



MASSACHUSETTS GAMING COMMISSION MEETING

April 30, 2015

10:30 a.m.

Hynes Convention Center

900 Boylston Street, Room 207

Boston, MA



Massachusetts Gaming Commission

101 Federal Street, 23rd Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com



NOTICE OF MEETING and AGENDA

April 30, 2015

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, notice is hereby given of a meeting of the Massachusetts Gaming Commission. The meeting will take place:

Thursday, April 30, 2015
10:30 a.m.
Hynes Convention Center
900 Boylston Street, Room 207
Boston, MA

PUBLIC MEETING - #150

1. Call to order
2. Approval of Minutes
 - a. April 16, 2015
3. Administrative Update – Rick Day, Executive Director
 - a. Plainridge Park Casino Quarterly Report – Jennifer Pinck, Pinck & Co.
 - b. Plainridge Park Casino Staffing Report
4. Information Technology – John Glennon, CIO
 - a. CMS Update
5. Ombudsman Report – John Ziemba
 - a. Community Mitigation Fund
 - b. City of Brockton Citizen Notice of Election Waiver Request
6. Legal Division – Catherine Blue, General Counsel
 - a. Internal Controls Regulations 205 CMR 138 and Amended Small Business Impact Statement Final Approval - T. Grossman, Deputy General Counsel and B. Band, Gaming Agents Division Chief- **VOTE**
 - b. Powaah Litigation – **VOTE**
 - c. 205 CMR 139 – Licensee Disclosure and Reporting and 140 – Tax Reporting Regulations and Amended SBIS – Final Approval – **VOTE**
 - d. Mechanical Correction to 205 CMR 102.03(4) – **VOTE**
7. Investigations and Enforcement Division – Karen Wells, Director
 - a. Plainridge Park Casino Qualifier – **VOTE**
 - b. Exemption Delegation
 - c. Temporary License Update
8. Other business – reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that on this date, this Notice was posted as “Gaming Commission Meeting” at www.massgaming.com and emailed to: regs@sec.state.ma.us, melissa.andrade@state.ma.us.

Apr. 28, 2015
(date)

[Signature]
For Stephen P. Crosby, Chairman

Date Posted to Website: April 28, 2015 at 10:30 a.m.



Massachusetts Gaming Commission



Meeting Minutes

Date/Time: April 16, 2015 – 10:30 a.m.

Place: Hynes Convention Center
900 Boylston Street, Room 103
Boston, Massachusetts

Present: Chairman Stephen P. Crosby
Commissioner James F. McHugh
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

Absent: Commissioner Gayle Cameron

**Time entries are linked to
corresponding section in
Commission Meeting video**

Call to Order

See transcript page 1-2

[10:28 a.m.](#) Chairman Crosby called to order the 149th Commission Meeting. Chairman Crosby announced the reappointment of Bruce Stebbins for a new five year term as a Commissioner with the Massachusetts Gaming Commission.

Approval of the Minutes

See transcript page 2

[10:30 a.m.](#) *Commissioner McHugh moved for the approval of the April 2, 2015 minutes with reservation of power to change mechanical and typographical errors, and to make changes suggested by Chairman Crosby. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

Commissioner McHugh noted that the minutes are now synced to the meeting video with a hyperlink.

Ombudsman

See transcript pages 3-6

[10:33 a.m.](#) Ombudsman John Ziembra provided an update on Region C RFA-2 deadline, Community Mitigation Advisory Committees, and Region C public notice issues.

Administration

See transcript pages 6-21

[10:43 a.m.](#) Vice President and General Manager Lance George, representing Plainridge Park Casino, introduced Vice President of Construction for Penn National Gaming, Michael McGrew; and Darlene Whitmore, representing JCJ Architecture. Mr. George provided a summary from Technical Consultant Ray Porfilio pertaining to the interior design.

[10:44 a.m.](#) Michael McGrew presented on the Plainridge Park Casino floor plans, which included highlights of designated spaces such as gaming area, offices, entries, public and banquet spaces, food court, and multipurpose area.

