control programs to which mobile gaming relates;

“Gaming session” means the period of time commencing when a patron activates a particular game by placing a wager and terminating when a patron concludes playing that game;

“Gaming system” means either a server based gaming system, a mobile gaming system, or table game simulcasting system;

“Mobile gaming account” means an account established by a mobile operator that a patron may use for the deposit and withdrawal of funds used for mobile gaming;

“Mobile gaming manager” means a person licensed as a casino key employee responsible for the operations of mobile gaming;

“Mobile operator” means the holder of a mobile gaming licence;

“Mobile gaming system” means all hardware, software and communications that comprise a system operated by the holder of a mobile gaming licence for the purpose of offering electronic versions of authorised casino games

to be played on client terminals or mobile electronic devices within the property boundaries of a casino resort;

“Patron session” means a period of time for which a patron is logged on to a mobile gaming system;

“Peer-to-peer gaming” means all gaming activity, such as poker, where patrons are competing against each other;

“Secure transaction file” means a file which contains data that is unalterable or cannot be modified without detection;

“Server based gaming” means all gaming activity conducted via a client terminal where the outcome of a game is determined by a Random Number Generator (RNG) maintained on a server or a dealer verified outcome from a simulcasted table game;

“Server based gaming system” means all hardware, software and communications that comprise a system utilized for the purpose of offering electronic versions of authorised casino games where material aspects of game functionality occur at the server level; and

“Table game simulcasting system” means all hardware, software and communications that comprise a system used to simulcast table games.

130.(1) Mobile gaming shall only occur within a permitted area, and a mobile gaming system shall disable all gaming activity on a client terminal or mobile electronic device whenever it is removed from the permitted area.

General requirements for mobile gaming.

(2) A client terminal used for mobile gaming shall not contain account information or game logic that determines the outcome of any game.

(3) A mobile operator shall have a mobile gaming manager responsible for ensuring the integrity and operation of mobile gaming and reviewing all reports of suspicious behaviour. The mobile gaming manager shall immediately notify the Board upon detecting any person participating in mobile gaming who is —

(a) engaging in or attempting to engage in, or who is reasonably suspected of cheating, theft,

embezzlement, collusion, money laundering or any other illegal activities; or

(b) an excluded person.

(4) A mobile operator shall file with the Board internal controls for all aspects of mobile gaming operations prior to implementation and prior to the implementation of any change thereafter, which shall include detailed provisions regarding security and operational and accounting procedures.

(5) A mobile operator shall describe in its internal controls the method for securely issuing, modifying and resetting a patron's account password or Personal Identification Number (PIN) where applicable. Such method shall include at a minimum —

(a) proof of identification; and

(b) notification to the player following the change via electronic or regular mail.

(6) All terms and conditions for mobile gaming shall be included as an appendix to the internal controls of the mobile operator and shall address all aspects of the operation including —

(a) the name of the party or parties with whom the patron is entering into a contractual relationship, including the mobile operator;

(b) the patron's consent to the confirmation by the operator of his age and identity;

(c) all rules and obligations applicable to the patron other than rules of the game;

(d) a full explanation of all fees and charges imposed upon a patron related to mobile gaming transactions;

(e) the availability of account statements detailing patron account activity;

(f) privacy policies, including in relation to information access;

(g) legal age policy;

(h) the treatment of inactive account fund balances;

(i) the patron's right to set daily limits and to exclude him from participation in gaming; and

(j) a notice that a malfunction voids all pays.

(7) Whenever the terms and conditions that apply to mobile gaming are changed, the mobile operator shall

require a patron to acknowledge acceptance of such change, whereupon, unless otherwise authorised by the Board, the patron's acknowledgement shall be date and time stamped by the mobile gaming system.

131.(1) Prior to engaging in mobile gaming, a patron shall establish a mobile gaming account in person with a mobile operator at a location approved by the Board.

Mobile gaming accounts.

(2) In order to establish a mobile gaming account, a mobile operator shall —

- (a) create a patron identification file and verify the patron's identity;
- (b) require the patron to establish a PIN and either a password or such other security measure as may be approved by the Board;
- (c) verify that the patron is of legal age, and is not an excluded person or otherwise prohibited from participating in gaming;
- (d) record the patron's acceptance of the operator's terms and conditions for participation in mobile gaming; and
- (e) record the patron's acknowledgement of the opportunity for compulsive gambling assistance in such manner as the Board may require or approve.

(3) Each mobile gaming account shall be unique to the patron who establishes the account and to the mobile gaming system; provided that a patron may have only one mobile gaming account with each operator by whom the mobile gaming account is established.

(4) A patron's mobile gaming account may be funded through the use of —

- (a) patron deposits into the account;
- (b) the patron's credit or debit card in accordance with the requirements of the card issuer;
- (c) cash complimentaries, promotional credits or bonus credits;
- (d) amounts accumulated during a gaming session;
- (e) adjustments made by the mobile operator following the resolution of a dispute after documented notification to the patron; or
- (f) any other means approved by the Board.

(5) Funds may be withdrawn from a patron's mobile gaming account —

- (a) for funding game play;
- (b) by way of cashout at the cashier's cage;
- (c) by means of transfer to a patron deposit account;
- (d) by adjustments made by the mobile operator following resolution of a dispute after documented notification to the patron;
- (e) by transfers directly to a patron's banking account previously verified by the operator;
- (f) by withdrawals;
- (g) by redemption at kiosks situated on the licensed premises of the operator; or
- (h) as otherwise approved by the Board.

(6) A mobile operator shall not permit a patron to place funds into the account of, or transfer funds to, any other patron.

Mobile gaming system.

132.(1) A mobile gaming system shall provide sufficient security to ensure that patron access is appropriately limited to the account holder, and unless otherwise authorised by the Board, security measures shall, at a minimum include a PIN and either a password, security account card or other security mechanism.

(2) A mobile gaming system shall be designed with a methodology approved by the Board to ensure secure communications between a client terminal or mobile electronic device and the mobile gaming system.

(3) A mobile gaming system shall be designed to detect and report —

- (a) suspicious behaviour such as cheating, theft, embezzlement, collusion, money laundering or any other illegal activities; and
- (b) actual or attempted participation in mobile gaming by excluded persons.

(4) Patron account access information shall not be permanently stored on client terminals used with a mobile gaming system, but shall be masked after entry, encrypted immediately after entry is complete and may be temporarily stored or buffered during patron entry provided that the buffer is automatically cleared —

- (a) after the patron confirms that the account access entry is complete; or

(b) if the patron fails to complete the account access entry within one minute.

(5) A mobile gaming system shall associate a patron's account with a single client terminal or mobile electronic device during each patron session, and shall immediately disable a patron session whenever —

- (a) required by the Board or mobile operator;
- (b) the patron initiates session termination;
- (c) the system detects user inactivity for a time period exceeding fifteen minutes;
- (d) the system is unable to validate the identity of the user; or
- (e) the system detects a critical error which impacts game play.

(6) Unless otherwise approved by the Board, a mobile gaming system shall default to a daily limit of \$500, but may be equipped with a mechanism for a patron to decrease such limit or to increase such limit, provided that —

- (a) any decrease shall be effective no later than the patron's next login;
- (b) any increase shall become effective in the system when the mobile operator has confirmed acceptance of the patron's request.

(7) A mobile gaming system shall implement automated procedures to identify and prevent the placement of wagers by —

- (a) patrons under the age of 18;
- (b) excluded persons; and
- (c) patrons who have reached their daily limit.

(8) A mobile gaming system shall provide patrons with access to a player protection page from any screen where game play or wagering activity may occur, which shall contain, at a minimum information regarding —

- (a) the phenomenon of compulsive gaming;
- (b) daily limits;
- (c) password security;
- (d) filing a complaint with the licence holder;
- (e) obtaining a copy of the terms and conditions agreed to at registration;

- (f) rules regarding underage gaming, including sanctions; and
- (g) methods for obtaining patron account and game history.

(9) A mobile gaming system shall provide a patron with the ability to view the outcome and subsequent account balance changes for the previous game, including a game completed subsequent to an outage, including network disconnection or client terminal malfunction.

(10) The following information shall be readily available through a client terminal or mobile electronic device before a player's gaming session begins and at any time during a gaming session, where applicable —

- (a) sufficient information to identify the specific game selected;
- (b) game play and payout rules, which shall not rely on sound to convey their meaning;
- (c) rules which describe procedures in case of patron disconnection from the network server during a game; and
- (d) all charges imposed on patrons such as fees, rake and vigorish.

(11) Unless otherwise approved by the Board, all bonus and promotional wagering offers marketed via a client terminal or mobile electronic device shall —

- (a) be maintained in an electronic file that is readily available to the Board;
- (b) be stated in clear and unambiguous terms and readily accessible by the patron; and
- (c) include, at a minimum —
 - (i) the date and time on which any such offer was presented;
 - (ii) the date and time for which the offer is active and on which it expires; and
 - (iii) patron eligibility and redemption requirements.

