

CASINO OPERATIONS AND CONTROL LAW 2015  
CASINO OPERATIONS AND CONTROL (GENERAL) REGULATIONS OF 2016  
CLASSIFICATION OF REGULATIONS  
Regulations made under section 13

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## CASINO OPERATIONS AND CONTROL LAW 2015

### Regulations made under section 13

Preliminary 72(l) of 2003  
174(l) of 2004

SINCE these Regulations constitute technical regulations according to the provisions of the Process of Information Regarding Certain Technical Rules Law, which incorporates into Cyprus law the Act of the European Union entitled "Directive 98/34/EC of the European Parliament and of the Council of 22<sup>nd</sup> June 1998 for laying down a procedure for the provision of information in the field of technical standards and regulations," as amended or replaced from time to time, and

Official Gazette

EU: L 037

12.2.2000,

p.48

L 236

23.9.2003,

p.33

L 363

20.12.2006,

p.81

SINCE these Regulations refer to the Process of Information Regarding Certain Technical Rules Law as required by section 9 thereof as well as the Act of the European Community entitled "Directive 98/34/EC of the European Parliament and of the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations," as corrected and as last amended by Directive 2006/96/EC of the Council of the 20<sup>th</sup> of November 2006, as amended or replaced from time to time,

124(l) of 2015

In exercise of the powers vested in it by section 13 of the Casino Operations and Control Law 2015, the Council of Ministers issues the following Regulations:

#### PART I INTRODUCTORY PROVISIONS

Short title

1. These Regulations may be cited as the Casino Operations and Control Law (General) Regulations 2015.

Interpretation

2.(1) In these Regulations, unless the context otherwise requires-

"ancillary area" means any of the following areas within the casino premises:

- (a) Pathway or corridor through the casino premises leading to another area of the casino resort;
- (b) back of house facility;
- (c) any reception or information center;
- (d) any area designed for the serving or consumption of food and beverages;
- (e) any retail outlet;
- (f) any areas designated for theatrical or artistic performances;
- (g) any areas designate for artistic displays;
- (h) staircases, staircase landings, escalators, lifts and lift lobbies;
- (i) toilets; and
- (j) any other area in the casino premises not intended to be used for the conduct of casino games and gaming machines or as a gaming pit.

"back of house facility" means the area including the cage, the count room and such other facilities ancillary to the conduct of gaming, as the Commission may specify;

"cage" means a secure area of the casino where chips, cash, tokens and other cash equivalents used in gaming are received, stored and disbursed;

"casino premises" means the designated area approved by the Commission wherein casino games may be conducted and gaming machines made available for use and includes the casino

gaming floor, any pathways through the area leading to other areas of the casino resort and any bar or other facilities housed therein;

“chartered surveyor” means a person who is registered as a chartered land surveyor according to the Estate Agents Law and has a practising certificate;

“count room” means the area of the casino where chips, cash, tokens and other cash equivalents are counted and accounted for;

“force majeure” means fire or flood, an act of God, an act of war, strikes, lock-outs or stoppages or restraint of labour, riots or civil commotions or any other event beyond the control of the operator, that renders the continuation of the casino game impossible;

“gaming pit” means the area of the casino premises from which casino employees and casino key employees may administer and supervise the conduct of casino games and operation of gaming machines;

“Law” means the Casino Operations and Control Law of 2015;

“MOKAS” means the Unit for Combating Money Laundering, as established under the Prevention and Suppression of Money Laundering Activities Law.

(2) The terms which are not interpreted otherwise in the present Regulations shall have the meaning given to them by the Law.

## PART II GAMING AND CASINO SUPERVISION COMMISSION

Commission  
Code of Conduct.

3.(1) The Commission shall issue a Code of Conduct which shall be approved by the Council of Ministers and which shall provide, inter alia, a prohibition on Commission members and employees from participating in casino games and accepting any complimentary from the casino resort operator.

(2) Each Commission member and employee shall comply with the Code of Conduct provided in paragraph (1).

(3) Failure of a Commission member or employee to comply with the provisions of paragraph (2), constitutes grounds for conducting disciplinary proceedings against him.

Proceedings  
of Commission

4. The proceedings applicable to Commission meetings are the following:

(a) The Chairman shall call meetings of the Commission at least one time per month or whenever considered necessary.

(b) At the first meeting of the Commission, a member shall be elected as Deputy Chairman for the remainder of his term and the secretary and the deputy secretary shall be appointed for the purpose of keeping minutes at the meetings and which shall be ratified at the latest by the next scheduled meeting of the Commission.

(c) The Commission shall have a quorum of members when the Chairman and three members are present or in the absence of the Chairman, where the Deputy Chairman and three members are present.

(d) The decisions of the Commission shall be adopted by a simple majority of the members present and Chairman attending and voting, but a minimum of four votes shall be required and in the event of an equality of votes the Chairman or the Deputy Chairman in the absence of the Chairman shall have a casting vote;

(e) Where the Chairman is absent at a meeting, the Deputy Chairman shall preside at the said meeting and a meeting may not be carried out in the absence of both the Chairman and of the Deputy Chairman.

(f) Where not less than three members of the Commission request by notice in writing signed by them to convene a meeting of the Commission for any purpose specified in the notice, the Chairman shall, within seven days from the receipt of the notice, convene a meeting for that purpose.

Commission audit of accounts

(g) Subject to the provisions of the Law, the Commission may make general rules to regulate its own procedure generally, and in particular, the convening of meetings, the notice of such convening, the deadline for the convening, and the agenda for the meetings.

5.-(1) A person shall not be qualified for appointment as an auditor, other than the Auditor General of the Republic and/or a legal auditor or legal audit firm as provided in section 59 of the Law.

(2) The Commission shall, within ninety (90) days after the end of each financial year, prepare and submit to the Auditor General or the auditor appointed by it, financial statements and accounts in accordance with International Financial Reporting Standards, including a balance sheet, a profit and loss statement, a cash flow statement for the financial year and a statement of its financial position as of the end of the financial year and the Auditor General or the auditor who may be appointed by it shall audit and report in accordance with paragraphs (3) and (4).

(3) The Auditor General or the auditor who may be appointed by him shall in his report state the following:

- (a) Whether the financial statements reflect a true and fair picture of the financial transactions and the state of affairs of the Commission;
- (b) whether proper accounting and other records have been kept, including records of all of the assets of the Commission, whether purchased, donated or otherwise acquired;
- (c) whether the receipts, expenditure and investment of moneys and the acquisition and disposal of assets by the Commission during the financial year were made according to the provisions of the Law and/or the Regulations issued pursuant to the same; and
- (d) other matters arising from the audit as he considers necessary.

(4) The Auditor General or the auditor who may be appointed by him shall, within sixty (60) days following receipt of the accounts for audit, complete the audit and send the audit report to the Commission.

Powers of auditor

6.(1) The Auditor General or the auditor who may be appointed by him shall be entitled at all reasonable times, to have free access to all accounting and other records relating, directly or indirectly, to the financial transactions of the Commission.

(2) The Auditor General or the auditor who may be appointed by him may receive copies of or take extracts from any such accounting or other records.

(3) The Auditor General or the auditor who may be appointed by him may require any person to provide him with such information in his possession or to which that person has access, as he considers necessary for the purposes of his functions under the Law and these Regulations.

(4) A person, who –

(a) prohibits and/or refuses to provide access to any accounting and other records of the Commission in his custody and/or control and/or

(b) fails or refuses to provide any information requested and which are within his knowledge or possession and/or

(c) prevents and/or obstructs or/and delays during the performance of the audit

of the Auditor General or the auditor who may be appointed by him shall be guilty of an offence and upon conviction, shall be subject to the penalties provided in section 96 of the Law.

Presentation of financial statements and auditor's report to Council of Ministers

7.(1) The Commission shall send to the Minister a copy of the audited financial statements, signed by the Chairman of the Commission, together with a copy of the auditor's report-

Where the Auditor General is not the auditor of the Commission, a copy of the audited financial statements and any report prepared by the auditor who may be appointed by him, shall be

submitted to the Auditor General before they are submitted to the Commission.

(2) The Minister shall, within thirty (30) days of receipt of the audited financial statements and the auditor's report, present the audited financial statements and the auditor report to the Council of Ministers with notification of the same to the House of Representatives.

PART III  
CASINO RESORT LICENSING

Casino resort  
operator  
license  
application and  
application and  
investigation  
fees

8. (1) The candidate selected for the casino resort operator license in accordance with the provisions of section 20 of the Law shall be invited by the Steering Committee to submit an application form for the casino resort operator license.

Annex .

(2) The application provided in paragraph (1) shall be accompanied by:

- (a) an application fee in the amount set out in Annex 1;
- (b) an investigation fee in the amount set out in Annex 1;
- (c) such documents as the Steering Committee may require evidencing the ownership or lease of the designated site for the casino resort;
- (d) the disclosure of corporate or individual information regarding the applicant and its associates as the Steering Committee may specify and as required by paragraph (3) of Regulation 10;
- (e) such other documents or information required by the Steering Committee to conduct the due diligence, carried out in accordance with Regulation 10.

(3) The fee of the investigation, referred to in subparagraph (b) of paragraph (2) which is paid by the selected candidate, shall cover the costs of the investigation of the applications for licenses, shall be calculated based on the number of hours required by the Steering Committee or the Commission for the investigation, multiplied by the hourly rate applicable at that time for investigations, plus any costs incurred by the Commission during the investigation.

(4) An estimate of the investigation fee referred to in paragraph (3) payable shall be notified to the applicant who shall pay such amount within thirty days of the notification to the account specified in the notification.

(5) At the conclusion of the investigation into the application or where the application is withdrawn, the Steering Committee or the Commission shall certify the actual cost of the investigation and shall notify the applicant in writing that, within thirty days:

(a) where the actual costs of the investigation are less than the amount estimated the excess amount between the amount paid and the actual costs shall be refunded to him without interest,

or

(b) where the actual costs of the investigation exceed the amount estimated the excess amount between the amount paid and the actual costs shall be paid by him without interest.

Casino resort  
operator initial fee,  
issue and annual  
license fees

9.(1) Within thirty (30) days from the notification to the Commission of the selected candidate, under subsection (7) of section 20 of the Law, the Commission shall demand payment from the operator, within forty five (45) days, of the initial license fee.

Within fifteen (15) days from the date of paying the initial license fee, the Commission shall issue the casino resort license to the operator.

(2) The Commission shall require the operator to pay the annual license fee as set out in section 26 of the Law.

The first annual license fee shall become payable on the date of completion of one year from the date of issue of the casino resort license.

Due diligence of the proposed casino resort operator

10.(1) The Steering Committee in its assessment and investigation of the proposed casino resort operator shall develop and implement comprehensive methods, procedures and processes for conducting due diligence of applicants for the casino resort license and the delivery of information concerning any person's curriculum vitae, associates, criminal record, business activities and financial affairs.

(2) In particular, the Steering Committee shall consider whether:

- (a) each such person is of the highest moral and professional standards;
- (b) each such person is of sound and stable financial background;
- (c) in the case of an applicant that is not a natural person, the applicant has taken the appropriate measures or has secured suitable share capital, a trust or corporate structure;
- (d) the applicant has or is able to obtain financial resources that are adequate to ensure the financial viability of the proposed casino resort as well as the services of persons who have sufficient experience in the management and operation of a casino resort;
- (e) the applicant has sufficient business ability to establish and successfully maintain a casino resort;
- (f) any of those persons has business associations with any person, body or association who or which, in the opinion of the Steering Committee, is not of the highest moral standards or has unlawful or unsatisfactory financial resources;
- (g) each director, partner, trustee, executive officer and secretary and any other officer or person determined by the Steering Committee to be associated or connected with the ownership, administration or management of the operations or business of the applicant is a suitable person to act in that capacity;
- (h) any person proposed to be engaged or appointed to manage or operate the casino resort is a suitable person to act in that capacity;
- (i) the applicant is a suitable person to develop, maintain and promote the casino resort as a compelling tourist destination which meets the prevailing market demands and industry standards and contributes to the tourism industry in the Republic, as well as
- (j) any other information that may be relevant.