[10:53 a.m.](#) Darlene Whitmore presented an overview on design highlights, which included integration of local Plainville history and materials in facility design; and the use of stone, wood, metal, and water imagery to create a warm inviting experience for the guest.

[11:01 a.m.](#) Chairman Crosby noted that the MORE contract for the GameSense communications strategy and the Cambridge Health Alliance contract for evaluation of responsible gaming tools were approved by the Public Health Trust Fund Executive Committee.

[11:02 a.m.](#) Director Day presented an update on temporary key gaming employee licensees issued to Stephanie Shockley, Surveillance Manager, Penn National; and Barry Rhodes, Food and Beverage Director, Penn National.

[11:03 a.m.](#) Director Rick Day presented an Operations Plan update which included finance adjustments, 2015 budget, regulations, State Police and Gaming Agents hiring status, licensing applications, self-exclusion program, selection of accounting firm to assist with internal controls, approval of travel and tourism plan, identification of recipient for small business capacity building grant, and ongoing recruitment for gaming lab manager and staff attorney positions.

Legal Division

See transcript pages 21-38

- [11:21 a.m.](#) Chairman Crosby read an email received from Plainville Town Moderator Luke Travis expressing his opposition to prohibition of elected officials in any host municipality from engaging in gaming at that facility.
- [11:25 a.m.](#) Deputy General Counsel Todd Grossman clarified that the provision pertaining to elected officials and gaming is in the excluded persons regulation and this regulation will be sent out for public comment and a public hearing will be scheduled.
- [11:26 a.m.](#) General Counsel Catherine Blue presented an update pertaining to the Revere, Boston, and Somerville litigation. General Counsel Blue noted that an agreement was reached with the Attorney General's Office whereas the Attorney General's Office will handle the criminal matter pertaining to the sale of land in Everett, and private counsel (Special Attorney Generals) will represent the Commission in the civil litigation.
- [11:31 a.m.](#) General Counsel Blue presented on the Small Business Impact Statements for the following regulations: 205 CMR 101: Adjudicatory Proceedings; 205 CMR 136: Sale and Distribution of Alcoholic Beverages at Gaming Establishments; 205 CMR 150: Protection of Minors & Underage Youth; 205 CMR 151: Requirements for the Operations and Conduct of Gaming at a Gaming Establishment (Operations Certificate); and 205 CMR 152: Individuals Excluded from a Gaming Establishment.
- [11:31 a.m.](#) *Commissioner Stebbins moved that the Commission approve the Small Business Impact Statements for: 205 CMR 101: Adjudicatory Proceedings; 205 CMR 136: Sale and Distribution of Alcoholic Beverages at Gaming Establishments; 205 CMR 150: Protection of Minors & Underage Youth; 205 CMR 151: Requirements for the Operations and Conduct of Gaming at a Gaming Establishment (Operations Certificate); and 205 CMR 152: Individuals Excluded from a Gaming Establishment. Motion seconded by Commissioner McHugh. Motion passed unanimously.*
- [11:32 a.m.](#) Deputy General Counsel Grossman presented on draft 205 CMR 138 – Internal Controls, which included additions and adjustments based upon comments, variance provisions, FinCEN, and comments letter from MGM.
- [11:52 a.m.](#) Attorney Jed Nosal, representing MGM Springfield, pointed out aspects pertaining to MGM comments letter sent to the Commission.
- [12:03 pm.](#) Lance George, representing Plainridge Park Casino, noted his upcoming meeting with Deputy General Counsel Grossman pertaining to Internal Controls.
- [12:06 p.m.](#) The Commission took a short recess.

[12:18 p.m.](#) Meeting resumed.

Racing Division

See transcript pages 38-46

[12:19 p.m.](#) Dr. Alexandra Lightbown, Interim Director of Racing, presented a racing update which included opening day at Plainridge, pre-race meeting, condition of tracks, acceptance of credit cards for payment of license fees, receipt of approximately 400 licensees last month, and new AV equipment for the judges stand. Dr. Lightbown also presented an update on the Lasix Work Group which included meetings held, research conducted, late fines, and post-race blood gas testing.