133.(1) A server based gaming system shall —

- (a) comply with the prescribed standards;
- (b) be designed so as to incorporate a method for the Board to approve all game software installations before the game software may be offered to patrons;

Server based gaming system; server based games (table games, slot machines and peer-to-peer gaming).

-
- (c) be designed so as to incorporate a method approved by the Board for externally authenticating software responsible for —
 - (i) operation of the game server;
 - (ii) game content residing on the game server;
 - (iii) controlling patron accounts; and
 - (iv) revenue reporting;
 - (d) ensure continued operation in the event of a temporary power failure via Uninterruptible Power Supply (UPS);
 - (e) maintain the integrity of the hardware, software and data contained therein in the event of a shut down;
 - (f) ensure the system recovers to the state it was in prior to any system outage; and
 - (g) include physical and logical controls, as appropriate, to ensure that only approved hardware components are connected to the system.

(2) Client terminals used with a server based gaming system may be installed in a fixed location approved by the Board and may be configured to offer multiple and simultaneous wagering opportunities to patrons; provided that the Board may require such location to be included in the calculation of casino floor space.

(3) A server based gaming system shall be designed with a methodology approved by the Board to ensure secure communications between client terminals, or mobile electronic devices, as the case may be, and a server based gaming system.

(4) Server based gaming systems shall notify patrons, via the client terminal or mobile electronic device, of software that is scheduled for removal. Unless otherwise authorised by the Board, the system shall —

- (a) begin notification twenty-four hours in advance of the scheduled removal;
- (b) clearly notify the patron prior to selecting the software for game play;
- (c) provide continuous notification, such as a countdown, five minutes prior to deactivation; and

(d) preserve prior game and patron history after the removal.

(5) Server based gaming systems shall be designed with a method approved by the Board to automatically identify potential collusion or cheating activity and shall provide a method for a patron to report such activity to the licence holder.

(6) Server based gaming systems shall provide a patron with the ability to view the outcome and subsequent account balance changes for the previous game, including a game completed subsequent to an outage, including a network disconnection or client terminal malfunction.

(7) The following information shall be readily available through a client terminal before a player's gaming session begins and at any time during the gaming session, where applicable —

- (a) sufficient information to identify the specific game selected;
- (b) game play and payout rules, which shall not rely on sound to convey their meaning;
- (c) rules which describe procedures in case of patron disconnection from the network server during a game; and
- (d) all charges imposed on patrons, such as fees, rake and vigorish.

(8) Server based gaming systems with client terminals which utilize a bill changer or are connected to a gaming voucher system shall —

- (a) be permitted exclusively on approved casino floor space;
- (b) comply with all applicable rules governing slot machines and electronic table games; and
- (c) provide for revenue reporting separately as server based games.

(9) Game play shall be initiated only after a patron has affirmatively placed a wager and activated play.

(10) Unless otherwise authorised in this regulation, all server based table games shall —

- (a) accurately represent the layout and equipment used to play its corresponding approved non-electronic table game including, when applicable, wagering areas, cards, dice or tiles;

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- (b) function in accordance with approved rules for its corresponding approved non-electronic table game;
 - (c) conspicuously indicate minimum and maximum wagers; and
 - (d) contain help screens that provide information and rules regarding approved variations such as the number of decks used, special odds and supplemental wagers.

(11) Server based table games may be designed to permit a patron to occupy more than one betting position at an individual game, provided that that same option is available in its approved non-electronic version.

(12) All server based slot machine games shall comply with the prescribed standards.

(13) Server based games shall operate in accordance with rules submitted to and approved by the Board for dealing with suspended or cancelled games, in such a manner as to ensure that —

- (a) where no patron input is required to complete the game, the game shall produce the final outcome as determined by the RNG and the patron's account shall be updated accordingly;
- (b) for single patron games, where patron input is required to complete the game, the game shall —
 - (i) upon subsequent activation, return the patron to the game state immediately prior to the interruption and allow the patron to complete the game; or
 - (ii) after an approved period of time, cancel the game resulting in the forfeiture of the patron's wager; or
 - (ii) make a selection on behalf of the patron in order to complete the game; and
- (c) for games with multiple patrons, where the result is affected by the time to respond to a game event, such as poker or blackjack, the game shall, after an approved period of time —
 - (i) cancel the patron's option to play, resulting in the forfeiture of the patron's wager; or
 - (ii) make a selection on behalf of the patron in order to complete the game.

(14) Server based table game software used to conduct peer-to-peer gaming, such as poker, may not utilise automated computerised players to compete with patrons.

Table game simulcasting.

134.(1) A mobile operator shall obtain Board approval to simulcast approved table games.

(2) Table game simulcasting shall utilize a simulcast control server for the purpose of recording all gaming activity and game results, which shall —

- (a) provide the patron with real time visual access to the live game being played;
- (b) prevent anyone from accessing the wagering outcome prior to finalising a wager;
- (c) record dealer verified game results before posting; and
- (d) be equipped with a mechanism to void game results if necessary.

(3) Information about mobile gaming conducted during table game simulcasting shall be provided to a patron in real time and shall include all game play information that would normally be available from the table game equivalent, including —

- (a) table number and location;
- (b) table minimum and maximum wagers;
- (c) number of decks of cards used, if applicable;
- (d) the amount wagered;
- (e) the game outcome;
- (f) vigorish amount, if applicable;
- (g) payout odds, where applicable; and
- (h) the amount won or lost.

(4) The following information shall be readily available through the client terminal or mobile electronic device before a player's gaming session begins and at any time during the gaming session, where applicable —

- (a) sufficient information to identify the specific game selected;
- (b) game play and payout rules, which shall not rely on sound to convey their meaning;
- (c) rules which describe procedures in case of patron disconnection from the network server

- during a game, including Internet connection outage or client terminal malfunction; and
- (d) all charges imposed on the patron such as fees, and vigorish.

135.(1) All mobile gaming systems authorised by this Part shall be designed to ensure the integrity and confidentiality of all patron communications and ensure the proper identification of the sender and receiver of all communications; provided that if communications are performed across a public or third party network, the system shall utilise a secure communications protocol to ensure the integrity and confidentiality of the transmission.

Communications standards for mobile gaming systems.

(2) Wireless communications between the authenticator device and the authentication server shall be encrypted using a robust method such as IPsec, WPA2 or other method as may be approved by the Board.

(3) A mobile operator shall mask the Service Set Identification (SSID) of the gaming system network to ensure that it is unavailable to the general public.

(4) All communications that contain patron account numbers, user identification or passwords and PINs shall utilise a secure method of transfer such as a 128 bit key encryption approved by the Board.

(5) Only devices authorised by the Board shall be permitted to establish communications between a client terminal or mobile communication device and a mobile gaming system.

136.(1) Mobile gaming systems shall electronically log the date and time any mobile gaming account is created or terminated (Account Creation Log).

Mandatory gaming system logging.

(2) A mobile gaming system shall maintain a patron game play history log (Game Play History Log) that provides all information necessary to recreate patron game play and account activity during each patron session.

(3) Unless the game play history log is a secure transaction file, a mobile gaming system that utilises account based wagering shall record the information required in paragraph (4) to a secure transaction file, upon the occurrence of the following events —

- (a) start and termination of a patron session;
- (b) transfers to and from the patron's deposit account;

- (c) withdrawal of promotional credits;
 - (d) award of a progressive jackpot;
 - (e) award of a promotional bonus; and
 - (f) initial wager and conclusion of a gaming session.
- (4) The secure transaction file referred to in paragraph (3) shall contain at a minimum —
- (a) date and time of the transaction;
 - (b) the patron account number;
 - (c) the game played;
 - (d) a description of the event which triggered the recordal;
 - (e) the patron account balance; and
 - (f) the amount of the transaction.
- (5) When software is installed to or removed from a gaming system, such action shall be recorded in a secure electronic log, to be known as the “Software Installation and Removal Log”, which shall include —
- (a) the date and time of the action;
 - (b) identification of the software; and
 - (c) the identity of the person performing the action.
- (6) When a change in the availability of game software is made on a mobile gaming system, the change shall be recorded in a secure electronic log, to be known as the “Game Availability Log”, which shall include —
- (a) the date and time of the change;
 - (b) identification of the software; and
 - (c) the identity of the person performing the change.
- (7) Unless otherwise exempted by the Board, a gaming system shall record an electronic log of promotional offers (Promotions Log) extended through the system, which shall provide the information necessary to audit compliance with the terms and conditions of current and previous offers.

Required revenue reports; reconciliation.