(3) The application form, the information requested and the investigation by the Commission of the suitability of the candidate shall require the following details:

- (a) Name and address of the applicant and contact details;
- (b) type of entity applying for the license;
- (c) previous names or trade names of the applicant if the applicant is a legal entity;
- (d) whether the applicant, or any other entities or organisations connected with the same, currently hold or have any applications pending or previously held any gambling licenses or permits outside of the Republic of Cyprus and details of each, including copies of licenses issued by foreign gambling regulators and compliance histories with such foreign gambling regulators;
- (e) business registration details in the Republic including the date of registration and registration number;
- (f) head office address of the applicant's ultimate parent company and contact details;
- (g) details of the site and premises for the proposed casino resort;
- (h) details of all individuals, associates, directors, partners, senior executives and proposed

casino key employees who will be involved in the ongoing operation of the applicant and including those involved with overall strategy and delivery of gambling, marketing and commercial development, financial planning, control and budgeting, gambling related IT provision, the security and regulatory compliance;

- (i) a diagram of the management structure of the business and the names of individuals referred to in subparagraph (h) setting out the hierarchy structure of the business, and providing a summary commentary of the management and financial controls, description of decision making and reporting procedures and includes any contingency plans to cope with disruptions involving an employee or the applicant itself;
- (j) details of associates, investors, owners and partners holding equity and/or voting rights in the applicant of at least ten percent for a publicly traded company and equity and/or voting rights of at least five percent for natural persons, privately held companies and all other entities.

If the applicant is owned by other companies or entities, the details for all the shareholders, who are publicly traded shareholders holding at least ten percent of the equity and/or voting rights and at least five percent of the equity and/or voting rights for other companies, entities or natural persons who are shareholders in the group up to the ultimate beneficial owners of the applicant, must be disclosed and identified.

Where companies within the group are registered in other EU member states or a third country, the registration number of the company and the name of the jurisdiction shall be provided.

- (k) the ownership structure of the group, with the name of every publicly traded company holding ten percent (10%) of the equity and/or voting rights or other shareholders holding five percent of the equity and/or voting rights of each entity in the group up to the ultimate beneficial owners of the applicant;
- (l) whether the applicant or any of its directors, partners, senior executives, proposed casino key employees or investors referred to in subparagraph (j) has ever been convicted for criminal offences in the Republic or any other jurisdiction or has had any sentence imposed in relation to his corporate duties or has been charged but is awaiting trial or is under investigation and further details thereof;
- (m) whether the applicant is subject to any current, pending or previous investigation by any authority or body of the Republic or any other jurisdiction in respect of any gambling activity, gambling license, certificate or permit within the past seven years and full details of the circumstances surrounding the investigation;
- (n) copies of audited financial statements and tax returns from all the jurisdictions where a tax return has been filed for every entity or natural person referred to in subparagraph (j) during the last seven years preceding the application;
- (o) **details of the policies and methods implemented by the applicant to ensure that its business will be protected from being a source of crime and disorder, being associated with crime and disorder or being used to support crime, including:**

138(l) of 2001  
37(l) of 2003  
105(l) of 2012

- (i) confirmation of his knowledge and awareness of his responsibilities under the Prevention and Suppression of Money Laundering Activities Law;
- (ii) how equipment will be protected from crime and criminal misuse;
- (iii) electronic surveillance and other crime prevention procedures;
- (iv) security measures for cash handling;
- (v) monitoring of transactions and accounts for suspicious activities;
- (vi) security for keys, including machine keys, keys for restricted access areas and money boxes;
- (vii) prevention of money lending between casino customers;



- (viii) prevention of collusion between casino customers, casino employees and inspectors;
  - (ix) procedures for dealing with suspected cheaters or other illegal activity at the casino premises;
  - (x) procedures for grossly intoxicated casino customers under the influence of alcohol or drugs; and
  - (xi) procedures to ensure that supplier companies are trustworthy and reputable.
- (p) details of policy to ensure that gambling is conducted in a fair and open way, including-
- (i) Ensuring sufficient resources to cover all gambling transactions and financial obligations;
  - (ii) ensuring that the rules and conditions of the casino games and gaming machines are available and understood and that the terms offered are fair to all;
  - (iii) loyalty and reward schemes that will be offered;
  - (iv) how information on complaints or dispute resolution are made available to casino customers;
- (q) whether the operator will comply with any codes of conduct set by other casino industry organisations including the European Casino Association or other international casino trade associations;
- (r) details of the policies followed by the applicant to ensure that minors and other vulnerable persons will be protected from being harmed or exploited by gambling, including-
- (i) Policies and procedures to protect minors and prevent gambling by minors;
  - (ii) information to be displayed relating to gambling by minors;
  - (iii) age verification procedures;
  - (iv) procedures upon discovering a minor casino customer; and
  - (v) procedures for dealing with persons who are not capable of making informed decisions about gambling, including mental health problems, learning disabilities, or substance abuse of alcohol or drugs.
- (s) details of the policies of the applicant for the promotion of social responsibility in gambling in compliance with the requirements of section 66 of the Law and the Regulations.
- (t) any other information which the applicant believes that the Commission would reasonably wish to be informed of or the applicant would like to be taken into account in assessing its application.

Further information requiredd by the Steering Committee

11.(1) The Steering Committee shall carry out all investigations and obtain all clarifications as it considers necessary to enable it to consider the application.

(2) The Steering Committee, during the assessment of the suitability of the selected candidate according to sections 21 and 22 of the Law, may:

- (a) require any person it is investigating in relation to the person's suitability to be concerned in or associated with the management or operation of a casino to consent to having his photograph, and, with the assistance of the Police, finger prints and palm prints taken;
- (b) require any person who is dealing with or is related to the management or operation of a casino to consent to send a copy of the application and of any such photograph, finger prints and palm prints taken under subparagraph (a) and any supporting documentation to the Cyprus Police or to law enforcement agencies in other jurisdictions, including Interpol and Europol;

- (c) enquire to the competent authorities of the Republic to investigate and provide information to the Steering Committee on such matters concerning the proposed casino resort operator;
- (d) refuse to consider an application for a casino resort license if any person from whom it requires a photograph, finger prints and palm prints under this paragraph refuses to allow these details to be taken or to send the same to the Police or to respective services abroad, including Interpol and Europol and where such person was not replaced by the applicant.
- (e) request an applicant not satisfying suitability requirements raised within the context of due diligence, under the Law and/or these Regulations, including where the policies of the applicant are insufficient or the persons managing or associated with or holding shares in the operator are considered unsuitable, to make amendments to such policies and/or replace such persons or shareholders within a specified timeframe required by the Steering Committee.

Where the applicant complies in a manner that satisfies the Steering Committee within the requested timeframe, it shall not be excluded from the procedure on the basis of the parameters in this paragraph.

(3) The Steering Committee may, by notice in writing, require a person who is an applicant for a casino resort license or a person whose association with the applicant, in the opinion of the Steering Committee, relates to the evaluation of the application to do any one or more of the following:

- (a) to provide any information relevant to the investigation of the application;
- (b) to deliver any records relevant to the investigation of the application and to permit examination of the records and the taking of extracts and the making of copies of them;
- (c) to act in such manner in order to comply with a specified requirement of the kind referred to in subparagraph (a) or (b);
- (d) to furnish the Steering Committee with any authorisations and consents that it directs for the purpose of enabling it to ensure information, including financial and other confidential information, concerning the person and his associates or his relations with other persons;

The Steering Committee may refuse the examination of the relevant application if the applicant does not comply with the requirements under this paragraph.

(4) If a material change occurs in the information provided in connection with an application for a casino resort license, including any amendments in documents lodged with the application relating to the ownership, management or financial condition occurring before the application is granted or refused the applicant shall, without delay, notify the Steering Committee in writing of the revised information.

(5) If the Steering Committee requires information including information in any records from a person referred to in paragraph (3) whose association with the applicant is in the opinion of the Steering Committee relevant to the application and these records have been amended before the application is granted or refused, that person shall, without delay, notify the Steering Committee in writing of the revised information.

(6) When the Steering Committee is informed of the change, such revised information shall be considered to have formed part of the original application.

#### PART IV DISCIPLINARY PROCEEDINGS

Disciplinary proceedings against casino resort operator or other licensee

12.(1) The Commission possesses pursuant to the provisions of the Law competence to initiate disciplinary proceedings against the operator or any other licensee for any of the reasons mentioned in subsection (1) of section 30 of the Law and the terms of their license.

(2) Disciplinary proceedings set out in paragraph (1) shall be initiated by serving on the casino resort operator or any other licensee by the Commission an infringement notice in writing requiring

the operator or the licensee to show cause within fourteen days, or such longer period as the Commission may allow on application by the casino resort operator or the licensee, why disciplinary action should not be taken against it by opposing the grounds set out in the notice.

(3) The casino resort operator or the licensee shall, within the period provided under paragraph (1), provide to the Commission submissions as to the reasons why disciplinary action should not be taken and the Commission shall consider any such submissions.

(4) The Commission may require or the operator or the licensee may request an oral hearing as part of the disciplinary proceedings, and oral testimony from witnesses and documentary evidence may be presented at the oral hearing by the casino resort operator or the licensee and the Commission.

(5) The detailed rules and procedures for disciplinary Commission hearings are set out in Regulation 13.

Commission  
disciplinary  
hearings

13.(1) This Regulation shall apply to all disciplinary proceedings against the operator and any other licensees regulated by the Commission.

The Commission may issue further internal regulations for disciplinary proceedings, which are consistent with the requirements of the Law and of this Regulation.

(2) The Commission shall hear all disciplinary proceedings, with the Chairman presiding, if present and in case of his absence or of other temporary impediment thereof, he shall be replaced by the Deputy Chairman.

(3) The Chairman or in his absence the Deputy Chairman may issue rulings on information discovery matters, admissibility of evidence and other procedural or prehearing matters.

(4) A licensee who is a party to proceedings regulated by this Regulation may appear personally or through an advocate and when a licensee has engaged an advocate, service of all notices, orders, decisions and other papers shall thereafter be made to the advocate.

(5) Proof of service of any documents served to the other party or another person under this Regulation shall be made by serving a copy on the Commission either by providing a copy of the registered post receipt or by an affidavit of the person providing personal service specifying the date and manner of service.

(6) The Commission shall commence disciplinary proceedings against a licensee by serving an infringement notice on the licensee with a copy notification to the Chairman and the Commission members.

(7) The licensee shall file a defence to the notice within twenty clear days calculated from the day following the service of the infringement notice on him by serving the defence on the Commission.

(8) Within twenty working days after the service of the defence by the licensee, the licensee and the Commission shall exchange copies of all documents, which each party intends to offer as evidence in support of its case as well as the names of each person that each party intends to call as witnesses in support of its case.

(9) The Commission shall maintain a file containing a copy of each such document and the respective witness list, referred to in paragraph (8), and where facts may be agreed between the parties, a statement of agreed facts shall be prepared by the Commission, which is included in the bundle supplied to the Chairman and the Commission members at least seven days prior to the set hearing date.

(10) Each witness in the witness list shall be identified by name, position, business address and a brief description of the purpose for which the witness will be called.

(11) If requested by the licensee, the Commission shall provide to the licensee a copy of any formal statement given to the Commission or its inspectors during the Commission's investigation of the matter and if any such formal statement is incorporated in a report or any other document not relevant to the licensee, the Commission may produce an extract from such report or document that contains the statement.

(12) If a document in paragraph (11) contains details and/or information relating to public interest or is confidential by law, the Commission shall stamp it as "confidential" before producing the same

and a licensee or its advocate may not disclose confidential or privileged matters to any other person, other than a court of law, and shall return all the documents to the Commission following the conclusion of the proceedings.

The Commission shall not be required to supply documents to a licensee to whom disclosure is prohibited by any applicable law.

(13) The Chairman may issue subpoenas upon the request of a party to the proceedings to compel any person to appear at the hearing on the merits of the case, to give oral testimony or to produce documents or other things.

(14) The requesting party shall serve a copy on all other parties to the proceedings and the subpoena must be served on the witness at least ten working days prior to the date of the hearing, unless the witness otherwise agrees or reasonable grounds are provided for service within a shorter period .

(15) Upon motion by a party or a person subpoenaed, or from whom discovery or oral testimony is sought, the Chairman may make an order to protect a person from annoyance, embarrassment, oppression or undue burden or expense, by virtue of which:

- (a) the subpoena be set aside or modified;
- (b) the discovery not be permitted, or be permitted only on specified terms and conditions; or
- (c) that certain matters not be inquired into or produced, or that the oral testimony or disclosure be limited to certain matters.

(16) The following procedures shall apply to the conduct of disciplinary hearings:

- (a) The Commission shall present its opening statement both on the basis for as well as on the merits of its case against the licensee who may make an opening statement of the defence, or he may reserve it until the presentation of its defence;
- (b) the Commission shall then submit its case in support of the infringement notice;
- (c) upon conclusion of the Commission's case, the licensee may move for dismissal of the infringement notice and the Chairman may hear arguments on the motion, or may grant, deny or reserve his decision on the matter, with or without arguments;
- (d) if no motion to dismiss is submitted or if such motion is denied or a decision is reserved thereon, the licensee shall then present his case for the defence;
- (e) upon the conclusion of the defence's case, the Commission may present evidence in rebuttal of the defence case;
- (f) upon the conclusion of the Commission's rebuttal, the Commission shall present its closing argument and subsequently the licensee shall then give its closing argument;
- (g) upon the conclusion of the closing arguments, the case shall be submitted to the Chairman and the Commission members for decision;
- (h) the Chairman and the other members of the Commission may ask questions to witnesses at any time and may request or allow additional evidence, including additional rebuttal evidence; and
- (i) either party may make procedural objections during the conduct of the hearing and the Chairman may rule upon the objections raised by a party immediately or take the objections under advisement and proceed with the hearing.