[12:25 p.m.](#) General Manager Steve O'Toole, of the Plainridge Racecourse, expressed comments about the late fines.

[12:28 p.m.](#) Senior Financial Analyst Doug O'Donnell presented on the Plainridge Racecourse request for Capital Improvement Trust Fund money to purchase and install markers totaling \$13,820.

[12:30 p.m.](#) General Manager Steve O'Toole, of the Plainridge Racecourse, spoke about need for new markers.

[12:36 p.m.](#) *Commissioner Stebbins moved that the Commission approve the Plainridge Racecourse request for Capital Improvement Trust Fund money for \$13,820 subject to final review and approval of the project by the architectural firm. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

[12:37 p.m.](#) Senior Financial Analyst O'Donnell presented an update on the Local Aid Distributions.

[12:38 p.m.](#) Dr. Lightbown presented on request from Plainridge Park Casino for approval of Key Operating Personnel and Racing Officials.

[12:41 p.m.](#) *Commissioner Stebbins moved that the Commission approve the Plainridge Park Casino request for approval of Key Operating Personnel and Racing Officials for the 2015 racing season pursuant to any final background checks that need to be completed by the IEB. Motion seconded by Commissioner McHugh. Motion passed unanimously.*

Other Business Not Reasonably Anticipated

See transcript page 46-47

[12:42 p.m.](#) Chairman Crosby announced that the next two Commission meetings (April 30, 2015 and May 14, 2015) will be held at the Hynes Convention Center in Boston.

12:42 p.m. *Having no further business, a motion to adjourn was made by Commissioner Zuniga. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda, April 16, 2015
2. Massachusetts Gaming Commission, Draft Meeting Minutes, April 2, 2015
3. Epstein Joslin Architects, Inc., Memorandum dated March 31, 2015
(*Revised 4/10/15*) regarding Plainridge Park Casino Design Review 3: Interiors
4. Plainridge Park Casino Floor Plans - JCJ Architecture
5. Massachusetts Gaming Commission, Memorandum dated April 16, 2015 regarding
Temporary Key Gaming Employee Licenses Issued
6. Massachusetts Gaming Commission, Memorandum dated April 13, 2015 regarding
Operations Plan for the Second Half FY15-Update
7. Massachusetts Gaming Commission, Schedule Update/Slot Parlor Activities dated
April 8, 2015
8. Massachusetts Gaming Commission, Memorandum dated March 27, 2015 regarding
Lasix and Blood Gas Work Group
9. Massachusetts Gaming Commission, Memorandum dated April 16, 2015 regarding
Plainridge Racecourse Request for Capital Improvement Fund Monies
with attachments
10. Massachusetts Gaming Commission, Racing Division, Local Aid Disbursements,
Quarter Ending 03/31/2015
11. Massachusetts Gaming Commission, Memorandum dated April 10, 2015 regarding
Plainridge Key Operating Personnel and Racing Officials with attachments
12. Small Business Impact Statement, 205 CMR 101: Adjudicatory Proceedings
13. Small Business Impact Statement, 205 CMR 136: Sale and Distribution of Alcoholic
Beverages at Gaming Establishments
14. Small Business Impact Statement, 205 CMR 150: Protection of Minors and
Underage Youth
15. Small Business Impact Statement, 205 CMR 151: Operations and Conduct of
Gaming at a Gaming Establishment
16. Small Business Impact Statement, 205 CMR 152: Individuals Excluded from a
Gaming Establishment
17. Amended Small Business Impact Statement, 205 CMR 138: Uniform Standards of
Accounting Procedures and Internal Controls
18. Draft 205 CMR 138: Uniform Standards of Accounting Procedures and Internal
Controls
19. Email from Town of Plainville Moderator, to MGC, dated April 14, 2015 regarding
Exclusion of Elected Officials

/s/ Catherine Blue
Catherine Blue
Assistant Secretary



PENN NATIONAL
GAMING, INC.