137.(1) A mobile gaming system shall be capable of generating the following daily reports —

- (a) Account Reconciliation Detail Report which shall provide the following information, by patron —
 - (i) opening and closing balance; and

-
- (ii) details regarding deposits and withdrawals.
 - (b) Account Reconciliation Summary Report, used to summarize all patron mobile account activity;
 - (c) Wagering Detail Report, used to detail amounts wagered, amounts paid out and win/loss for each game;
 - (d) Wagering Summary Report, used to summarize the win/loss for all mobile gaming by game type and in total; and
 - (e) Variance Report, used to provide the variance between the Account Reconciliation Summary Report and the Wagering Summary Report.
- (2) A mobile operator shall utilise the Wagering Summary Report in order to report gaming revenue on a daily basis and shall review the variance report, investigate each variance and —
- (a) prepare a summary schedule of each variance which details the date, source of the variance, variance amount and the reason for the variance; and
 - (b) report any manual adjustment to increase revenue by the amount of the variance unless the reason for such variance is sufficient to support a determination that revenue was properly reported.
- (3) Notwithstanding paragraph (2), a mobile operator may summarize the daily variance report review in a manner and on a monthly schedule required or approved by the Board.
- (4) No completed wagering transactions may be voided without Board approval.

PART XI
RESTRICTED INTERACTIVE GAMING
CHAPTER 31: REQUIREMENTS FOR RESTRICTED
INTERACTIVE GAMING

138. For the purposes of this Part —

Interpretation.

“gaming equipment” means any gaming device or equipment utilised by the holder of a restricted interactive gaming licence in the conduct of its licensed operations;

“interactive gaming system” means the hardware, software, firmware, communications technology and other equipment which allows a player to remotely bet or wager through the Internet or a similarly distributed networking environment, and the corresponding equipment related to game outcome determination, the display of the game and game outcomes, and other similar information necessary to facilitate play of the game, but excludes computer equipment or communications technology used by a player to access the interactive gaming system;

“internal control system” means the document embodying the internal control standards of the holder of a restricted interactive gaming licence;

“politically exposed person” means —

- (a) a person who has, or has had at any time, a prominent public function or who has been elected or appointed to such a function in a country or territory other than The Bahamas, including, without limitation —
 - (i) heads of state or heads of government;
 - (ii) senior politicians and other important officials of political parties,
 - (iii) senior government officials;
 - (iv) senior members of the judiciary;
 - (v) senior military officers; and
 - (vi) senior executives of state owned body corporates;
- (b) an immediate family member of such a person including, without limitation, a spouse, partner, child, sibling, parent-in-law or grandchild of such a person and, for the purposes of this definition, “partner” means a person who is considered by the law of the country or territory in which the relevant public function is held as being equivalent to a spouse; or
- (c) a close associate of such a person, including, without limitation —

- (i) a person who is widely known to maintain a close business or professional relationship with such a person; or
- (ii) a person who is in a position to conduct substantial financial transactions on behalf of such a person;

“licence holder” means the holder of a restrictive interactive gaming licence; and

“relevant legislation” means the Financial Transactions Reporting Act, the Financial Transactions Reporting Regulations, the Financial Intelligence Unit Act, the Financial Intelligence (Transactions Reporting) Regulations, and the Proceeds of Crime Act and any other legislation in force in The Bahamas for the prevention and detection of money-laundering and counter-terrorist financing.

139.(1) The purpose of an internal control system is — Internal control systems.

- (a) to provide a description by a licence holder of the controls and administrative and accounting procedures to which it will adhere when conducting the activities authorised by its licence; and
- (b) to establish the standards and processes against which an ordinary investigation by the Board in the form of an inspection in accordance with regulation 171 will be undertaken.

(2) At a minimum, an internal control system shall contain information about —

- (a) accounting systems and procedures and chart of accounts;
- (b) administrative systems and procedures;
- (c) computer software;
- (d) standard forms, terms and conditions;
- (e) general procedures to be followed for the conduct of any form of restricted interactive gaming;
- (f) procedures and standards for the maintenance, security, storage and transportation of gaming equipment;

- (g) procedures for registering patrons, recording gambling transactions and paying winnings to patrons;
- (h) positions to be designated as key positions; and
- (i) its auditors.

(3) Without prejudice to the generality of the foregoing, an internal control system shall describe the programmes developed by the licence holder, having regard to its business risk assessment, to ensure that it has such policies, procedures and controls as are appropriate and effective for the purposes of forestalling, preventing and detecting money laundering and terrorist financing, including information about the licence holder's —

- (a) applicable internal policies, procedures and controls, including its policy for reviewing at appropriate intervals its compliance with the requirements of these Regulations;
- (b) arrangements to manage compliance;
- (c) screening practices when recruiting relevant employees;
- (d) ongoing employee training programme;
- (e) audit function to test its systems;
- (f) measures taken to keep abreast of and guard against the use of technological developments and new methodologies in money laundering and terrorist financing schemes;
- (g) patron identification and verification systems; and
- (h) ongoing due diligence of the patron relationship.

(4) For the purposes of paragraph (3)(a) —

- (a) in considering what is an appropriate interval, the licence holder shall have regard to the risk, taking into account —
 - (i) the size, nature and complexity of the restricted interactive gaming it conducts;
 - (ii) its registered patrons and services; and
 - (iii) the methods by which it provides those services.
- (b) its policy, for reviewing the requirements of these Regulations, which shall include the requirement to maintain an adequately resourced

independent audit function to test compliance with such requirements.

(5) For the purposes of paragraph (3)(g), the licence holder's patron identification and verification systems shall —

- (a) incorporate robust client identification methods and measures in order to manage and mitigate the specific risks of non-face-to-face transactions inherent in the restricted interactive gaming industry; and
- (b) refer only to identification verification software and additional or alternative identification methods that have been approved by the Board.

140. Prior to performing any of the activities authorised by its licence, the holder of a restricted interactive gaming licence shall submit to the Board its internal control system for approval by the Board, in such manner and format as the Board may require or approve.

Submission of internal control system.

141. In considering whether to give approval for a licence holder's proposed internal control system, the Board shall have regard to whether it —

Criteria against which application evaluated.

- (a) satisfies the requirements of the Act and these Regulations;
- (b) is capable of providing satisfactory and effective control over the conduct of any form of restricted interactive gaming the licence holder proposes to operate; and
- (c) provides a safe and secure system for the conduct of restricted interactive gaming.

142. (1) On completion of a full evaluation of a licence holder's proposed internal control system, if the Board —

Approval of internal control system.

- (a) is satisfied that the internal control system satisfies regulation 141, it shall furnish the licence holder with written notice that the system has been approved; or
- (b) is not satisfied that the internal control system satisfies regulation 141, a report containing details of the application and the evaluation carried out shall be prepared by a duly authorised officer of the Board for submission to the Board for its consideration.

(2) Where an application for approval of a licence holder's internal control system is referred to the Board in accordance with paragraph (1)(b), the Board shall consider —

- (a) the report submitted to it; and
- (b) such other material and information supplied to the Board by, or on behalf of, the licence holder as it considers appropriate.

(3) Where the Board considers that it has insufficient information on which to decide whether to grant or refuse the application, it shall defer its decision and shall require the licence holder to provide such further information or to implement such further measures or amendments as the Board may consider necessary or appropriate.

(4) If the Board is satisfied that the internal control system satisfies regulation 141, the Board shall give the licence holder written notice that the internal control system has been approved.

Regular review of approved internal control system.

143.(1) A licence holder shall keep its approved internal control system under regular review so as to ensure that it accurately reflects the manner in which it is conducting restricted interactive gaming or operating under its restricted interactive gaming licence and, when appropriate, it shall make an application in accordance with regulation 144.

(2) Without prejudice to the generality of paragraph (1), a licence holder shall —

- (a) regularly review its business risk assessment so as to keep it up to date and where, as a result of that review, any change to the business risk assessment is required, it shall seek approval to make any corresponding change to its approved internal control system; and
- (b) ensure that a review of its compliance with the requirements of these Regulations is discussed and minuted at a meeting of its board of directors held pursuant to the policy included in its approved internal control system by virtue of regulation 139(3)(a).

Submission of change application.

144. An application for approval of a change to a licence holder's approved internal control system, shall be made by letter setting forth the proposed change,

accompanied by an extract of the application document submitted when the licence holder obtained approval of its existing internal control system, highlighting the proposed change, signed by a duly authorised officer of the licence holder and delivered to the offices of the Board, or in such other manner and form as the Board may from time to time determine.

145.(1) On completion of an evaluation of a proposed change to the approved internal control system submitted by a licence holder under regulation 144, if the Board —

Approval of changes to internal control system.

- (a) is satisfied that the proposed change satisfies regulation 141, it shall give the licence holder written notice that the change has been approved; or
- (b) is not satisfied that the proposed change satisfies regulation 141, a report containing details of the application and the evaluation carried out shall be prepared by a duly authorised officer of the Board for submission to the Board for its consideration.

(2) Where an application for approval of a change to the approved internal control system of a licence holder is referred to the Board in accordance with sub-paragraph (1)(b), the Board shall consider —

- (a) the report submitted to it; and
- (b) such other material and information supplied to the Board by, or on behalf of, the licence holder as it considers appropriate.

(3) Where the Board considers that it has insufficient information on which to decide whether to grant or refuse the application, it shall defer its decision on the application and shall require the licence holder to provide such further information or to implement such further measures or amendments as the Board may consider necessary or appropriate.

(4) If the Board is satisfied that the proposed change to the approved internal control system satisfies regulation 141, the Board shall give the licence holder written notice that the internal control system as changed has been approved.