(17) During hearings governed by this Regulation, the Civil Procedure Rules shall not apply.

(18) Any evidence deemed as relevant by the Chairman may be admitted and such evidence is able to support a decision if it is considered reliable, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence.

Irrelevant or repetitious evidence may be excluded upon the request of a party or the Chairman's

own initiative.

(19) Documentary and other evidence may be identified by evidence or other acceptable means showing that it is what it claims to be.

(20) If the licensee fails to testify in his favour or asserts a claim of privilege in order to refuse to reply with respect to any question put to him, the Chairman may infer that such testimony or answer would have been adverse to his case.

If the licensee, or any person controlling, controlled by, employed by or an agent of the licensee fails to respond to a subpoena, or asserts a claim of privilege not to reply with respect to any question put to him, the Chairman may make an adverse inference therefrom.

If the licensee fails to respond to a subpoena, or fails or refuses to answer a material question put to him without giving good justification, the Chairman may deem that such failure or refusal does not constitute sufficient justification and issue a ruling in favour of the Commission's case and against the licensee.

(21) A request for rescheduling a hearing date by parties shall not be granted by the Chairman except for a justified serious cause and provided that the motion to change a date must be submitted at least ten (10) calendar days prior to the scheduled hearing date, unless exceptional circumstances apply, making impossible to observe the above deadline.

(22) Failure of the licensee to file a defence or to appear personally at a hearing without having requested and obtained relevant leave from the Chairman, shall be considered an admission of all matters and facts contained in the infringement notice with respect to such licensee and shall be deemed a waiver of the right to an evidentiary hearing. In such an event, the Commission may take actions based upon such admission or upon other evidence, including affidavits, and without any further notice to licensee.

(23) Findings of facts shall be based on the principle of the "balance of probabilities", which is based on the fact that the Commission has been satisfied that an event occurred if it considers from the evidence, that the occurrence of the fact was more likely than not to have occurred.

(24) Following the review of the submissions from the casino resort operator and/or the disciplinary hearing, the Commission may impose such disciplinary sanctions under the Law and these Regulations on the operator as it sees fit by giving written notice to the casino resort operator concerning the disciplinary sanctions, which the Commission intends to impose.

(25) The cancellation, suspension or variation of the license of the casino resort, pursuant to this Regulation takes effect from the service of the notice referred to in paragraph (4) or on such subsequent date set out in the notice.

(26) A letter of reprimand or cease and desist order may address any matter connected with the operation of the casino and may include a direction to the casino resort operator to discontinue, alter or rectify the conduct or activity set out in the letter or order within a time set out in the letter or order.

(27) If the directions given in a letter of reprimand or cease and desist order are not complied with within the time required in the letter or order, the Commission may, by giving notice to the casino resort operator cancel, suspend or vary the terms of the casino resort licence or impose a financial penalty as set out in the Regulations.

(28) If an operator operates the casino resort during the suspension of its license, the Commission may, by written notice, impose a financial penalty on the casino resort operator in an amount equal to the gross gaming revenue recorded during such period, for every day or part thereof that the casino operations continue, while the casino resort license is suspended.

#### Sanctions and penalties

14.(1) The Commission shall take the following factors into consideration when determining sanctions and penalties against a licensee:

- (a) whether the licensee knew or should have reasonably known that the action complained of was a violation of the Law, the Regulations or the terms and conditions of its license;
- (b) whether disciplinary sanctions have been imposed on the licensee in the past by the

Commission;

- (c) whether the licensee has been served in the past with an infringement notice or any other notice of whatever type or nature issued by the Commission, concerning the violation of any law or Regulations or the terms and conditions of its license;
  - (d) whether the licensee reasonably relied upon professional advice from a lawyer, doctor, accountant or other recognised professional, which was relevant to the action resulting in the violation;
  - (e) whether the licensee had a reasonably constituted and functioning compliance programme;
  - (f) whether the imposition of a condition requiring the licensee to establish and implement a written self- enforcement and compliance programme contributes to ensuring the licensee's future compliance with all laws, Regulations, terms and conditions of its license;
  - (g) whether the licensee earned any financial gain from the violation;
  - (h) whether the amount of any fine and/or other penalty imposed would result in repayment of any gains unlawfully realised by the licensee;
  - (i) if the violation was caused by an officer or employee of the licensee, the level of authority of the individual who caused the violation;
  - (j) whether the individual who caused the violation acted within the scope of his authority as granted by the licensee;
  - (k) the adequacy of any training programmes offered by the licensee, which were relevant to the activity which resulted in the violation;
  - (l) whether the licensee's action substantially deviated from industry standards and customs applying to the particular sector;
  - (m) the extent to which the licensee cooperated with the Commission during the investigation of the violation;
  - (n) whether the licensee has initiated measures to remedy similar violations;
  - (o) the magnitude of penalties imposed on other licensees for similar violations;
  - (p) the proportionality of the penalty in relation to the violation;
  - (q) the extent to which the amount of any fine imposed is punitive and preventive ;
  - (r) any mitigating factors offered by the licensee; and
  - (s) any other factors the Commission may deem relevant.
- (2) If the Commission decides to impose a financial penalty on the licensee, the Commission shall notify the licensee:
- (a) that the Commission intends to impose a penalty;
  - (b) of the amount of the proposed penalty;
  - (c) of the reasons of imposing penalty; and
  - (d) of the period within which he may contest the penalty and make representations to the Commission.
- (3) The Commission shall consider any representations made by the licensee with respect to the proposed penalty before making its final determination.
- (4) At the end of the period set out in subparagraph (d) of paragraph (2), the Commission may give the licensee a notice requiring him to pay the penalty under this Regulation.

(5) A penalty imposed by notice under paragraph (4)-

- (a) shall be payable by the licensee to the Commission; and
- (b) its payment may be enforced as a civil debt owed by the licensee to the Commission.

(6) Any financial penalty imposed by the Commission on the licensee under this Regulation shall not exceed one million euro for each violation.

License  
suspension or  
revocation

15.(1) The Commission may suspend or revoke a license if, following a disciplinary hearing under Regulation 13, it decides that any of the following applies:

- (a) that a licensed activity is being or has been carried out in a manner which is inconsistent with the licensing objectives;
- (b) that a condition of the license has been breached or the licensee has violated a material provision of the Law and the Regulations issued thereunder;
- (c) that the licensee has failed to cooperate in a disciplinary hearing under Regulation 13;
- (d) that the licensee is unsuitable to carry on the licensed activities; or
- (e) that the licensee has failed to pay the annual license fee.

(2) For the purposes of subparagraph (d) of paragraph (1), the Commission may take into account:

- (a) the integrity of the licensee or of any person who exercises a function or is interested in the licensed activities;
- (b) the competence of the licensee, or of any person who exercises a function in connection with the licensed activities; and
- (c) the financial and other circumstances of the licensee or of any person who exercises a function or is interested in the licensed activities and the resources available for the purposes of carrying on the licensed activities.

(3) If the Commission suspends a license, it shall notify the licensee of the date when the suspension shall become effective and the period for which the suspension shall last or that the suspension shall last until some specified event occurs or until the Commission gives notice that the suspension has been lifted.

(4) If the Commission revokes a license, the Commission shall notify the licensee of the date when the revocation shall become effective.

The Commission may make transitional provisions, which, in the case of the operator, may include providing a continuing license for operation of gaming machines after the time the revocation takes place for other purposes.

#### PART V INTERIM OPERATOR

Interim  
operator

16. (1) An interim operator of the casino resort, appointed under the section 31 of the Law, shall not pay any net revenue to the former casino resort operator without the written approval of the Commission.

(2) After written notice by the Commission, the owner of the land and buildings where the casino resort is located shall allow access to the interim casino resort operator and use of the land and buildings for the period specified by the Commission in the written notice to the owner.

(3) The owner of the land and buildings, referred to in paragraph (2), may impose reasonable commercial conditions on the interim operator and charge the interim operator a reasonable monthly amount and for the use of the land and buildings, based on the fair market value thereof, appraised by an independent chartered surveyor and that this amount shall be subject to the approval of the Commission.

PART VI  
CASINO OPERATIONS

Exclusion

17.(1) The operator shall keep records of exclusion orders at the casino premises and provide the list of excluded persons pursuant to the orders to the Commission on request.

(2) Any exclusion order made and any revocation thereof issued by the operator or following an application of a person shall be promptly notified to the Commission.

(3) The Commission shall promptly notify the operator of any exclusion order it makes and any revocation thereof.

(4) The Police or a court making an exclusion order shall promptly notify the operator and Commission of any exclusion order it makes and any revocation thereof.

(5) A person who has been given an exclusion order by the operator or the Commission may appeal to the Commission, whose decision is final.

(6) An exclusion order shall remain in place until it is revoked by the person who gave the order.

(7) An excluded person may not enter or remain on the casino premises and in case of violation of the said order shall be liable and be subject to the penalties specified in section 90 of the Law.

(8) The operator shall not knowingly permit an excluded person to enter or remain on the casino premises. Violation of this provision by the operator shall be grounds for disciplinary proceedings under Regulation 13.

(9) An excluded person shall not be permitted by the operator to collect any winnings or recover any losses resulting from gaming activity at the casino during the period of exclusion. Violation of this provision by the operator shall be grounds for disciplinary proceedings under Regulation 13.

(10) If the operator knows or is informed that an excluded person is about to enter or is on the premises, it shall notify an inspector immediately and either prevent the excluded person from entering the casino premises or remove the excluded person from the casino premises.

Violation of this paragraph by the operator and the casino employees in charge shall be grounds for disciplinary proceedings under Regulation 13.

(11) The following categories of persons may be subject to exclusion orders by the Commission, the Police, the operator or by Court order and placed on the exclusion order list maintained by the operator:

- (a) repeated offenders, which for the purposes of this paragraph shall be considered persons who are repeated criminal offenders;
- (b) persons who have been convicted of a criminal offence which is punishable of more than six (6) months in prison or where any crime or offence involved moral turpitude;
- (c) persons whose presence in the casino premises, in the opinion of the Commission, is not in the public interest or who threaten to compromise compliance with the Law and the Regulations issued thereunder, including:
  - (i) persons having been previously charged with, or convicted of cheating or persons whose license privileges have been revoked by the Commission or a gaming regulator in another jurisdiction or have been suspected of, charged with or convicted of any offence described in sections 68 to 73 of the Law or similar offences in another jurisdiction;
  - (ii) persons with a notorious or unsavoury reputation, which would adversely affect public confidence and belief that the gaming industry is free from criminal or corruptive elements; and
- (d) other persons known or reasonably suspected by the operator to fall within the categories of persons described in subparagraphs (a) - (c).



(12) Any person who is made subject to an exclusion order other than by self-exclusion shall be notified by the Commission of such fact by registered post or personal service to the last known address of such person.

(13) Within thirty days after service by post or personal service of the fact provided in paragraph 12, the person subject to the exclusion order, other than by self-exclusion, may request a review by the Chairman of reasons why he should not be subject to the exclusion order and whether the exclusion order should be set aside.

(14) The Chairman shall review the request referred to in paragraph (13) and any supporting submissions made by the person and notify this person of his decision to either affirm or set aside the exclusion order within thirty days of receipt of the request from the person, excluding orders issued by the court and/or the Police.

(15) The operator shall provide in its responsible gambling programme a process and procedures whereby a person may apply for self-exclusion from the casino premises.

(16) The self-exclusion programme, referred to in paragraph (15), will set out how the programme will be notified to the casino customers, the application process, the period of time, the conditions of self-exclusion and the possibility of the self-excluded person to apply at a later time to have the self-exclusion revoked.

Anti-Money  
laundering  
procedures

18.(1) The operator shall establish and maintain an anti-money laundering programme, approved by the Commission, to comply with the Prevention and Suppression of Money Laundering Activities Law and which shall include at least the following:

- (a) implementation of procedures to verify the identity of casino customers on the basis of documents, data or information obtained from a reliable and independent source at such point in time when a casino customer purchases casino chips or exchanges casino chips with a total value of two thousand euros or more during a period of twenty four hours from 6am until 6am of the next day daily;
- (b) maintaining records of casino customers obtained in establishing the identity of casino customers pursuant to subparagraph (a) and of business relationships with such casino customers for the last five (5) years, including:
  - (i) copies of the evidential material of casino customers identities;
  - (ii) relevant evidential material and details of all business relations and transactions with such casino customer, including documents for recording transactions in the accounting books; and
  - (iii) relevant documents of correspondence with casino customers with whom it continues to maintain business relationship.
- (c) training of casino employees and casino key employees in the recognition and handling of transactions and activities which may be related to money laundering or terrorist financing, the operator's relevant money laundering procedures and of the requirements of the Prevention and Suppression of Money Laundering Activities Law;
- (d) appointment of a nominated officer, as a Compliance Officer, whose role includes reporting of suspicions of money laundering or illegal financing activity to MOKAS.

(2) The Commission, as the Supervisory Authority under the provisions of the Prevention and Suppression of Money Laundering Activities Law, shall monitor the compliance of the operator with this Regulation and shall take all necessary measures to ensure compliance of the operator.

(3) For the purpose of ensuring the compliance of the operator, as provided in paragraph (2), the Commission may issue further directions to guide the supervised operators in implementing the obligations and shall exercise all the powers set out in the Prevention and Suppression of Money Laundering Activities Law in the event of non-compliance by the operator.

(4) The Commission shall notify MOKAS concerning facts disclosed in the conduct of its duties, where the Commission becomes aware or suspects that any person is or was involved in money laundering or terrorist financing.

Complimentaries

19.(1) The operator shall establish and maintain a written complimentaries distribution programme, which is approved by the Commission, which shall inter alia include the following:

- (a) Types of complimentary services, gifts, cash or items of value to be offered by the operator to casino customers;
- (b) method of promotion and delivery of the complimentary services;
- (c) procedures for record-keeping, accounting and reporting of complimentaries in compliance with subsection (4) of section 42 of the Law;
- (d) procedures in relation to junkets and junket operators; and
- (e) internal controls to prevent abuse of complimentaries or violations pursuant to subsection (1) of section 54 of the Law.

(2) Failure by the operator to comply with paragraph (1) shall be grounds for disciplinary action under Regulation 13.

Junkets

20.(1) No person –

(a) shall organise, promote or operate a Junket with respect to the casino, unless it holds a Junket operator license from the Commission, and

(b) shall act as a Junket representative, unless he holds a Junket representative license.

(2) The requirements of paragraph (1) shall not apply to:

- (a) a casino employee, who organises, promotes or conducts similar activities to those of a junket operator to bring casino customers to the casino;
- (b) any person, such as a tour operator, who receives a commission or other payment from the operator based solely on the price of the transportation or lodging arranged for by that person; or
- (c) any person whose commission or other payment from the operator consists of an amount that is not based on or calculated in reference to the gross gaming revenues of the operator attributable to players introduced by that person.

(3) The operator shall not allow a person, not holding a Junket operator license or a Junket representative license or who is not a person referred to in subparagraph (2), organise, promote or conduct a Junket within the casino premises.

(4) An application for a Junket operator license or a Junket representative license shall be made in the form required by the Commission and shall be accompanied by-

(a) an application fee in the amount set out in Annex 1 ;

(b) an investigation fee in the amount set out in Annex 1 ;

Annex

(c) the disclosure of corporate or individual information in the form provided by the Commission for the applicant and such associates of that applicant, as the Commission may specify;

(d) documentary evidence from the operator that it intends to enter into a junket services agreement with the applicant;

(e) a reference letter for the applicant provided by the operator, in the form required by the Commission;

(f) the policy and procedures under which the Junket operator wishes to extend credit to Junket customers outside the Republic; and

(g) such other documents as the Commission may require to assess the application.

(5) On receiving an application for a Junket operator license or a Junket representative license, the

Commission shall carry out all the investigations and inquiries it considers necessary to enable it to consider the application properly and in particular, the Commission may-

- (a) carry out an investigation of the applicant in relation to the person's suitability to be a Junket operator or Junket representative;
- (b) carry out an investigation of any person who may be an associate or who has a business association with the applicant or any other person who is connected with the ownership, administration or management of the operations or the business of the applicant;
- (c) require the applicant or any person, referred to in subparagraph (b), to provide such information and produce such records relevant to the investigation of the application;
- (d) require the applicant or any person, referred to in subparagraph (b), to consent having his photograph, and, with the collaboration of the Police, fingerprints and palm prints taken;
- (e) send a copy of the application and any such photograph, fingerprints and palm prints taken to the Police, who shall inquire into and report to the Commission on such matters as the Commission requests.

(6) The Commission shall consider the following in determining whether to grant a Junket operator license or a Junket representative license to an applicant:

- (a) the good reputation of the applicant, having regard to character, honesty and integrity;
- (b) the financial soundness and stability of the applicant;
- (c) the satisfactory ownership, trust or corporate structure;
- (d) the ability to obtain financial resources to ensure financial viability and level of experience in the management and operation of an operator business;
- (e) the reputation, suitability and record of compliance of the owners, directors, and executives and associates of the applicant; and

(7) The Commission may determine whether to grant a license to the applicant or dismiss the application and notify the applicant accordingly.

(8) (a) A Junket operator license or a Junket representative license may be granted subject to the conditions required by the Commission.

Any such condition of a license may be amended or cancelled by the Commission, either by application of the Junket operator or the Junket representative or by the initiative of the Commission, upon notice by the Commission within thirty (30) days from the date it decides to proceed with the amendment or cancellation.

A Junket operator or the Junket representative may make submissions to the Commission within the notice period above.

(b) The Commission shall consider these submissions and notify the Junket operator of its final decision on the proposed changes within a further thirty days of receipt of the submissions from the Junket operator or the Junket representative and for amendments proposed by the Junket operator or the Junket representative and in regard to proposals for amendments submitted by the above it shall respond whether it accepts the same within thirty days of receipt of the proposed changes.

(9) The Junket operator license may be revoked at any time if :

- (a) the revocation arises as a penalty imposed following disciplinary proceedings;
- (b) the Junket operator has been declared insolvent by a court in the Republic or another EU member state or a third country or in case a winding up petition has been filed against it;
- (c) the operator has terminated the junket services agreement with the Junket operator,

referred to in subparagraph (d) of paragraph (4).

(10) The Junket representative license may be revoked at any time in case :

- (a) the revocation arises as a sanction out of disciplinary proceedings;
- (b) the licensed Junket representative ceases to be employed by the Junket operator to which he is licensed;
- (c) in case the operator has terminated the Junket services agreement with the Junket operator in relation to which he is licensed.

(11) If a Junket operator license or a Junket representative license is revoked under paragraphs (9) and (10), the Junket operator or Junket representative shall immediately cease all Junket activities with respect to the casino.

Failure of the Junket operator or the Junket representative to discontinue the Junket activities following revocation of its license shall be an offence and upon conviction, shall subject it to the penalties specified in section 90 of the Law.

(12) Every Junket operator and Junket representative must, when requested to do so by the Commission, provide the Commission with all information and records requested and appear before the Commission to answer questions relating to its license or activities.

138(I) of 2001  
37(I) of 2003  
105(I) of 2012

(13) A licensed Junket operator shall keep a record of every Junket organised, promoted or conducted by it for the casino resort in such form and manner as the Commission may require, which, subject to the provisions of the Processing of Personal Data (Protection of Individuals) Law, as it is amended or replaced from time to time, shall include at least the following:

- (a) about each Junket customer:
  - (i) full name;
  - (ii) date of birth;
  - (iii) address of his usual place of residence;
  - (iv) an identity card number, a passport number, a taxpayer identification number, a driving license number or the number of any other document of identity issued by any government as evidence of the individual's nationality or residence, bearing a photograph of the individual;
- (b) the names and license numbers of the licensed Junket representatives, if any, accompanying the Junket customers;
- (c) the amount and type of discount, rebate or complimentary provided to each Junket customer; and
- (d) such other information as the Commission may request in writing.

(14) Every licensed Junket operator shall ensure that every record relating to its operations as a Junket operator, including any record required to be kept under these Regulations, is kept in the Republic at a location notified to the Commission and approved by the Commission and is retained for a period not less than five years after the completion of the transactions to which the record relates and is available for inspection by the Commission during that time.

(15) No Junket operator shall share with any person, who is not a licensed Junket operator or a Junket representative, all or part of the commission or other payment received from the operator for the organisation, promotion, or conduct of a Junket.

A Junket operator may pay a fixed fee as a referral fee to another party, where such payment is not based on the turnover of play or net win of the Junket customer.

(16) No Junket operator or Junket representative may in respect to Junket customers-

- (a) other than where its license issued by the Commission permits it to do so, receive or retain a fee or other payment directly or indirectly by a Junket customer;

- (b) other than where its license issued by the Commission permits it to do so, handle any Junket customer money directly or indirectly;
- (c) other than where its license issued by the Commission permits it to do so and determines the extent of the customers hospitality services that may be provided to Junket customers, and which may not include the operation of casino resort games by the same, shall not operate as a host in rooms specifically designed for very important persons (VIPs) at the casino resort and which involve gaming for junket customers;
- (d) carry out any gaming activities at the casino.

(17) Failure by a Junket operator or a Junket representative to comply with the provisions of paragraphs (12) to (16), shall be grounds for disciplinary proceedings and failure by a Junket operator to comply with the provisions of paragraphs (15), (16) and (17) shall, in addition, constitute an offence.

(18) The operator shall not permit a Junket operator to participate in a Junket at the casino resort, unless a Junket services agreement has been entered into between the operator and the Junket operator.

(19) The operator shall, if a Junket services agreement is entered into between him and the Junket operator, send a copy of the agreement to the Commission at least five days prior to commencement of the said agreement and shall notify the Commission of any changes-

- (i) to the terms of the agreement,
  - (ii) to the parties, or
  - (iii) any termination of the Junket services agreement,
- at least five days prior to any change becoming effective.

(20) The agreement referred to in paragraph (19) shall be in writing and at a minimum include:

- (a) the names of the parties and the license number of the Junket operator;
- (b) its commercial terms of, including the rate of commission of other payment payable to the Junket operator and the basis on which the commission or other payment is calculated;
- (c) the duration of the agreement;
- (d) the date on which the agreement was entered into;
- (e) the signatures of persons authorised to represent the parties to the agreement; and
- (f) such other information as the Commission may require from time to time and specify by notice in writing to the operator.

(21) The casino operator shall maintain a monthly Junket report, to which the Commission has access within ten days of the end of each month, which includes for each Junket customer at least:

- (a) full name,
- (b) date of birth,
- (c) citizenship,
- (d) the habitual residence,
- (e) the names and numbers of the license of the Junket representatives, if any, who accompanied the Junket customers.

(22) Failure of the operator to comply with the provisions of paragraph (21) shall be grounds for disciplinary proceedings.

Casino  
customer  
dispute  
resolution

21.(1) Within seven (7) days from the date a dispute arises between the casino operator and a casino customer, the casino operator shall endeavour to resolve the dispute and pay the casino customer's claim, where applicable.

(2) A casino customer, who wishes to request the Commission to conduct an investigation into the dispute, shall, within seven days from the date he is informed of his right, make the request to the Commission in such form as the Commission may require.

(3) The Commission may refuse to consider any casino customer's request under paragraph (2) for investigation, if the information required in the request is incomplete or the request is made later than the seven day period, set out in paragraph (2), unless the Commission finds reasonable grounds for the incompleteness or the delay.

(4) Upon receiving a request for investigation under paragraph (2), the Commission shall conduct such investigation and shall determine if any payment should be made to the casino customer and shall notify the casino customer and the operator of its decision.

(5) Failure of the operator to notify the inspector or the Commission or inform the casino customer as required by the provisions of paragraph (2) shall be grounds for disciplinary proceedings against him.

(6) The decision of the Commission based on paragraph (4) may be appealed by the casino customer to a competent court of the Republic.

(7) If the Commission has made a decision on the basis of paragraph (4) according to which payment should be made by the operator, the casino operator shall pay the casino customer within a period of thirty (30) days after the date of the inspector's decision, unless a request for reconsideration is made before the end of that period.

(8) If the operator fails to make payment within the time required in paragraph (7), the operator shall be liable to disciplinary proceedings under Regulation 13.

#### PART VII CASINO PREMISES - EQUIPMENT

Casino  
layout

22.(1) No casino games may be conducted in any ancillary area, unless approved by the Commission.

(2) The operator shall ensure that the boundaries of casino gaming floor are clearly and visibly identified for casino customers from the ancillary areas within the casino premises.