CHAPTER 32: APPROVAL OF GAMING EQUIPMENT

Application for approval.

146.(1) An application for approval of its gaming equipment and interactive gaming system shall in the first instance be made by the holder of a restricted interactive gaming licence before it organises, promotes or effects any gaming transaction or commences to operate under its restricted interactive gaming licence.

(2) A licence holder shall not operate an interactive gaming system unless-

- (a) such system has been tested and certified as complying with the relevant technical standards applicable to such systems, as contemplated in these Regulations;
- (b) such system has been approved by the Board; and
- (c) the licence holder has provided the Board with a list of all persons who may access the main computer or data communications components of its interactive gaming system.

(3) An application for a modification of the approval of its gaming equipment shall be made by a licence holder before it utilises its gaming equipment, as proposed to be modified, to organise, promote or effect any gambling transaction or operate under its restricted interactive gaming licence.

(4) For the purposes of this Chapter, all references to “gaming equipment” shall be deemed to relate to any gaming device, as defined in the Act, used by the holder of a restricted interactive gaming licence in the conduct of the activities required under its restricted interactive gaming licence, including an interactive gaming system.

Criteria against which application evaluated.

147.In considering whether to give approval for the gaming equipment a licence holder proposes to utilise to conduct its business, the Board shall have regard to whether the equipment complies with the applicable technical standards, where applicable, and is technically and operationally capable of being —

- (a) utilised safely, securely and fairly, when taken both individually and collectively, in the conduct of any form of restricted interactive gaming proposed to be operated by the licence holder; and

- (b) interrogated, and subjected to audit, by, or on behalf of, the Board, whether in accordance with monitoring conducted under Chapter 35 or otherwise.

148.(1) On completion of a full evaluation of the gaming equipment for which a licence holder has sought approval, if the Board —

Approval of gaming equipment.

- (a) is satisfied that the gaming equipment complies with the requirements of regulation 147, the Board shall give the licence holder notice that the gaming equipment has been approved; or
- (b) is not satisfied that the gaming equipment satisfies regulation 147, a report containing details of the application and the evaluation carried out shall be prepared by a duly authorised officer of the Board for submission to the Board for their consideration.

(2) Where an application for approval of gaming equipment is referred to the Board in accordance with paragraph (1)(b), the Board shall consider —

- (a) the report submitted to it; and
- (b) such other material and information supplied to the Board by, or on behalf of, the licence holder as it considers appropriate.

(3) Where the Board considers that it has insufficient information on which to decide whether to grant or refuse the application, it shall defer its decision on the application and shall require the licence holder to provide such further information or to implement such further measures or amendments as the Board may consider necessary or appropriate.

(4) If the Board is satisfied that the gaming equipment satisfies regulation 147, the Board shall give the licence holder written notice that the gaming equipment has been approved.

CHAPTER 33: PATRONS - REGISTRATION, FUNDS AND PROTECTION

149. A licence holder shall not permit a person to effect a gambling transaction as part of its operations under its restricted interactive gaming licence unless the person is

Requirement for patron to be registered.

a patron who has registered in accordance with regulation 150.

Procedure for registration of patron.

150. (1) A patron shall register directly with a licence holder by completing an application process set forth in the licence holder's approved internal control system.

(2) Prior to registering a patron, or as soon as reasonably practicable thereafter, a licence holder shall undertake a risk assessment in respect of that person, in accordance with the terms of its approved internal control system, to determine if —

- (a) the proposed relationship with the patron is a high risk relationship; or
- (b) the patron or any beneficial owner or underlying principal is a politically exposed person.

(3) A person shall not be eligible for registration as a patron in accordance with paragraph (1) unless he is able to produce to the person carrying out the registration process evidence of a type and in a manner set out in the licence holder's approved internal control system —

- (a) of his identity and place of residence;
- (b) that he is at least 18 years of age; and
- (c) that he is a citizen of a permitted foreign jurisdiction or otherwise complies with the provisions of regulation 116(1), which shall apply, with the necessary changes.

(4) The registration of a patron shall not be completed by the person carrying it out until —

- (a) the identity of the person wishing to register as a patron has been authenticated;
- (b) the person's place of residence has been verified;
- (c) verification has been obtained that the patron is a citizen of a permitted foreign jurisdiction or otherwise complies with the provisions of regulation 116(1);
- (d) the patron has confirmed that he is acting as principal and is not restricted in his legal capacity;
- (e) the provisions of the relevant legislation have been complied with; and
- (f) if the patron is not a natural person —

- (i) the legal status and legal form of the patron has been verified; and
- (ii) the names of the natural persons who have ultimate ownership and/or control of the patron have been determined, in accordance with the terms of the licence holder's approved internal control system and the requirements of the Act and the relevant legislation.

(5) Save in such circumstances as are set out in licence holder's approved internal control system, an employee of a licence holder, whether or not he is a key employee, shall not be registered as a patron.

151.(1) A licence holder shall not set up anonymous patron accounts or accounts in fictitious names.

Patron accounts.

(2) A licence holder shall maintain and manage patron accounts in a manner which facilitates compliance with the requirements of this Chapter.

(3) Any contravention of paragraphs (1) or (2) shall constitute a money laundering offence.

152. A licence holder referred to in this Part shall, in accordance with the terms of its approved internal control system, regularly review any risk assessment carried out under regulation 150(2) so as to keep it up to date and, where changes to that risk assessment are required, it shall make those changes.

Regular review of patron relationship.

153. The funds with which a patron pays for gaming transactions with the holder of a licence referred to in this Part may be deposited directly with the licence holder in the manner set forth in the approved internal control system of such licence holder and after compliance with the relevant legislation.

Deposit of patron funds.

154.(1) This regulation applies where a registered patron's funds have been deposited directly with the holder of a restricted interactive gaming licence.

Recourse to funds held by the holder of a restricted interactive gaming licence.

(2) A licence holder referred to in this regulation shall not have recourse to funds standing to the credit of a registered patron except —

- (a) to debit the amount of a payment required for a gaming transaction that the patron indicates he wants to undertake through the licence holder;

- (b) to debit some or all of an amount that has been added to the funds standing to the credit of the patron in accordance with the terms of the licence holder's approved internal control system; provided that these were accepted by the patron, prior to the addition of those funds;
- (c) to remit funds in accordance with paragraph (3);
- (d) to make adjustments following resolution of a dispute after documented notification to the patron;
- (e) to debit inactive funds in accordance with the terms and conditions of its approved internal control system and the rules accepted by the patron prior to the addition of those funds; or
- (f) to facilitate player to player transfers as directed by the patron, in accordance with the terms and conditions, as accepted by the patron, of its approved internal control system.

(3) Subject to compliance with any lawful requirement to do otherwise, a licence holder referred to in this regulation shall, at the request of a registered patron, remit funds standing to the credit of that patron as directed by the patron —

- (a) to an account with a financial institution in his name; or
- (b) by providing a non-negotiable instrument marked "Account Payee" and made out in his name and forwarded to his address as recorded, pursuant to the terms and conditions governing the patron relationship and as set out in the approved internal control system of the licence holder.

Additions to patron's funds held by the holder of a restricted interactive gaming licence.

155.(1) This regulation applies where a registered patron's funds have been deposited directly with the holder of a restricted interactive gaming licence.

(2) If, as a result of effecting a gaming transaction through a licence holder referred to in this regulation, a registered patron accrues winnings, the licence holder shall increase the amount standing to the credit of the patron by the amount of those winnings in accordance with the terms and conditions governing the relationship between the licence holder and the patron as set forth in the approved internal control system of the licence holder.

(3) If a registered patron accepts an offer from a licence holder referred to in this regulation of funds with which to effect a gaming transaction, made in accordance with terms contained in the approved internal control system of the licence holder, the licence holder shall increase the amount standing to the credit of the patron in accordance with those terms.

156. Before a registered patron is permitted to effect a gaming transaction through a licence holder referred to in this Part, the licence holder shall make available to the patron in accordance with its approved internal control system, whether directly or by posting them on its website, the rules pertaining to the gaming transaction in question, and the patron will be required to indicate his knowledge and acceptance of such rules.

Notification of rules.

157.(1) A licence holder referred to in this Part shall establish and maintain procedures in accordance with its approved internal control system to identify patrons who are, or appear to be at risk of becoming, problem gamblers.

Identifying patrons at risk.

(2) A licence holder referred to in this regulation shall take note of and act appropriately upon advances in information about problem gaming, technology to discover problem gaming, and techniques for combating problem gaming, and shall comply with every requirement of the Board designed to combat problem gaming.

(3) A licence holder referred to in this regulation shall —

- (a) provide problem gamblers and potential problem gamblers with sufficient information and assistance to enable them to obtain proper counselling or access to an appropriate support organisation; and
- (b) if required by the Board, take steps to limit or cease gaming activities with a specified patron.

158.(1) A registered patron may, by written notice to a licence holder referred to in this Part, set a limit on his gaming activity with that licensee in accordance with one or more of the means specified in paragraph (2).