(3) Upon applying for the casino resort license, the operator shall submit to the Commission for approval the following:

- (a) Detailed floor plans of the proposed casino premises, indicating-
  - (i) the boundaries of the casino premises;
  - (ii) the casino gaming floor areas within the casino premises, the size of such area and the placement of gaming tables and gaming machines thereon;
  - (iii) the gaming pit areas and the ancillary areas within the casino premises and the size and location of each area;
  - (iv) all entrances and exits from the casino premises and the types of access controls at each entrance and exit, where applicable;
- (b) a statement by a chartered surveyor certifying the aggregate size of all the casino gaming floor areas, the ancillary areas, the pathways through the casino premises and the gaming pits indicated in the floor plan;
- (c) a description of how the boundaries of the casino gaming floor areas will be clearly and visibly demarcated from the ancillary areas; and
- (d) a statement by the operator that the layout of the casino premises complies with

these Regulations.

(4) If the course of fitting out the casino premises prior to the commencement of casino operations or subsequently after the casino operations are commenced on, the operator intends to deviate or make changes to the casino layout plan submitted in paragraph (3) or any amended casino layout plan approved by the Commission, the operator shall first notify the Commission presenting the proposed deviations and obtain Commission approval of such changes prior to implementing any such changes.

(5) The operator shall ensure that the casino premises are fitted out in accordance with the casino layout plan approved by the Commission and shall within fourteen days following the initial fit out of the casino, or for any changes to the casino layout subsequently approved by the Commission, obtain and submit to the Commission a statement by a chartered surveyor certifying that the casino layout is in accordance with the casino layout plan approved by the Commission.

(6) The operator shall ensure that at all times the casino premises contain a minimum of one hundred gaming tables and one thousand gaming machines.

The number of gaming tables shall not exceed two hundred and the number of gaming machines shall not exceed two thousand without having obtained the prior written approval of the Commission as provided for in section 4 of the Law.

The terms of the license may be reviewed and changed by the Commission, either by application of the operator or on its own initiative. The minimum number of gaming tables and gaming machines shall not apply to the period during which the operator operates a temporary casino in accordance to the provisions of section 15 of the Law.

(7) If at any time the operator operates the casino with a layout which does not comply with the provisions of this Regulation or is not in accordance with the approved casino layout plan or makes any changes to the layout of the casino, without the permission of the Commission, the operator and any casino employee or casino key employee making, authorising or directing such change, shall be liable to disciplinary proceedings under Regulation 13.

Devices  
used in  
playing  
casino  
games

23. Devices and equipment used in playing casino games such as chips, tokens, playing cards, dice, gaming tables and roulette wheels shall be considered gaming equipment and subject to Commission approval and compliance with such size, standard, uniformity, quality and technical standards set out in the standards notices issued by the Commission.

Casino  
games

24.(1) The operator shall submit to the Commission for approval, in a special form designated for that purposed by the Commission, all the proposed casino games and gaming machines, the rules of the casino games, the procedures and rules for wagers and the pay out of winning wagers, which it proposes to conduct at the casino and it shall not conduct a casino game or operate a gaming machine at the casino prior to the Commission's approval of the casino game or gaming machine, the rules of the casino game, the procedures, the rules for wages and the payout of winning wagers.

(2) Chips and chip purchase vouchers may only be issued and redeemed during the hours of operation of the casino.

(3) The operator may not issue, or cause or permit to be issued, any chips for gaming, other than complimentary chips, to any casino customer, unless the chips are paid for to the value of the chips by cash, credit or debit card, by exchange for a chip purchase voucher issued by the operator or by debit against the casino customer's credit account or by such other mode of payment the Commission may approve.

(4) The operator shall only redeem its chips or chip purchase vouchers from a casino customer, in exchange for:

- (a) cash;
- (b) a cheque issued by the operator and payable to the casino customer or to any other person named by the casino customer;
- (c) an amount transmitted by electronic funds transfer from the operator's account to an account of the casino customer's choice; or

- (d) an amount credited, in accordance with the casino customer's instructions into the casino customer's credit account or any other casino customer's credit account with the operator.

(5) Chips issued by the operator shall only be used by a casino customer for the playing of casino games or tipping under subparagraph (b) of paragraph (12) within the casino premises of the operator. It shall be an offence for a person to use chips for any other purpose.

(6) A wager on an approved casino game, other than a gaming machine, must be made by placing chips on the appropriate wagering areas of a gaming table and the operator shall not accept any wager on a casino game, other than a gaming machine-

- (a) placed on behalf of a casino customer who is not present in person at the gaming table by another person, or placed by a casino customer who is not so present by using any communication device or equipment;
- (b) placed otherwise than by means of chips issued by the operator; or
- (c) made without placing any chips on the gaming table, unless otherwise provided in the approved game rules.

(7) A casino employee conducting a casino game must refuse a wager from a casino customer if-

- (a) the casino employee knows or reasonably believes that a casino customer is incapable of making a decision in relation to a wager by reason of his state of intoxication or influence of drugs or other psychoactive substances; or
- (b) the wager is placed otherwise than in accordance with the approved game rules; or
- (c) the casino employee knows or reasonably believes that the casino customer is committing or has committed an offence under the Law or/and the Regulations issued thereunder or any other familiar law; or
- (d) the casino employee knows or reasonably believes that a casino customer is a minor.

(8) Winnings in a casino game, other than a gaming machine, shall be paid to the casino customer only in chips, unless otherwise provided in the approved game rules.

(9) Subject to deduction of any gambling debt owned by the casino customer to the operator, the operator shall pay every casino customer who wins a wager in any casino game or on a gaming machine his winnings in full without deduction of any commission or fee, unless otherwise provided in the approved rules of the casino game.

(10) The operator shall declare any casino game or transaction with a gaming machine void if there is any malfunction or fault in, or interruption in the operation of, any part of any gaming machine or gaming equipment that affects the outcome of that casino game and particularly in case that-

- (a) a force majeure event disrupts the casino game or the operation of a gaming machine.
- (b) the operator knows or reasonably suspects that a casino customer is committing or has committed an offence under the Law and/or the Regulations or any other law in such a manner as may affect the outcome of the casino game or gaming machine; or
- (c) the approved casino game rules provide for other circumstances under which the casino game may be declared void and such declaration is done under those circumstances.

(11) If a casino game or transaction with a gaming machine has been declared void by the operator, the operator shall clearly notify each casino customer that the casino game or the gaming machine transaction has been declared void and refund all wagers made in that casino game or in that gaming machine:

The operator may recover from casino customers any winnings already paid for casino games or gaming machine transactions declared void, provided that there is clear notice displayed in the casino that winnings may be recovered when a casino game or gaming machine transaction have



been declared void.

(12) No casino employee or a casino key employee or a Commission member or a Commission employee is permitted to :

- (a) advise a casino customer how to play a casino game, but may explain the rules of the casino game or ensure the casino customer's compliance with game rules;
- (b) excluding permitted tipping as part of a tronc system operated and managed by the operator where all tips are pooled and distributed to casino employees directly involved in the conduct of gaming at gaming tables, and other than for waiters, waitresses, hostesses, bartenders and other casino employees not directly involved in the conduct of gaming, by himself or in conjunction with any other person, solicit or receive any tip, gratuity, consideration or other benefit for himself or for any other person in exchange or as a reward for inducing or influencing the outcome of a casino game, solicit or accept tips or gratuities from casino customers in any circumstances;
- (c) accept chips for any other purpose other than the playing of casino games or tipping under subparagraph (b) of paragraph (12) of Regulation 25 within the casino; or
- (d) permit a casino customer participate in a casino game if the casino customer is in a state of intoxication;
- (e) wager in the casino during the term of his employment or engagement.

(13) Failure by a casino employee or casino key employee to comply with the provisions of paragraph (12) shall be grounds for disciplinary proceedings by the Commission and failure by a casino employee or casino key employee or Commission member or Commission employee to comply with subparagraph (b) or (c) of paragraph (12) shall in addition constitute an offence.

(14) The operator and a casino employee or casino key employee shall be subject to disciplinary proceedings for failure to:

- (a) issue, exchange or redeem chips according to the provisions of paragraphs (2) to (5);
- (b) accept, refuse and refund wagers according to the provisions of paragraphs (6) and (7);
- (c) pay or recover winnings according to paragraphs (8) and (9); or
- (d) declare a casino game or gaming machine transaction void according to paragraph (10).

Identification

25.(1) Every casino employee, casino key employee, junket representative, inspector or other employee or member of the Commission, gaming suppliers and contractors, agents and consultants of the operator shall while present at the casino premises, wear identification of a kind issued by the operator and approved by the Commission in such a manner as to be visible to other person within the casino premises.

(2) The identification described in paragraph (1) shall permit or restrict access of such persons to certain areas of the casino premises in accordance with their duties and responsibilities.

Gaming equipment

26.(1) Any gaming equipment used or intended to be used by the operator in the casino must be approved by the Commission and used in accordance with that approval and any conditions thereof.

The Commission may waive the requirement for approval for any specific gaming equipment or class of gaming equipment.

Where approval and/or license for use for gaming equipment was received by a gaming operator in any other member state of the European Union or which has been legally manufactured in a state belonging to the European Free Trade Zone which has signed the Agreement for the Single European Area or in a state with which the European Union has signed an agreement for a customs union and mutual recognition of compliance evaluation of products, the Commission does not require new approval for such gaming equipment in the casino, on the basis of mutual recognition, provided it considers that such approval or license has been secured on the basis of

evidence presented before it, unless it considers that the technical standards and specifications diverge considerably from its requirements.

(2) The gaming equipment that is used or intended for use in the casino for which approval is required shall be manufactured, installed, tested, inspected, operated, maintained and repaired in accordance with the technical standards and other requirements set out in the standards notices described in paragraph (3) relating to that gaming equipment or class of gaming equipment to which it belongs.

(3) The Commission shall issue standards notices setting out the required technical standards for gaming equipment or class of gaming equipment that are used in the casino and with which the gaming equipment must comply in order to be approved by the Commission, including but not limited to initial and ongoing testing to be carried out on the gaming equipment or reporting to be carried out and shall include standards, which at a minimum provide-

(a) the mechanical and electrical reliability,

(b) security against tampering,

(c) ease of understanding use by players,

(d) acceptable noise and light levels,

(e) such standards as it may be deemed to be necessary to protect players from fraud or deception and the integrity of the gaming and shall be similar to technical standards and types of gaming machines permitted in one or more other jurisdictions hosting world class resorts/ casinos.

(4) The Commission may, following an application of the gaming supplier of the gaming equipment or the operator, or on its own initiative, modify or waive any technical standards and requirements issued by the same, subject to any additional conditions that it may impose, in particular to ensure continued game integrity, security of the gaming equipment and protection of the public interest.

(5) Where such issued technical standards relating to any gaming equipment or class of gaming equipment are revised by its own initiative, the Commission, by notice in writing to the operator, may require the operator within thirty days or whatever other period the Commission otherwise requires, to make such modifications to any gaming equipment or class of gaming equipment as considered necessary to comply with any of the revised technical standards.

(6) An application for approval of a class of gaming equipment may be made by the operator intending to use the gaming equipment at the casino or an approved gaming supplier intending to manufacture or supply the gaming equipment for use in the casino, in such form as required by the Commission and shall include-

Annex 1

(a) an application fee and investigation fee as set out in Annex 1;

(b) where technical standards notices or other requirements have been issued in relation to the gaming equipment and have not been waived, a report issued by an approved test service provider certifying that the class of gaming equipment complies with those technical standards and requirements set by the Commission; and

(c) such other documents and records as the Commission may require to decide the application.

(7) The Commission may, for the purposes of approval, investigate or authorise the investigation of gaming equipment in relation to the compliance of the same with the requirements.

(8) The Commission may approve gaming equipment or a class of gaming equipment, subject to such conditions as the Commission may impose.

(9) No person shall modify, or permit any modification affecting the operation of casino games of, any approved class of gaming equipment, unless the person has obtained the prior written approval of the Commission for the intended modification

Failure by the operator to comply with this paragraph shall be grounds for disciplinary proceedings against him

Any person other than the operator who does not comply with the obligations provided in this

paragraph, is guilty of an offence, and upon conviction, shall be subject to the penalties provided in section 96 of the Law.

(10) Subject to paragraph (11), the Commission may revoke the approval of specific gaming equipment or a class of gaming equipment where the gaming equipment or the class of gaming equipment-

- (a) no longer complies with standards notices or any other requirements notified by the Commission applicable to it, or any conditions imposed by the Commission;
- (b) has been modified without the prior written approval or on the basis of an exception granted by the Commission; or
- (c) has failed to function in a manner in which it was designed or programmed to function.

(11) The Commission shall not revoke approval granted for specific gaming equipment or a class of gaming equipment unless the Commission has first served a thirty (30) days written notice on the operator giving the right to present submissions on the reasons why the approval should not be revoked. After considering the reasons presented, it may decide whether to revoke the approval granted. If the decision is made to revoke the approval granted, it shall serve on the operator a notice of its decision stating the exact time of commencement of the revocation.