Limitation on patron's gaming activity.

(2) A limit may be set under paragraph (1) in relation to the amount a patron —

- (a) may deposit during a period of time specified in the notice;

-
- (b) may lose by way of a maximum amount that may be lost by reference to —
 - (i) any number of gaming transactions; or
 - (ii) any period of time, as specified in the notice; or
 - (c) may wager.
 - (3) A limit set under paragraph (2)(c) may be set —
 - (a) in relation to a single gaming transaction or any number of gaming transactions;
 - (b) by way of a maximum limit that may be wagered over a number of gaming transactions specified in the notice or effected during a period of time specified in the notice; or
 - (c) at zero.
 - (4) A licence holder referred to in this regulation who has received a notice under paragraph (1), shall not —
 - (a) accept a deposit; or
 - (b) permit a patron to lose; or
 - (c) debit a wager from the patron's funds held by it, in excess of a limit set out in the notice.
 - (5) A licence holder referred to in this regulation who has received a notice under paragraph (1) from a patron setting his limit in accordance with paragraphs (2)(c) and (3)(c) at zero shall not directly market or otherwise publicise its gaming offerings to that patron whilst the patron's limit continues at zero.
 - (6) A licence holder referred to in this regulation who has received a notice under paragraph (1) shall not, directly or indirectly, encourage the patron who has set that limit to raise or remove it.
 - (7) A patron who has set a limit under this regulation may change or remove the limit by further written notice to the licence holder referred to in this regulation.
 - (8) A notice in accordance with paragraph (7) amending or removing a limit shall not have effect unless —
 - (a) at least twenty-four hours have passed since the licence holder received the notice; and
 - (b) the patron has not notified the licence holder of his intention to withdraw the notice.

(9) A notice reducing a limit takes effect upon receipt thereof by the licence holder.

159.(1) A licence holder referred to in this Part shall, if required by the Board, include on an appropriate page within the part of its website explaining the availability of a mechanism for resolving a patron's complaint, a hyperlink to the page on the Board's website dealing with its handling of disputes.

Patron
complaints or
disputes.

(2) Where a registered patron makes a complaint to the Board about the operations of a licence holder referred to in this regulation, the complaint shall be dealt with by the Board in accordance with this regulation.

(3) In the first instance, a duly authorised officer of the Board shall, by establishing contact with the licence holder and the relevant patron, attempt to resolve by agreement between the patron and the licence holder or associate any dispute between them on which the complaint is based.

(4) Where the procedure set out in paragraph (3) is unsuccessful, the Board shall cause a full investigation of the complaint to be carried out by a duly authorised officer of the Board who, after consideration of a report about the complaint and the investigation thereof, shall —

- (a) make a preliminary determination of the matter in dispute between the patron and the licence holder; and
- (b) give written notice of that determination and the reasons for it to the patron and the licence holder, at the same time enquiring of them whether each accepts his determination.

(5) Where both the patron and the licence holder accept the preliminary determination of the Board, this determination shall be treated as final.

(6) Where one or both of the recipients of the Board's preliminary determination do not accept it, the complaint shall be referred to the Board for hearing in accordance with regulation 160.

160.(1) Where a complaint by a patron has been referred to the Board for determination in accordance with regulation 159(6) —

Hearing of pa-
tron complaint.

- (a) a date, time and place for the hearing shall be notified by the Board by the provision of at least

fourteen day's written notice to the patron and the licence holder;

- (b) the patron may elect to confine himself to making any written representations he wishes or may attend the hearing in person or through any representative;
 - (c) the licence holder may elect to confine itself to making any written representations it wishes or may attend the hearing through any representative.
- (2) At a hearing under this regulation —
- (a) if the patron attends, he shall make his representations first;
 - (b) a duly authorised officer of the Board, in person or through any representative, shall present his report about the investigation of the complaint and shall be permitted to ask questions of any attendee;
 - (c) if the licence holder attends, he shall make his representations in response to the complaint after the conclusion of the officer's presentation; and
 - (d) questions may be asked at any time by members of the Board.
- (3) A hearing under this regulation shall be held in The Bahamas.

Board
determination of
customer
complaint or
dispute.

161. (1) At the conclusion of a hearing in accordance with regulation 160, after taking into account everything said and lodged by, or on behalf of, the parties, the Board shall determine —

- (a) whether the patron's complaint has been established in full or in part;
- (b) what steps, if any, to take in relation to the licence holder in accordance with the applicable provisions of these Regulations; and
- (c) whether to make any order about payment of the costs incurred by the Board or, as the case may be, the patron or the licence holder in accordance with paragraphs (2) or (3).

(2) In a case where the patron has appeared before the Board and it has determined that the complaint was frivolous, vexatious or manifestly ill-founded, the Board may direct the patron to pay —

- (a) a contribution towards the expenses incurred by the Board in determining the complaint; and
 - (b) if sought by the licence holder, a contribution to the costs incurred by it in appearing before the Board.
- (3) Where the Board determines that the patron's complaint has been established in full or in part, it may direct —
- (a) as part of the resolution of the dispute, that the licence holder compensates the patron for all or some of the costs he has incurred in making and pursuing his complaint; and
 - (b) that the licence holder make a contribution towards the expenses incurred by the Board in determining the complaint.
- (4) The Board shall give the patron and the licence holder written notice of its decision under this regulation and of the reasons for it.

CHAPTER 34: FINANCIAL ACCOUNTS AND REPORTS

162. The holder of an interactive gaming licence shall — Keeping of accounts.

- (a) keep accounting records that accurately record and explain the transactions and financial position for the operations conducted under its restricted interactive gaming licence; and
- (b) keep the accounting records in a way that allows —
 - (i) true and fair financial statements and accounts to be prepared from time to time; and
 - (ii) the financial statements and accounts to be conveniently and properly audited.

163. (1) The holder of an interactive gaming licence shall by no later than the 20th day of the month submit to the Board a report in the format determined by the Board containing the details required by the Board in respect of such a report in respect of its operational performance under its restricted interactive gaming licence during the preceding calendar month. Periodic operational reports and management accounts.

(2) A licence holder shall, by no later than thirty days after the end of each quarter of its financial year, submit to the Board a report in respect of its operations under its restricted interactive gaming licence during the preceding quarter in question.

Financial ratios.

164. (1) The holder of an interactive gaming licence shall at all times satisfy such financial ratios as are established or approved by the Board in respect of its operations from time to time and notified to it in writing.

(2) A licence holder shall by no later than the 20th day of the month submit to the Board a report in the format required by the Board detailing its financial position during the preceding calendar month by reference to the ratios required of it in accordance with paragraph (1).

(3) A licence holder shall, with reference to the financial position disclosed in its report under paragraph (2), be required to satisfy the Board that it maintains such financial requirements and ratios established by the Board in respect of its operations from time to time and notified to it in writing.

Submission of other reports.

165. (1) The holder of an interactive gaming licence shall furnish such other reports to the Board as required by this regulation about the operations conducted under its restricted interactive gaming licence.

(2) A report under this regulation shall be given at the time stated in a written notice given to the licence holder by the Board.

(3) The Board may, by written notice given to a licence holder, require it to provide the Board with further information specified in the notice within the time specified in the notice, being information that the Board reasonably requires in order to acquire a proper appreciation of the operations of the licence holder.

Audit of operations.

166. As soon as practicable after the end of the financial year, the holder of an interactive gaming licence shall cause the books, accounts and financial statements for the operations conducted under its restricted interactive gaming licence for the financial year to be audited by the auditors for which approval has been given as part of its approved internal control system.

Audit report.

167. (1) The holder of an interactive gaming licence shall provide a copy of the audited financial statements and

any auditors' report following an audit conducted under regulation 166 to the Board —

- (a) within four months after the end of the financial year to which the audit relates; or
- (b) within such longer period of time as the Board shall determine following an application made to it in accordance with paragraph (2).

(2) If a licence holder believes that it will not be able to comply with paragraph (1), it may, by making application to the Board by letter signed by a duly authorised officer, seek an extension of the time within which a copy of its audited financial statements and any auditor's report must be supplied.

(3) An application under paragraph (2) —

- (a) shall be made no earlier than one month before the expiry of the time within which a copy of the audited financial statements and any auditor's report must be supplied; and
- (b) shall set out the reasons why the copy of the audited financial statements and any auditor's report is currently incapable of being supplied.

(4) The Board shall give the licence holder written notice of its decision under this regulation and of the reasons for it.

168. Upon receiving a copy of a report provided in accordance with regulation 167, the Board may, by written notice to the holder of an interactive gaming licence, require the licence holder to provide the Board with such further information as is specified in the notice within the time specified in the notice about any matter relating to the licence holder's operations specified in the audit report.

Further information following audit.

CHAPTER 35; MONITORING AND INVESTIGATIONS

169.(1) The Board may at any time carry out monitoring of any aspect of the operations of the holder of a licence referred to in this Part.

Monitoring operations.