(12) The operator shall not use or allow to be used in the casino any gaming equipment or class of gaming equipment-

- (a) not approved by the Commission according to the provisions of this Regulation;
- (b) approval of which has been revoked according to the provisions of paragraphs (10) and (11);
- (c) other than in accordance with the conditions on which the approval of the Commission was given according to paragraph (8); or
- (d) any gaming equipment not manufactured, installed, tested, operated, maintained or repaired according to paragraph (2); or
- (e) any approved gaming equipment which has been modified without prior written approval or waiver of the Commission according to paragraph (9).

(13) Failure by the operator to comply with the provisions of paragraph (12) shall constitute grounds for disciplinary proceedings by the Commission.

Gaming machine manufacturers, suppliers and gaming test services provider

27.(1) Any manufacturer, supplier or gaming test services provider of gaming machines that intends to manufacture or supply gaming machines or provide gaming machine testing services to the operator for the casino must submit an application for a gaming supplier license or be approved by the Commission to operate as a manufacturer, supplier or gaming test services provider of gaming machines on the basis of mutual recognition by virtue of paragraph 8.

(2) The application for a gaming supplier license shall be submitted in the form required by the Commission and shall include-

- (a) an application and investigation fee as set out in Annex 1;
- (b) the disclosure of corporate or individual information in the form specifically provided by the Commission; and
- (c) such other documents as the Commission may require for the purpose of making a decision on the application.

(3) The Commission shall, on receiving an application under paragraph (1), carry out all investigations in relation to the applicant and any associate of the applicant as is necessary to determine the suitability of the applicant to hold a gaming supplier license and require the applicant to produce such records as it considers relevant to the investigation of the application.

- (4) For the purpose of determining suitability of the applicant, the Commission may consider:
- (a) its reputation, having regard to its character, honesty and integrity;
  - (b) its financial condition, stability and strength as well as the suitability of its financial resources;
  - (c) whether the applicant has the technical capability to manufacture, install, test, inspect, maintain or repair gaming machines in accordance with the technical standards and for the purposes for which the license is granted;
  - (d) whether the applicant has an association with any person who does not satisfy the requirements provided in subparagraph (a) ;
  - (e) whether each, director, partner, executive officer or direct or indirect owner of the business is a suitable person; and
  - (f) licensing in other jurisdictions and whether it has a consistent track record of compliance with the legal and regulatory requirements applicable to it.
- (5) If the Commission is satisfied that the applicant is suitable after its investigation, it may issue a gaming supplier license to the applicant.
- (6) A gaming supplier licensee shall have the following duties:
- (a) provide to the Commission such information or records as the Commission considers necessary from time to time;
  - (b) appear before the Commission or an inspector in relation to any matter relevant to its gaming supplier license or other matters and to answer questions relating to such matters;
  - (c) ensure that every gaming machine manufactured or supplied by it or gaming testing services provided by it comply with the technical standards requirements in the standards notices issued by the Commission;
  - (d) ensure that gaming machines manufactured for or supplied to the casino are gaming machines approved by the Commission; and
  - (e) permit the Commission or its agents to inspect any premises in the Republic where a gaming supplier licensee carries on business for the purposes of an inspection or investigation.
- (7) The Commission may investigate a gaming supplier licensee to determine whether the gaming supplier licensee continues to be suitable to hold a gaming supplier license.
- (8) The procedure of licensing as provided in paragraphs (2) – (5) may be waived by the Commission and a license for a supplier of gaming machines may be issued by virtue of the principle of mutual recognition, where all of the following applies:
- (a) Any supplier or gaming machine test service provider approved and/or licensed by a government authority in another member state of the European Union or state, belonging to the European Free Trade Zone which has signed the Agreement for the Single European Area or in a state with which the European Union has signed an agreement for a customs union and mutual recognition for compliance evaluation of products,
  - (b) Sufficient evidence is presented to satisfy the Commission in regard to the existence of such approval and/or license in the particular jurisdiction,
  - (c) The standards and procedures of the particular jurisdiction do not deviate substantially and are not substantially less protective than those applied by the Commission in relation to the due diligence and suitability investigation.

PART VIII  
CASINO EMPLOYEES AND CASINO KEY EMPLOYEES LICENSING

Casino employees and casino key employees licensing

28.(1) A person shall not be granted a casino employee license if:

- (a) he fails to provide information, documentation and assurances required by the Regulations and the Commission, or he fails to reveal any fact material to his qualification, or supplies information, which is untrue or misleading as to a material fact pertaining to the qualification criteria;
- (b) he has been convicted of a felony, which occurred within the past ten year period in any jurisdiction;
- (c) he is currently being criminally prosecuted or has pending charges for a felony in any jurisdiction in the past ten year period;
- (d) he is barred from the casino or any other casino in another jurisdiction in the past ten year period by an exclusion order.

(2) A person applying for the issue of a casino key employee license shall provide information, documentation and assurances which constitutes evidence in connection with:

- (a) his suitability to perform the work proposed to be performed, including job history and references;
- (b) he is not disqualified from obtaining a license for any reasons relating to suitability, esteem, character, honesty or integrity.

(3) (a) Subject to the provisions of paragraph (2), a person applying for a casino key employee license, in addition to the information stated in paragraph (2), must also provide information which constitutes evidence in connection with;

- (i) his financial stability, integrity and responsibilities, as may be requested by the Commission as well as other information constituting his personal history;
- (ii) any civil judgements and criminal convictions obtained against him either in the Republic or in any other EU member state or third country where he lived or worked in the past ten years.

(b) In addition to the above, the applicant shall submit:

- (i) a confirmation from the Cyprus Police and any other jurisdictions where the applicant has lived dated within sixty days of the application confirming that the applicant has no criminal record;
- (ii) If the person in question has worked in the gaming and casino industry previously in a jurisdiction that permits that activity, a letter from the gaming or casino enforcement or control Agency in such jurisdiction, dated within sixty days from the date of application, confirming the evaluation of that person by the said agency and mentioning any disciplinary proceedings against him, as well as his participation in the gaming activities within that jurisdiction.

(4) An application for the issue of a casino employee license or casino key employee license may be made by the applicant or the operator on behalf of anyone it wishes to employ and shall include the following:

Annex 1

- (a) an application fee as set out in Annex 1;
- (b) for casino key employees, an investigation fee, as set out in Annex 1; and
- (c) such other documents and information required by the Commission.

(5) An applicant for the casino employee license shall provide the information and documents required in paragraph (2) and such other information requested by the Commission for its investigation.

(6) An applicant for a casino key employee license shall provide the information and documents required in paragraph (2) and (3) and/or such other information required by the Commission in order to carry out the necessary investigation.

(7) The application forms for casino employee and casino key employee licenses shall, at a minimum, include the following information subject to the provisions of the Processing of Personal Data (Protection of Individuals) Law:

- (a) The applicant's full name and address;
- (b) all of its residential addresses in the past ten years;
- (c) copy of driving license and passport details;
- (d) spouse or civil partner details;
- (e) confirmation of identity by a lawyer or by the Commission;
- (f) function or role the applicant is to perform or hold at the casino;
- (g) details of any gambling licenses applied for or currently or previously held within the past ten years and any disciplinary proceedings with respect to these licenses;
- (h) details of other licenses, other than a driving license, applied for or held over the previous past ten years in connection with employment and any disciplinary proceedings with respect to these licenses;
- (i) any information for criminal investigations, charges or convictions over the past ten years;
- (j) any information for civil legal actions taken against applicant over the past ten years;
- (k) information regarding bankruptcy or agreement with creditors within the past ten years;
- (l) employment history over the past ten years;
- (m) professional qualifications relating to the position or gambling related training;
- (n) membership in any professional body and any disciplinary proceedings exercised by that body within the past ten years;
- (o) any disqualification from acting as a company director; and
- (p) any other information of which the Commission would reasonably expect notice when considering the application.

#### PART IX INTERNAL CONTROL

Internal  
control

29.(1) The operator shall at a minimum and at all times maintain a system of internal controls approved by the Commission that includes:

- (a) a secure counting room;
- (b) secure storage areas for the storage of cash, coins, tokens and cheques received in the conduct of gaming and for the inspection, counting and storage of dice, cards, chips and other items that may have a cash value;
- (c) locked drop boxes and other devices where cash, coins or tokens are deposited at the gaming tables and the gaming machines;
- (d) procedures approved by the Commission for the removal of the drop boxes or other devices from the casino tables and machines and transport to the count room; and
- (e) closed circuit surveillance of the casino premises and each gaming table where casino games are played and where gaming equipment is used and a surveillance

system and plan approved by the Commission.

(2) At the time of submission of internal controls required pursuant to subsection (1) of section 50 and subsection (1) of section 54 of the Law, a narrative and diagrams shall be submitted, setting out internal control systems to be used at the casino premises, including -

- (a) scope and procedures for surveillance;
- (b) conditions governing the use of employees or contracted private security force within the casino premises;
- (c) accounting controls, including the standardisation of forms and document controls to be used in the casino operations, procedures and security for the counting and recording of revenue;
- (d) procedures, forms, and where appropriate, formulas covering the calculation of hold percentages, revenue drop, expenses and overhead schedules, complimentary services, junkets, cash equivalent transactions, salary structure and personnel practices;
- (e) job descriptions, the system of personnel and chain-of command, establishing a separation of responsibility among casino employees and casino key employees engaged in casino operations, identifying primary and secondary supervisory positions for areas of responsibility;
- (f) procedures within the cashier's cage for the receipt, storage and disbursal of chips, cash and other cash equivalents used in casino operations, the cashing of cheques, the redemption of chips and other cash equivalents used in casino operations, the payout of jackpots and the recording of transactions pertaining to casino operations;
- (g) procedures for the receipt, recording, storage and disbursal of chips, cash and other cash equivalents used in gaming between the gaming tables and gaming machines and cashier's cage;
- (h) procedures and standards for the opening and security of gaming machines;
- (i) gaming equipment controls, including procedures and security standards for the handling and storage of cards, dice, machines, wheels and all other gaming equipment;
- (j) document controls mechanisms, procedures and security for the counting and recording of revenue; and
- (k) procedures and rules governing the responsibility of casino employees and casino key employees with respect to the conduct of casino games.

(3) A submission by the operator or an applicant for the casino license for approval of internal controls procedures according to the provisions of subsection 1 of section 50 and subsection (1) of section 54 of the Law and of paragraphs (1) and (2) shall comprise the following documents:

- (a) A description of the internal controls in the form required by the Commission;
- (b) a statement of the board of directors of the operator or the applicant that the submitted internal controls satisfy the requirements set out in subsection (1) of section 50 and subsection (1) of section 54 of the Law and of paragraphs (1) and (2) and any guidelines or codes of practice issued as of that time by the Commission with respect to internal controls;
- (c) a statement of an independent auditor from a public accounting firm engaged by the operator and approved by the Commission according to which-
  - (i) the submitted internal controls satisfy the requirements set out in subsection (1) of section 51 and subsection (1) of section 55 of the Law and of paragraphs (1) and (2), and any guidelines and codes of practice issued as of that time by the Commission with respect to internal controls;
  - (ii) the operator or applicant for the casino license maintains adequate systems

and processes in place to implement the submitted internal controls; and

- (d) such other documents as the Commission may require to determine whether the submitted internal controls satisfy the internal controls requirements applicable to the operator or the applicant for the casino license.

(4) The Commission may, upon request of the operator or an applicant for the casino license, modify or waive certain requirements under subsection (1) of section 50 and subsection (1) of section 54 of the Law and of paragraphs (1) and (2).

(5) The Commission shall not approve any specified internal controls submitted by an operator or an applicant for the casino license unless it is of the opinion that the submitted internal controls satisfy or will satisfy all the internal controls requirements applicable to the license or the applicant for the casino license.

(6) The Commission may-

- (a) approve all or part of the specified internal controls submitted by the operator or an applicant for the casino license subject to such conditions as the Commission may impose; or
- (b) reject all or part of the specified internal controls submitted by the operator or an applicant for the casino license if any of the specified internal controls do not satisfy any of the internal controls requirements applicable to the operator.

(7) The Commission may issue guidelines and codes of practice for internal controls at the casino.

(8) Pursuant to subsection 2 of section 54 of the Law, the Commission shall give ninety days written notice in relation to its requirement for the change of guidelines and codes of practice requiring changes to operator's internal control procedures. The operator shall have the right, within fifteen (15) days, to object to the proposed changes, and the Commission, upon making its final decision, shall notify the same to the operator in writing.

(9) The operator shall ensure that all the approved internal controls are implemented in accordance with the approval of the Commission and any conditions as may be imposed pursuant to subparagraph (a) of paragraph (6) of this Regulation.

#### PART X ACCOUNTING PROCEDURES – FINANCIAL STATEMENTS

Operator  
accounting  
procedures

30.(1) The operator shall apply and maintain administrative and accounting procedures for determining the operator's liability for taxes and fees and for the purpose of exercising effective controls over the operator's internal fiscal affairs, which shall be submitted to the Commission for approval at least ninety (90) days prior to the commencement of the casino operations and shall be designed to ensure that-

- (a) the assets are safeguarded;
- (b) the financial records are accurate and reliable;
- (c) the transactions are performed only in accordance with the management's general or specific authorisations;
- (d) the transactions are recorded adequately to permit proper reporting of gaming revenue, fees and casino taxes, and to ensure accountability for assets;
- (e) access to assets is permitted only in accordance with the management's specific authorisation;
- (f) recorded book assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to any discrepancies; and
- (g) functions, duties and responsibilities are appropriately segregated and performed in accordance with sound practices.

(2) The Commission shall not approve any administrative and accounting procedures submitted by an operator or an applicant for the casino license, unless it is of the opinion that the specified



accounting procedures satisfy, or will satisfy all the requirements required by the applicant or by the terms of the license granted.

(3) The Commission may-

- (a) approve all or part of the specified administrative and accounting procedures submitted by the operator or an applicant for the casino license subject to such conditions as the Commission may impose; or
- (b) reject all or part of the specified administrative and accounting procedures submitted by the operator or an applicant for a casino license if any of the administrative and accounting procedures do not satisfy any of the internal controls requirements applicable to the operator.

(4) The Commission may issue guidelines and codes of practice in relation to the applicable administrative and accounting procedures at the casino.

(5) Pursuant to subsection (2) of section 54 of the Law, the Commission shall give ninety (90) days notice in relation to its requirement for change to guidelines and codes of practice of the operator's administrative and accounting procedures. Operator shall have the right to make objections to the proposed changes within fifteen (15) days, and the Commission upon making its final decision, shall notify the same to the operator in writing .

(6) The operator shall ensure that all the approved administrative and accounting procedures are implemented in accordance with the approval of the Commission and such conditions as may be imposed pursuant to subparagraph (a) of paragraph (6) of Regulation 29.

(7) The operator, in such a manner as the Commission may approve or require, shall keep accurate, complete, legible and permanent records of all transactions relating to revenue that is taxable and where it keeps permanent records in a computerised or microfiche form, it shall provide to the Commission a detailed index of such computerised or microfiche records, such index clearly identifying activities and dates.

(8) The operator shall keep accounting records according to the International Financial Reporting Standards maintaining detailed, supporting, subsidiary records, including:

- (a) detailed records identifying revenues, expenses, assets, liabilities and equity;
- (b) individual and statistical casino game records to statistically reflect the dropping of money and chips in the tables drop boxes, the statistical win and the percentage of the statistical win over the statistical dropping of money and chips in the tables drop boxes by table for each table game and to reflect the statistical drop of money and chips in the tables drop boxes, the statistical win and the percentage of statistical win over the statistical dropping of money and chips in the tables drop boxes for each type of table game, either by each shift or other accounting period approved by the Commission and individual and statistical game records reflecting similar information for all other casino games;
- (c) gaming machine analysis reports which, by each gaming machine, compare actual hold percentages, arising from the division of the net profits by dropping money and chips in the gaming machine, to theoretical hold percentages;
- (d) the records required by the operator's Commission approved system of internal controls;
- (e) journal entries prepared by the operator; and
- (f) any other records that the Commission specifically required are maintained.

(9) The operator shall create and maintain records sufficient to accurately reflect gross revenue and expenses relating to its gaming operations.

(10) If the operator fails to keep the records used by it to calculate gross gaming revenue, the Commission may determine and compute the amount of taxable revenue upon the basis of an audit conducted by the Commission, upon the basis of any information within the Commission's possession, or upon statistical analysis.

(11) The Commission shall have the authority to undertake the following activities with respect to the operator and its procedures and records:

- (a) Conduct periodic audits or inspect the books and records of the operator;
- (b) review the accounting methods and procedures used by operator;
- (c) review and observe methods and procedures used by operator to count and handle cash, chips, tokens, cheques and credit instruments;
- (d) examine its records and procedures in extending credit and confirm with casino customers the existence of an amount of debt and any settlement thereof;
- (e) examine all accounting and bookkeeping records and ledger accounts;
- (f) to examine the books and records when considered necessary.

(12) The Commission shall conduct each audit in accordance with standards developed by the Commission for such audits and shall prepare a report at the end of each audit and shall submit a copy of the report to the Commission Board and a copy to the operator.

(13) The operator may within ten days of receiving the audit report referred to in paragraph (12), object in writing to any findings of the audit to the Commission, which shall consider the submissions of the operator prior to making its final determination.

(14) If the audit report referred to in paragraph (12) finds that the operator owes additional casino tax or fees or finds that a refund of casino tax or fees is owed to the operator, the Commission shall provide to the Chairman and the members the legal basis on which the findings are made and sufficient detail to enable the Chairman and the Commission members to make a determination.

(15) The Commission shall notify the operator in writing of its decision with respect to the audit report findings and the operator shall make any payment due within thirty days of the notice or if monies are due to the operator, the Commission shall make a refund of the monies due to the operator within thirty (30) days of the date of the notice.

Operator  
financial  
statements

31.(1) The financial statements prepared by operator pursuant to subsection (1) of section 57 of the Law shall be prepared on the basis of procedures and in such manner and form as the Commission may approve or require, in accordance with International Financial Reporting Standards.

(2) The operator's proposed financial statements procedures shall be submitted to the Commission for approval at least ninety days prior to the commencement of casino operations.

(3) The Commission shall not approve any financial statements procedures submitted by an operator or an applicant for the casino license unless it is of the opinion that the specified internal controls satisfy, or will satisfy all the internal controls requirements required by the applicant or the conditions of the casino license granted.

(4) The Commission may:

- (a) approve all or part of the specified financial statements procedures submitted by the operator or an applicant for the casino license subject to such conditions as the Commission may impose; or
- (b) reject all or part of the specified financial statements procedures submitted by the operator or an applicant for the casino license if any of the specified financial statements procedures do not satisfy any of the financial statements requirements applicable to the operator.

(5) The Commission may issue guidelines and codes of practice in relation to the procedures that must be followed with respect to the financial statements for the operator.

(6) Under subsection (2) of section 54 of the Law, the Commission shall give ninety (90) days written notice in relation to its request for change of any provisions of guidelines and codes of practice that require changes to the operator's financial statements. The operator shall have the right to object in writing to the proposed changes and the Commission upon making its final

decision, shall notify the same in writing to the operator.

(7) The operator shall ensure that all the approved financial statements procedures are implemented in accordance with the approval of the Commission and such conditions as may be imposed pursuant to subparagraph (a) of paragraph (4).

PART XI  
ADVERTISING – ENTERTAINMENT - ALCOHOL

Advertising of the  
casino

32.(1) No licensee and any person acting on behalf of a licensee, shall publish, distribute or advertise or promote the casino, except in accordance with the provisions of section 65 of the Law and of this Regulation and the advertising standards that the Commission may issue.

(2) The Commission may issue advertising standards for advertising and promoting the casino by giving the operator ninety (90) days notice of any such new or revised provisions of advertising standards issued and the latter shall have the right to make objections to the proposed standards by submitting an objection to the Commission within thirty (30) days of the receipt of the notice from the Commission.

(3) The Commission shall consider the objection of the operator and notify the operator of its determination within thirty (30) days of the receipt of the said objection. If such period of ninety days is not altered by the Commission, the standards shall be effective at the end of the ninety day notice period.

(4) Advertisements and promotions for the casino must be truthful, be tasteful, safe, made in a manner that is socially responsible, and promote the casino resort as a whole development, and not exclusively as a gaming activity, taking into consideration and with particular regard to the need to protect minors and other vulnerable persons from being harmed or exploited.

(5) Advertisements and promotions for the casino must not:

- (a) portray, condone or encourage gambling behavior, which is socially irresponsible or could lead to financial, social or emotional harm;
- (b) exploit the susceptibilities, aspirations, credulity, inexperience or lack of knowledge of minors or other vulnerable persons;
- (c) suggest that gambling can provide an escape from personal, professional or educational problems such as loneliness or depression;
- (d) suggest that gambling can constitute a way out of or a solution to financial concerns, an alternative to employment or a way to achieve financial security;
- (e) portray gambling as indispensable or as taking priority in life over family, friends or professional or educational commitments;
- (f) suggest that gambling can enhance personal qualities, that it can improve self-image or self-esteem, or is a way to gain control, superiority, recognition or admiration;
- (g) suggest peer pressure to gamble or disparage gambling abstention;
- (h) link gambling to seduction, sexual success or enhanced attractiveness;
- (i) portray gambling in a context of toughness or link it to resilience or recklessness;
- (j) suggest gambling is a rite of passage to adulthood;
- (k) suggest that solitary gambling is preferable to gambling with a group of persons;
- (l) be likely to be of particular appeal to minors, especially by reflecting or being associated with youth culture;
- (m) be directed at minors through the selection of media or context in which they appear;
- (n) include a minor, or what appears to be a minor, gambling or playing a significant role in the advertisement;

- (o) portray persons behaving at the casino in an adolescent, juvenile or loutish way;
- (p) exploit cultural beliefs or traditions about gambling or luck; or
- (q) condone or encourage criminal or anti-social behavior.

(6) Advertisement or promotion of leisure activities of the casino resort, not relating to gaming, may include minors provided that such minors are displayed as being accompanied by an adult and are socialising responsibly outside the casino gaming floor.

(7) No licensee shall give an interview or media release to any print or broadcast media organisation unless the interview or release-

- (a) is accurate and capable of being substantiated; and
- (b) does not violate any of the criteria set out in subsection (3) of section 65 of the Law and in this Regulation.

(8) Where a licensee in violation of paragraphs (1), (4), (5), (6) and (7) has published, broadcast, distributed or caused to be published, broadcast or distributed an advertisement for the casino or runs a promotion or causes a promotion to be run, the Commission may direct the licensee to rectify, withdraw, remove or discontinue the casino advertisement or the casino promotion, and that licensee shall comply with that direction.

(9) Failure by a licensee to comply with the provisions of paragraphs (1), (4), (5), (6) and (7) shall be grounds for disciplinary proceedings under Regulation 13.

(10) Failure by a person not a licensee to comply with paragraphs (1), (4), (5), (6) and (7) shall be an offence and may be punished under section 93 of the Law.

Entertainment

33.(1) Live entertainment provided at the casino resort shall be lawful, appropriate and of the type and manner customary at other world class casino resorts and the operator shall not offer entertainment and of a manner or type that would bring the casino resort or the Republic into disrepute.

(2) The Commission may issue further guidelines and standards in relation to entertainment.

(3) The Commission shall have the authority to require the operator to cease or make changes to any entertainment that does not comply with paragraphs (1) and (2) and the operator shall comply with such orders.

(4) Failure of the operator to comply with paragraph (1) or with the standards referred to in paragraph (2) shall be grounds for disciplinary proceedings in accordance with Regulation 13.

Alcohol

- Cap.144
- 33 of 1961
- 50 of 1963
- 8 of 1966
- 26 of 1968
- 4 of 1972
- 69 of 1977
- 20 of 1985
- 83(l) of 1998
- 7(l) of 2005
- 66(l) of 2007
- 6(l) of 2009
- 19(l) of 2012

34. (1) The operator shall procure and maintain an alcoholic beverages license from the competent authority subject to the provisions of the Sale of Intoxicating Liquors Law and relevant regulations issued thereunder as well as the terms and conditions of the license set by the competent authority.

(2) The alcoholic beverages license for the casino shall be issued by the competent authority for the operator and shall permit the distribution and consumption of alcoholic beverages in bars and restaurants of the casino resort and on the casino gaming floor.

(3) Alcoholic beverages may be provided free of charge to casino customers on the casino gaming floor by the operator under the terms of its license.

(4) Sale, disposal or granting of alcoholic beverages is prohibited to any casino customer, who is

or appears to be in a state of intoxication and not only the person provided the alcoholic beverages but also the operator shall have the responsibility for the sale, disposal or the use of alcoholic beverages to any casino customer who is or appears to be in a state of intoxication.

(5) With the exception of the Commission approved persons holding hosting roles, no casino employee, key casino employee, inspector, Commission member or Commission employee or other collaborator or agent of the operator or Commission shall consume alcoholic beverages at the casino resort whilst on duty.