(2) Without prejudice to the generality of paragraph (1), for the purpose of monitoring its operations under a restricted interactive gaming licence, the licence holder shall —

- (a) at the request of the Board, do anything reasonably necessary to allow an employee or

agent of the Board to carry out such monitoring, including, without limitation, providing, or facilitating access to, any information or material held by the licence holder, and

- (b) be deemed to have authorised an employee or agent of the Board to obtain directly from a licensed supplier information or material in respect of the licensee's operations which is held by that licence holder.

Presence at certain operations.

170. In order to ensure the integrity of the conduct of gaming under an restricted interactive gaming licence, the Board may, by written notice given to the licence holder, direct such licence holder not to do a stated thing in relation to any aspect of the operations conducted, or to be conducted, under its restricted interactive gaming licence unless an employee or agent of the Board is present.

Inspecting operations.

171. (1) Without prejudice to the generality of regulation 169, the Board may conduct an ordinary investigation by way of an inspection of the operations of a licence holder at any time.

(2) The Board shall by notice in writing to the licence holder inform the licence holder that an inspection will be conducted, when it will be conducted and the reasons for the inspection.

Inspection report.

172. On completion of an inspection in accordance with regulation 171, a report containing details of the inspection and the assessment made regarding the conduct of its operations by the licence holder, shall be prepared by a duly authorised officer of the Board for submission —

- (a) to the licence holder, indicating what steps, if any, the licence holder might wish to take to improve its performance; and
- (b) to the Board for its consideration.

PART XII APPEALS TO THE MINISTER

CHAPTER 36: PROCEDURE UPON APPEAL

Notification and determination of appeals.

173. (1) Any person referred to in sections 48(12), 49(8), 76(3) or 83(7) of the Act must, within thirty days of the decision of the Board in relation to which an appeal to the Minister is sought, cause to be served on the Board and the Minister, a notice of appeal.

(2) A notice of appeal referred to in paragraph (1) shall —

- (a) be signed by the appellant and reflect the date of signature thereof;
- (b) be lodged with the Board and the Minister within three days of the date of signature thereof; and
- (c) set forth in full —
 - (i) the date of the decision appealed against;
 - (ii) the nature of the decision appealed against; and
 - (iii) the grounds for the appeal.

(3) The Board must, within one week of receipt of a notice of appeal referred to in this regulation, cause to be served on the appellant and the Minister, a notice in which it —

- (a) may oppose the appeal;
- (b) may decline to oppose the appeal and abide the decision of the Minister in relation to the appeal;
- (c) shall set forth the facts of the matter, the applicable law, and the reasons for the decision appealed against; and
- (d) shall furnish the responsible Member with such additional information as in its view can reasonably be expected to assist the Minister in deciding the appeal.

(4) Within three weeks of receipt of the documentation referred to in paragraph (3), the Minister shall consider the appeal, and may —

- (a) resolve to uphold the appeal, in whole or in part and to set aside in whole or in part, the decision of the Board, subject to such conditions as the Minister may impose;
- (b) resolve to dismiss the appeal, and to uphold the decision of the Board
- (c) request further information from either the Board or the appellant or both, within such period as the Minister shall specify, and suspend the final consideration of the appeal pending the provision of that information.

(5) If, after final consideration of an appeal, the Minister resolves to uphold the appeal in whole or in part,

but subject to conditions, the Minister shall notify the Board in writing of —

- (a) the decision taken regarding the appeal; and
- (b) any conditions to which such decision is proposed to be made subject, and the Board shall forthwith notify the appellant accordingly.

(6) An applicant in receipt of a notification referred to in paragraph (5) shall, within two weeks of the date of receipt thereof, be entitled to make representations to the Minister regarding any conditions referred to in paragraph (5)(b).

(7) The Minister shall, after considering any representations made under paragraph (6), advise the Board in writing as to the conditions to which the decision on the appeal shall be subject.

(8) Upon conclusion of the procedures referred to in paragraphs (6) and (7), where applicable, or if the appellant fails to make the representations referred to in paragraph (6), the Board shall communicate the decision on the appeal, and the conditions to which such decision is subject, to the applicant.

(9) If, after final consideration of an application, the Minister resolves to dismiss the appeal, the Minister shall notify the Board and the applicant in writing of —

- (a) the refusal of the application; and
- (b) the reasons for such refusal.

(10) The Minister may decide the appeal on the papers or may, but shall not be obliged to, call for such evidence as he may consider necessary for the purposes of deciding the appeal.

PART XIII RESPONSIBLE GAMING

CHAPTER 37: MEASURES TO PROMOTE RESPONSIBLE GAMING

Responsible
gaming
measures.

174. (1) The holder of a licence referred to in section 23(1)(a), (b), (c), (d) and (f) of the Act shall promote responsible gaming by —

- (a) formulating a written plan detailing the strategies to be employed by it to promote responsible gaming;

-
- (b) reviewing and measuring its compliance with the plan referred to in paragraph (a) on a quarterly basis, and submitting written reports to the Board in respect of each such review;
 - (c) providing its employees with training in relation to the phenomenon of problem gaming and strategies to address same;
 - (d) ensuring the ongoing availability of application forms for exclusion from gaming on its licensed premises, as contemplated in section 74 of the Act;
 - (e) developing strategies to ensure public education in the context of responsible gaming; and
 - (f) adopting a Code of Conduct in relation to responsible gaming incorporating provision for the various measures listed in this paragraph.

(2) The holder of a licence referred to in this regulation must ensure that a notice informing the public of the phenomenon of compulsive or problem gaming, in such format as the Board may approve, is prominently displayed at every entrance within the premises which permits access to any designated area where betting or gaming takes place.

(3) The holder of a licence referred to in this regulation shall ensure that there is on the licensed premises concerned, an adequate supply of pamphlets for public reference and use, concerning the phenomenon of compulsive or problem gaming, which shall contain, at a minimum —

- (a) a description of the phenomenon of compulsive or problem gaming; and
- (b) an outline of the commonest symptoms of compulsive or problem gaming.

PART XIV - NOTICES, ORDERS AND RESOLUTIONS

CHAPTER 38: SERVING OF NOTICES, ORDERS OR RESOLUTIONS

175.(1) Any notice, order or resolution to be served on a person within or outside of The Bahamas by the Board under the Act or these Regulations shall be in writing and shall be served —

Serving of notices, orders or resolutions.

- (a) by personal delivery;
- (b) by leaving a copy at the person’s last known address or his place of residence, employment or business;
- (c) in the case of a company, by delivering a copy to its registered office or its principal place of business;
- (d) by registered mail;
- (e) by facsimile transmission; or
- (f) by electronic mail.

(2) Any notice, order or resolution served under paragraph (1)(d), (e) or (f) shall be deemed to have been received, in the case of registered mail, to an address within The Bahamas, seven days after it has been posted or to an address outside The Bahamas, within fifteen days after it has been posted, or, in the case of facsimile or electronic mail transmission, at 10:00 on the first business day following the date of transmission.

**PART XV
FEES**

175A. (1) All fees contemplated in this Part exclude the costs of investigation by the Board of the application to which such fees pertain.

(2) For the purposes of this Part —

“small casino” means a casino with a gaming area of less than five thousand square feet;

“medium casino” means a casino with a gaming area of five thousand or more square feet, but less than ten thousand square feet; and

“large casino” means a casino with a gaming area of or in excess of ten thousand square feet.

176. The new licence application fees payable under section 38(1) of the Act are as follows —

New licence application fee.

KIND OF LICENCE	NEW LICENCE APPLICATION FEE (\$)
Gaming licence	5,000.00
Proxy gaming licence	2,000.00

Mobile gaming licence	2,000.00
Restricted interactive gaming licence	3,500.00
Junket operator licence	1,000.00
Supplier licence	1,000.00
Key employee licence	250.00
Gaming employee licence	150.00
Temporary employment licence	100.00

177. The annual licence and monitoring fee payable under section 38(2) of the Act are as follows —

Annual licence and monitoring fee.

KIND OF LICENCE	ANNUAL LICENCE AND MONITORING FEE (\$)
Gaming licence*	
Small casino	100,000.00
Medium casino	250,000.00
Large casino	500,000.00
Proxy gaming licence**	
Large casino	80,000.00
Medium or small casino	30,000.00
Mobile gaming licence**	
Large casino	80,000.00
Medium or small casino	30,000.00
Restricted interactive gaming licence**	
Large casino	150,000.00
Medium or small casino	40,000.00
Junket operator licence	600.00
Supplier licence	
Company	5,000.00
Key employee licence	120.00
Gaming employee licence	80.00

* These annual licence and monitoring fees are payable in respect of—

- (a) any gaming licence granted after the effective date; or
- (b) the holder of any gaming licence in force as at the effective date, upon the expiration of any

Heads of Agreement referred to in section 85(8)
of the Act

**These fees are not covered by the Heads of Agreement referred to in section 85(8) of the Act, and shall be payable by the licence holders to which they pertain as of the effective date.

Application for the transfer or removal of a licence.

178. The application fees under section 36(2)(a) of the Act are as follows —

KIND OF LICENCE	APPLICATION FEE (\$)
Gaming licence	100.00
Proxy gaming licence	100.00
Mobile gaming licence	100.00
Restricted interactive gaming licence	100.00
Key employee licence (to other licensed premises)	20.00
Gaming employee licence	20.00

Application for a certificate of suitability as a junket representative.

179. The application fees payable under section 43(3) of the Act are as follows —

CERTIFICATE OF SUITABILITY REQUIRED IN RESPECT OF:	APPLICATION FEE (\$)
Junket representative	250.00

Renewal of certificate of suitability as a junket representative.

180. The renewal fees payable under section 43(6)(b) of the Act are as follows —

CERTIFICATE OF SUITABILITY REQUIRED IN RESPECT OF:	APPLICATION FEE (\$)
Junket representative	150.00

181. The application fees payable under sections 48(1) and 48(7) of the Act are as follows —

KIND OF LICENCE/REGISTRATION TO WHICH CERTIFICATE PERTAINS	APPLICATION FEE (\$)
Gaming licence	2,000.00
Proxy gaming licence	2,000.00
Mobile gaming licence	2,000.00
Restricted interactive gaming licence	2,000.00
Supplier licence	100.00
Independent testing laboratory	2,000.00

Application for a certificate of suitability to hold a financial interest in a licence holder or to have significant control over an independent testing laboratory.

182. The renewal fees payable under section 48(6)(b) of the Act are as follows —

KIND OF LICENCE/REGISTRATION TO WHICH CERTIFICATE PERTAINS	RENEWAL FEE (\$)
Gaming licence	1,000.00
Proxy gaming licence	1,000.00
Mobile gaming licence	1,000.00
Restricted interactive gaming licence	1,000.00
Junket operator licence	1,000.00

Renewal of a certificate of suitability to hold a financial interest in a licence holder.

183. The application fees payable under sections 54(6) (read with section 55) and 55(2)(b) of the Act are as follows —

KIND OF LICENCE TO WHICH CERTIFICATE PERTAINS	APPLICATION FEE (\$)
Gaming licence	
Third Party Contractor	300.00
Gaming Service Provider:	
Small casino	40,000.00
Medium casino	40,000.00
Large casino	200,000.00

Application for a certificate of suitability as a third party contractor or gaming service provider.

Proxy gaming licence	
Third Party Contractor	300.00
Gaming Service Provider:	
Small or Medium casino	20,000.00
Large casino	60,000.00
Mobile gaming licence	
Third Party Contractor	300.00
Gaming Service Provider:	
Small or Medium casino	20,000.00
Large casino	60,000.00
Restricted interactive gaming licence	
Third Party Contractor	300.00
Gaming Service Provider:	
Small or Medium casino	40,000.00
Large casino	100,000.00

Renewal of certificate of suitability as a third party contractor or gaming service provider.

184. The renewal fees payable under section 54, read with section 55(4)(b) of the Act are as follows —

KIND OF LICENCE TO WHICH CERTIFICATE PERTAINS	RENEWAL FEE (\$)
Gaming licence	
Third Party Contractor	150.00
Gaming Service Provider:	
Small casino	20,000.00
Medium casino	20,000.00
Large casino	60,000.00
Proxy gaming licence	
Third Party Contractor	150.00
Gaming Service Provider:	
Small casino	20,000.00
Medium casino	20,000.00
Large casino	60,000.00
Mobile gaming licence	
Third Party Contractor	150.00

Gaming Service Provider:	
Small casino	20,000.00
Medium casino	20,000.00
Large casino	60,000.00
Restricted interactive gaming licence	
Third Party Contractor	150.00
Gaming Service Provider:	
Small casino	25,000.00
Medium casino	25,000.00
Large casino	75,000.00

185. The fees referred to in regulation 46 are as follows —

Registration of independent testing laboratories.

TYPE OF APPLICATION	FEE PAYABLE (\$)
New application for registration	4,000.00
Annual registration fee (Payable on date of first issue of registration certificate and upon each subsequent annual renewal thereof)	2,000.00

**PART XVI
TAX, PENALTIES AND RELATED MATTERS**

186. For the purposes of this Part, unless the context indicates otherwise —

Interpretation.

“adjusted gross revenue” means —

- (a) except in regard to any game referred to in paragraphs (b), (c) and (d), the total amount of all bets accepted in The Bahamas and received by or accruing to a licence holder, which shall include all bets accepted by the holder of a proxy gaming licence, mobile gaming licence and a restricted interactive gaming licence, including the face value of any credit instrument accepted, and any payment received by or accruing to a licence holder as winnings in consequence of a take-back bet placed by such licence holder, less winnings paid out by a licence holder; provided that a bet shall be deemed to have been accepted by a licence holder at the licensed premises of such licence

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- holder, if acceptance of the bet by the licence holder concludes the transaction;
- (b) in relation to any gambling game in which the licence holder is not a party to a bet, all amounts received by or accruing to the licence holder as compensation for conducting such a gambling game in The Bahamas;
 - (c) in relation to any table games, other than those referred to in paragraph (b) above, conducted by a licence holder in The Bahamas, the table closing value, plus the table credit value, plus the value of any management decision made in favour of a patron, less the table opening value, less the table fill value, less the value of any jackpot payments not made from the table float; and
 - (d) in relation to slot machines operated by a licence holder in The Bahamas, the total value of credits transferred to a slot machine from a patron card, plus the total ticket-in value, plus drop, plus the value of unclaimed credits, plus the value of testing money returned, plus the value of any management decision made in favour of a patron, less the total value of credits transferred from a slot machine to a patron card, less the total ticket-out value, less fills to the slot machine, less jackpot winnings, less the value of unclaimed credits, less the value of testing money used;

“admissible deductions” means —

- (a) the amount of any take-back bet proven to have been placed by a licence holder; provided that the said amount shall not exceed the licence holder’s commitment in respect of the bet or bets covered by such take-back bet; and
- (b) the amount of any debts due to the licence holder which have during the tax period become bad in consequence of the nonpayment of such debts for a period of not less than 150 days or any form of insolvency, on condition that such amount is included in the current tax period or was included in previous tax periods in the licence holder’s adjusted gross revenue;

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- (c) any of the following provided by a licence holder by way of a promotion or an incentive to patrons to engage in further gaming:
- (i) non-cashable vouchers, provided that proof of wagering thereof is produced;
 - (ii) such promotional merchandise or objects as the Board, with the concurrence of the Minister, may declare to be deductible for the purposes of gaming tax, having regard to the value thereof;
 - (iii) promotional credits, coupons or tickets provided that proof of wagering thereof is produced;
 - (iv) promotional chips and tokens, provided that such chips and tokens are distinguishable from other chips and tokens used in the casino environment, and that proof of wagering thereof is produced; and
 - (v) the opportunity to play a bonus or secondary feature, gambling game, or other gaming activity that does not require an additional wager to participate, provided that the amount of the amount initially wagered may not be deducted from the drop;
- (d) the amount of any negative taxable revenue accruing to a licence holder during any preceding tax period which is permitted to be deducted in subsequent tax periods under Regulation 193;

“drop” means —

- (a) in relation to table games, other than those referred to in paragraph (b) of the definition of “adjusted gross revenue”, the total amount of money, chips, tokens and other instruments of value contained in the drop boxes; and
- (b) in relation to slot machines, the total amount or value of money, credit instruments and, if applicable, tokens, removed from the drop box and canister, or for cash-less slot machines, the amount deducted from players’ slot accounts as a result of slot machine play;

“drop box” means —

- (a) in relation to table games, a locked container permanently marked with the game, shift and

number corresponding to a permanent number of the table, into which all currency exchanged for chips or tokens or credit instruments at the table and all other documents pertaining to transactions at the table must be placed; and

- (b) in relation to slot machines, a container in a locked portion of the machine or its cabinet used to collect the money, credit instruments and, if applicable, tokens, which are retained by the machine and are not used to make automatic pay-outs from the machine, which container is permanently marked with the number of the machine;

“fills” means —

- (a) in relation to table games, the issue of additional chips to the table; and
- (b) in relation to slot machines, the replenishment of coins or tokens in the hopper;

“hopper” means a receptacle within a slot machine which receives until full, coins or tokens inserted into the machine and from which winnings are paid out if there are sufficient coins to do so;

“licence holder” means any person who holds a gaming licence, a proxy gaming licence, a mobile gaming licence or a restricted interactive gaming licence, or who is required to be licensed as such under this Act;

“management decision” means a decision made or approved by any manager of the holder of a gaming licence to pay out a patron in respect of a game, otherwise than in accordance with the requirements of law, the rules of the relevant game, or the requirements of the approved internal control standards of the relevant licence holder, in circumstances where —

- (i) the patron’s entitlement to payment is unclear or cannot be decisively established; or
- (ii) the patron cannot be proven to have tendered a legal or winning bet; or
- (iii) due to an error of any nature, the exact outcome of the game cannot be determined;

“month” means any calendar month;

“negative taxable revenue” means taxable revenue of less than zero dollars in any tax period;

“table game” means any gambling game played at or on a table in a casino with playing cards, dice or any device other than a slot machine;

“tax” means the gambling tax imposed under section 64 of the Act;

“taxable revenue” means adjusted gross revenue less admissible deductions as determined under this Act;

“tax period”, in relation to a licence holder, means the tax period as determined in accordance with the provisions of regulation 190; and

“winnings” means the total amount of —

- (a) any cash;
- (b) the monetary value stated on every token, chip, voucher or stamp redeemable for money or value; and
- (c) the cost to the licence holder of any asset, paid or granted by the licence holder to or for the benefit of any person as winnings in consequence of any stake accepted by the licence holder; provided that where any winnings are paid out in the form of an annuity, only the amount of such annuity payment made by the licence holder or the cost of a purchased annuity, where such an annuity is purchased by the licence holder may be excluded in the determination of adjusted gross revenue.