(6) Inspectors of the Commission shall cooperate with the competent authority with respect to any violations by the operator of the Sale of Intoxicating Liquors Law and the relevant regulations issued thereunder well as the terms and conditions of the license set by the relevant authority.

## PART XII CHANGES IN OPERATOR POSITION

Changes in operator position

35.(1) In this Regulation, "major change" in relation to the operator shall mean:

- (a) any significant change in the financial position of the operator, or any change of greater than five percent of the equity and or voting rights of the operator or the owner of the land or buildings on which the casino is located; and
- (b) any change which results in a person becoming an associate of the casino operator.

(2) The operator shall take all reasonable steps to ensure that a major change in the situation existing in relation to the operator which falls within the operator's control does not occur except with the prior consent in writing of the Commission.

(3) The operator shall submit an application in a form designated by the Commission for the purposed approval of a major change in the operator which sets out the change proposed and the reasons for the change.

(4) The Commission shall review an application for approval of a proposed major change under paragraph (3) using the same due diligence procedures in sections 21 and 22 of the Law, as applied in an application for a casino license.

(5) The Commission shall enquire into the change to determine the suitability of the proposed change in operator and if the Commission approves the change, it shall so notify operator and the operator may proceed with implementing the change.

(6) If the Commission does not approve the change, it may instruct the operator under what conditions, if any, the change may be approved.

(7) Failure of the operator to comply with the provisions of paragraphs (2) to (4) shall be grounds for disciplinary proceedings according to Regulation 13.

## PART XIII NOTIFICATION OF CONTRACTS

Notification of contracts

36.(1) The operator shall notify the Commission as soon as possible upon becoming aware of any circumstances with respect to a supplier of gaming goods and services to the casino or other manufacturer, supplier or provider of any type of product, services or work which may adversely affect the credibility, integrity and stability of operations of the casino.

(2) Failure by the operator to comply with the provisions of paragraph (1) shall be grounds for disciplinary proceedings according to Regulation 13.

## PART XIV RESPONSIBLE GAMBLING

Responsible gambling

37. (1) The Commission may issue standards and a code for responsible gambling from time to time, with which the operator shall comply and incorporate into its responsible gambling plan.

(2) The operator shall submit a responsible gambling plan to the Commission for approval as part of its application to the Commission for a casino resort license and as part of the application for

any renewal of the casino resort license.

(3) The Commission shall not approve any responsible gambling plan submitted by operator unless the Commission is of the opinion that the responsible gambling plan satisfies or will satisfy the requirements of section 66 of the Law and the provisions of this Regulation and any standards or code for responsible gambling issued by the Commission.

(4) The Commission may, by notice in writing served on the operator approve a responsible gambling plan for the casino, subject to such conditions as the Commission determines appropriate or reject the responsible gambling plan if it does not satisfy any of the responsible gambling requirements of section 66 of the Law, the provisions of this Regulation and any standards or code for responsible gambling issued by the Commission.

(5) The operator shall complete implementation of the approved responsible gambling plan for the casino within two months or such longer period as the Commission permits after the date operator receives notice from Commission that its responsible gambling plan is approved.

(6) If the Commission issues standards or a code for responsible gambling or makes any changes to the standards or to the code for responsible gambling after the time the responsible gambling plan of the operator is approved by the Commission, the Commission shall provide notification in writing of the said changes to the operator.

(7) The operator shall, within thirty days after the notification from the Commission of the changes, referred to in paragraph (6), submit to the Commission for approval an amended responsible gambling plan with changes required to comply with the changes in the standards or the code or a statement that it believes its responsible gambling plan remains in compliance with the changes in standards or code.

(8) The Commission may, by notification in writing served on the operator, approve the changes to the amended responsible gambling plan the statement that that no amendments are required to remain in compliance, subject to any conditions as the Commission thinks fit or reject the amended responsible gambling plan or the statement of compliance if it does not satisfy the standards or code of responsible gambling issued by the Commission.

(9) The operator must ensure that any person or committee which it appoints to supervise, operate, establish or implement the approved responsible gambling plan for the casino does not:

- (a) act, authorise or permit the committing of anything that causes the responsible gambling plan not to satisfy any requirements applicable to it; or
- (b) do, make, or authorise any change to the approved responsible gambling plan without the prior written approval of the Commission.

(10) The operator shall maintain and retain records of its responsible gambling activities plan at the casino according to section 58 of the Law.

(11) The Commission may request copies of the records, referred to in paragraph (10) or other information from the operator relating to the responsible gambling plan at any time.

#### PART XV CASINO TAX

#### Casino tax

38. (1) The operator shall submit a return of its gross gaming revenue to the Commission for each calendar month, by no later than the end of the following calendar month, along with payment of casino tax due, as set out in subsection (3) of section 80 of the Law:

The Commission may at its discretion in particular circumstances, extend the reporting period or the time within which the return is submitted and payment is made.

(2) If no return is submitted by the operator with the time required by paragraph (1) or extended by the Commission, the Commission may impose the penalties, which are set out in section 84 of the Law.

(3) The return for gross gaming revenue shall be in such form as designated by the Commission and shall be submitted by email or other means designated by the Commission.

(4) The return of the gross gaming revenue shall contain for each month-

- (a) the gross gaming revenue for each type of casino game;
  - (b) the gross gaming revenue for each type of gaming machine;
  - (c) the total gross gaming revenue; and
  - (d) the total casino tax payable.
- (5) The Commission may request reports from the operator on-
- (a) Variations in gross gaming revenue computed electronically by the meters or electronic monitoring system of a gaming machine and gross gaming revenue in accordance with the count of the money, tokens, chips or coupons wagered at a gaming machine;
  - (b) gross gaming win for any type of casino game;
  - (c) variance in the count of the inventory of chips or the amounts wagered for casino games;
  - (d) a report which explains the reason for adjustment of any meter of a gaming machine; or
  - (e) such other report as may be required.
- (6) Failure by the operator to comply with the provisions of paragraph (5) within the time requested by the Commission shall be grounds for disciplinary proceedings under Regulation 13.
- (7) The operator shall keep and retain for a period of six years from the date a return is filed and according to section 58 of the Law, sufficient records to enable the Commission to ascertain gross gaming revenue and casino tax for any time during that six year period and failure of the operator to keep proper records according to this paragraph shall be grounds for disciplinary proceedings.
- (8) The operator in the annual engagement of a legal auditor or a legal audit firm, in accordance with section 59 of the Law, shall instruct the auditor to review and include in its audit an opinion whether-
- (a) there are sufficient controls in place to ensure that the gross gaming revenue is correctly recorded; and
  - (b) the returns of the gross gaming revenue submitted by the operator are accurate.
- (9) The Commission shall have the power to assess the casino tax due from the operator and notify the operator of the amount assessed where the operator has failed to timely make any casino tax returns or if such returns are incomplete or incorrect under the Regulations.
- (10) If an amount of casino tax has been repaid, paid or credited to the operator, which should not have been paid, repaid or credited, the Commission may assess that amount as being casino tax credited to the operator for the accounting period for which the amount was repaid, paid or credited and notify the operator of the assessment.
- (11) No assessment under paragraphs (9) and (10) of an amount of casino tax due for any calendar month shall be made more than six years from the end of that calendar month for which the casino tax is payable.
- (12) Notwithstanding the provisions of paragraph (11), where in the opinion of the Commission, any form of fraud or wilful default has been committed by or on behalf of the operator in connection with or in relation to the casino tax, the Commission may make an assessment at any time for the purpose of recovering any loss of casino tax or payment or refund of casino tax due and arising from the fraud or wilful default and notify the operator of the assessment.
- (13) At any time, where it appears to the Commission that an amount of casino tax which was assessed pursuant to this Regulation exceeds or falls short of the amount

which should have been imposed by the Commission or otherwise that the Commission needs to make changes to the assessment, the Commission may make a supplementary assessment of the correct amount and shall notify the operator of the adjusted assessment.

(14) If an amount has been assessed and notified to the casino operator pursuant to paragraphs (9), (10), (11) and (13), it shall, subject to the provisions of section 82 of the Law, be deemed to be an amount of casino tax due from the operator and may be recovered accordingly, unless, or except where the assessment has subsequently been withdrawn or reduced.

(15) If the Commission raises an assessment under paragraph (9) upon the failure of the casino operator to make any returns, and subsequent to the said assessment, the casino operator makes a return, the Commission shall take into account the return and revise the assessment as it deems appropriate.

(16) The operator may carry forward any losses in gross gaming revenue incurred in the year for the calculation of the gross gaming revenue.

(17) If the operator has submitted incorrect information relating to its gross gaming revenue, it may, in any other return to Commission, apply to the Commission by notice in writing, within a period of six years from the date the last return was made, to review and revise any assessment of casino tax made in respect of that period for which the return was made to the Commission.

(18) If the Commission has made an error in an assessment of casino tax for a return, within a period of six years from the date the return was made, the Commission shall issue a notification to the operator of the error and issue a revised assessment of casino tax for the relevant period.

(19) If the operator disagrees with the assessment of the casino tax made pursuant to paragraphs (9) or (10), the operator may apply to the Commission, by notice of objection in writing, to review and revise the assessment made.

(20) The notice of objection referred to in paragraph (19) shall be made by the end of the calendar month that follows the calendar month of receipt of the notice of assessment, unless the Commission permits a longer period.

(21) Upon receipt of the notice by the Commission pursuant to paragraphs (17) or (19), or by the operator pursuant to paragraph (18) the Commission may require: -

- (a) the operator to furnish such information, books, records and documents relating to the gross gaming revenue and calculation thereof; and
- (b) require operator staff to attend before the Commission to give evidence with respect to the assessment and examine such persons.

(22) If the operator has given a notice pursuant to paragraphs (17) or (19) or the Commission has given a notice pursuant to paragraph (18) and the Commission and the operator reach an agreement as to the appropriate amount of the assessment, the assessment shall be revised accordingly to the revised amount and notification of the revised assessment shall be served on the operator.

(23) If the operator has given a notice pursuant to paragraphs (17) or (19) or the Commission has given a notice pursuant to paragraph (18) and the Commission and operator fail to agree as to the appropriate amount of the assessment, the Commission shall issue a notification of refusal to revise the assessment or may revise the assessment to such amount as the Commission may determine appropriate and the notice of refusal or revised assessment shall be served on the operator.

#### PART XVI SATELLITE CASINO PREMISES LICENSES

Satellite casino premises

39.(1) The operator may not establish or operate any satellite casino premises in the Republic according to section 16 of the Law prior to applying for an obtaining a satellite casino premises



licenses

license from the Commission for each location and site where the operator intends to operate satellite casino premises.

(2) An application for a satellite casino premises license shall be submitted in the form required by the Commission and shall be accompanied by-

Annex I

- (a) an application fee set out in Annex 1;
- (b) details of the site and premises for the proposed casino gaming machines premises;
- (c) details of the satellite casino premises layout;
- (d) details of the types and numbers of gaming machines and gaming equipment to be used at the satellite casino premises and details of the types and numbers of gaming tables at the one satellite casino premises where gaming tables are permitted if it has elected to exercise the right granted based on section 16 of the Law;
- (e) details of the casino employees and casino key employees who will operate the satellite casino premises;
- (f) details of how the policies of the operator with respect to the criteria set out in subparagraphs (o), (p), (q) and (r) of paragraph (3) of Regulation 10 will be applied to the satellite casino premises; and
- (g) any other documents or information requested by the Commission.

(3) Upon its satisfaction with the information included in the application, the documents and information provided by the operator pursuant to paragraph (2), the Commission may grant the casino gaming premises license, subject to any conditions the Commission may deem appropriate, or if the application does not comply with the requirements of paragraph (2), reject it, by notifying the operator in writing of the grant or rejection of the license application.

(4) The operator shall pay the Commission an annual license fee for each casino gaming machines premises license in the amount of to five hundred thousand euros. (€500,000) per satellite casino premises. For the one satellite casino premises where operator has exercise the option to include up to five tables, the annual fee shall be one million euros (€1,000,000).

(5) The Commission shall demand from the operator each year in advance payment of the amount of the annual license fee due pursuant to the paragraph (4) and the operator shall pay the Commission this amount within thirty (30) days of the demand.

(6) Failure by the operator to comply with the provisions of this Regulation shall be grounds for disciplinary proceedings under Regulation 13.

ANNEX 1

FEES PAYABLE FOR THE SUBMISSION OF APPLICATIONS  
(Regulations 8, 20, 26, 27, 28, 39)

Operator license	€10,000
Junket operator license	€2,000
Junket representative license	€1,000
Gaming equipment approval	€500
Gaming supplier license	€500
Casino key employee	€500
Casino employee	€200
Satellite casino premises	€1,000
Investigation hourly rate	€500