187. (1) In each and every year there shall be charged on and paid by the holder of a gaming licence in respect of a casino operated by it and open for business at any time during that year, the annual tax (hereinafter referred to as the “basic tax”) specified below —

Basic tax.

SIZE OF CASINO FLOOR		BASIC TAX (\$)
(a)	Basic tax payable in respect of a casino with a floor space of less than five thousand square feet (“a small casino”)	50,000.00
(b)	Basic tax payable in respect of a casino with a floor space of not less than five thousand square feet but less than ten	100,000.00

	thousand square feet	
(c)	Basic tax payable in respect of any other casino	200,000.00

(2) The basic tax payable by the holder of a gaming licence under the provisions of this regulation in any year, shall be paid in six equal monthly instalments, the first of which shall be due and payable on the thirty-first day of January of that year and the remainder each on the last day of each next succeeding month: Provided that where any casino is first opened for business during any year after the thirty-first day of January in that year, the basic tax payable in respect of that casino for that year shall be due and payable in such manner, whether or not by monthly instalments, as the Minister may in writing direct.

Gaming tax payable by holder of gaming licence.

188. The gaming tax payable under section 64 of the Act by the holder of a gaming licence shall be calculated as set out in the table hereunder in respect of the taxable revenue in any tax period, an amount of tax calculated in accordance with the table below —

In respect of a small casino, where the taxable revenue in the tax period —	
Does not exceed \$10 million	10% of each \$1 of the taxable revenue
Exceeds \$10 million	\$1 million plus 15% of each \$1 of the taxable revenue in excess of \$10 million

In respect of a casino other than a small casino, where the taxable revenue in the tax period —	
Does not exceed \$10 million	25% of each \$1 of the taxable revenue
Exceeds \$10 million, but does not exceed \$16 million	\$2.5 million plus 20% of each \$1 of the taxable revenue in excess of \$10 million
Exceeds \$16 million, but does not exceed \$20 million	\$3.7 million plus 10% of each \$1 of the taxable revenue in excess of \$16 million
Exceeds \$20 million	\$4.1 million, plus 5% of each \$1 of the taxable revenue in excess of \$20 million

189. All taxable revenue generated by the holder of a gaming licence, in respect of the conduct of the activities authorised by any proxy gaming licence, mobile gaming licence or restricted interactive gaming licence, or any combination of such licences, held by it, shall be —

- (a) accounted for and calculated separately from any other taxable revenue referred to in regulation 188; and
- (b) subject to a fixed rate of tax of five per centum of adjusted gross revenue.

Gaming tax payable by holder of proxy gaming licence, mobile gaming licence and restricted interactive gaming licence.

190. The tax period in respect of the licence holders referred to in this Part shall be a period of one month ending on the last day of each of the twelve months of the calendar year; provided that any such tax period may, subject to the prior written approval of the Minister, end within ten days before or after such last day; provided further that, where applicable, the first tax period of any licence holder shall commence on the date on which such licence holder becomes licensed under the Act or on the date on which he would have become licensed had he qualified for licensing.

Tax period.

191. (1) If a licence holder fails to keep the records used or required to be used to calculate taxable revenue, the Secretary may determine taxable revenue in respect of the period during which such records were not kept by having regard to —

- (a) audits conducted by staff of the Board;
- (b) statistical analysis; or
- (c) any other information in the possession of the Board pertaining to gambling transactions conducted by the licence holder.

Alternative means of determining liability for tax.

(2) If the liability for tax of a licence holder cannot be established as a result of incomplete or inaccurate data being received from or transmitted by an electronic monitoring system, the Secretary may determine the taxable revenue of the licence holder in the manner referred to in paragraph (1) or by using such other reasonable method as he may determine.

(3) Where the Secretary has determined a licence holder's liability for tax pursuant to this paragraph, the licence holder shall make payment of the amount of tax so determined within the prescribed period, notwithstanding that an objection or appeal may have been lodged in respect of such determination.

Payment of taxes by the holders of gaming, proxy gaming, mobile gaming and restricted interactive gaining licences.

192.(1) The holders of gaming, proxy gaming, mobile gaming and restricted interactive gaming licences shall, within thirty days after the end of each tax period referred to in regulation 190 —

- (a) submit to the Board a tax return in such format and containing such information as the Board, after consultation with the Minister, may from time to time determine; and
- (b) pay into the bank account of the Board the amount of tax due to the Consolidated Fund calculated in the tax return referred to in paragraph (a).

(2) Where a return referred to in paragraph (1) is inaccurate in any respect, the Secretary may remit such return to the licence holder and call upon the licence holder to resubmit an amended return.

(3) The licence holder shall, within five days of receipt of an inaccurate return referred to in sub-regulation (2), submit an amended return to the Board, which shall replace the return submitted under paragraph (1).

(4) Where applicable, upon submission of an amended return referred to in paragraph (3), the licence holder shall deposit into the bank account of the Board, any monies due to the Consolidated Fund in excess of the amounts paid over under paragraph (1)(b).

(5) The Board shall within seven days of receipt of the tax referred to in paragraph (1)(b), or paragraph (4), as the case may be, pay such tax into the Consolidated Fund.

Deduction of negative taxable revenue.

193. The Minister may, on application by the holder of a gaming licence which has generated negative taxable revenue in any tax period, in respect of land-based casino operations only, approve the subsequent deduction of the whole, or part of such negative taxable revenue in any subsequent tax period, subject to such conditions as the Minister may stipulate, having regard to —

- (a) the location of the casino;
- (b) the extent of the negative taxable revenue;
- (c) the financial performance of the casino during the financial year in which the negative taxable revenue is generated.

194. If the gaming tax payable by a licence holder is not paid in accordance with the provisions of regulation 192, the licence holder shall pay a penalty on the amount of any outstanding tax at a rate of ten per centum of the tax for each week or part of a week during which the tax remains unpaid: provided that such penalty shall not exceed twice the amount of the tax in respect of which such penalty is payable: and provided further that where the Secretary, with the concurrence of the Minister, is satisfied that the failure on the part of any licensee to make payment of the tax within the prescribed period was not due to an intent to avoid or postpone liability for payment of the amount due, the Secretary may remit in whole or in part any penalty payable in terms of this regulation.

Penalty and interest for failure to pay tax when due.

195. (1) The obligation to pay and the right to receive and recover any tax or licence fee chargeable under this Act shall not, unless the Secretary, with the concurrence of the Minister so directs, be suspended by any appeal or pending the decision of a court of law.

Payment of tax or licence fee pending appeal.

(2) If any assessment is altered on appeal or in conformity with any decision referred to in paragraph (1) or a decision by the Secretary to concede the appeal to the Board, a due adjustment shall be made, amounts paid in excess being refunded, calculated from the date proved to the satisfaction of the Secretary to be the date on which such excess was received, and amounts short-paid being recoverable with any penalty calculated as provided for in this Part.

196. (1) Subject to section 75(4) of the Act, any person who with intent —

Offences and penalties for evasion of tax or fees.

- (a) to evade payment of any tax or licence fee levied under this Act;
- (b) to obtain a refund of any tax or licence fee to which such person is not entitled;
- (c) to assist any other person to evade the payment of any tax or licence fee payable by such other person; or
- (d) to obtain a refund of any tax under this Act to which such other person is not entitled —
 - (i) makes or causes or permits to be made any false statement or entry in any return rendered under the regulations or signs any statement or return so rendered without

reasonable grounds for believing such statement or return to be true;

- (ii) gives any false answer, whether verbally or in writing, to any request for information made by the Secretary or any person duly authorised by the Secretary or the Minister;
- (iii) prepares or maintains or authorises the preparation or maintenance of any false books of account or other records or authorises the falsification of any books of account or other records;
- (iv) makes any false statement for the purpose of obtaining a refund of any tax or licence fee; or
- (v) makes use of any fraud or contrivance;

commits an offence and shall be liable on conviction to a fine not exceeding two hundred and fifty thousand dollars or, in the case of a contravention of paragraph (d)(v), imprisonment for a period not exceeding ten years or to both such fine and such imprisonment.

(2) A conviction for an offence under this regulation shall not exempt the person convicted from the payment of any tax, licence fee or associated penalty payable in accordance with the provisions of the Act.

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