**Monitoring of
Project Construction
and
Licensee Requirements
205 CMR 135**

**Quarterly Report
as of
March 31, 2015**





Monitoring of Project Construction and Licensee Requirements Quarterly Report as of 3-31-15

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APPENDIX 1

Plainridge Park Casino Quarterly Report to MGC Updated Guidelines As of March 31, 2015

Reference 205 CMR 135.02 – (1)

Updates received during the quarter ended March 31, 2015 are as follows:

- 205 CMR 129: DRAFT- Transfer of Interest
(Comment period ended March 26, 2015)
(Public hearing held March 12, 2015)
- 205 CMR 136: DRAFT- Sale and Distribution of Alcoholic Beverages at Gaming Establishments
(Comment period ended March 17, 2015)
(Public hearing not yet scheduled)
- 205 CMR 146: DRAFT- Gaming Equipment
(Comment period ended January 9, 2015)
(Public hearing held March 12, 2015)
- 205 CMR 150: DRAFT – Protection of Minors & Underage Youth
Race Horse Development Fund
(Comment period ended March 18, 2015)
(Public hearing not yet scheduled)
- 205 CMR 151: DRAFT – Operations Certificate
(Comment period ended April 1, 2015)
(Public hearing not yet scheduled)

Received draft / comment period open for the following:

- 205 CMR 139: DRAFT- Continuing Disclosure and Reporting Obligations of Gaming Licensees
(Comment period ends April 24, 2015)
(Public hearing schedule for April 23, 2015)
- 205 CMR 140: DRAFT- Gross Gaming Revenue Tax Remittance and Reporting
(Comment period ends April 24, 2015)
(Public hearing schedule for April 23, 2015)
- 205 CMR 152: DRAFT- Individuals Excluded from the Gaming Establishment
(Comment period ends May 21, 2015)
(Public hearing not yet scheduled)

APPENDIX 2

Plainridge Park Casino Quarterly Report to MGC Project Schedule As of March 31, 2015

Reference 205 CMR 135.02 – (2)(a)(c)

Construction Activities

- The attached project schedule was approved by MGC during meeting of July 10, 2014. The project is still on track for a June 2015 completion. Current construction progress schedule update is included in Appendix 4.
- Penn National Gaming issued a press release March 23, 2015 announcing Plainridge Park Casino's plans, subject to receipt of regulatory approvals, to open to the public on June 24, 2015. SG&R will continue to work with MGC on details supporting that opening date.

Non-Construction Activities

- The Plainridge Park Casino Non-Construction Activities Schedule updated April 9, 2015 is attached. SG&R and MGC are continuing to stay in regular communication to bring dates in line with current activities and finalize specific regulatory approvals.

Plainridge Park Casino - Non-Construction Activities Schedule

Updated: 4/24/2015

Activity ID	Activity Name	%	Start	Finish
MGC Contractor Form				
PPC-EVENT1-OP-0050	SG&R Carpet Vendors MGC Form Completion and Signoff - Crossley	100%	5-Nov-14	10-Dec-14
PPC-EVENT1-OP-0060	SG&R Lighting Vendors MGC Form Completion and Signoff - Arts Anvil	100%	5-Nov-14	10-Dec-14
PPC-EVENT1-OP-0010	SG&R Carpet Vendors MGC Form Completion and Signoff	100%	5-Nov-14	9-Jan-15
PPC-EVENT1-OP-0020	SG&R Wallcovering Vendors MGC Form Completion and Signoff	100%	5-Nov-14	9-Jan-15
PPC-EVENT1-OP-0030	SG&R Lighting Vendors MGC Form Completion and Signoff	100%	5-Nov-14	9-Jan-15
PPC-EVENT1-OP-0040	SG&R Signage Vendors MGC Form Completion and Signoff	100%	5-Nov-14	9-Jan-15
SG&R Procurement				
SG&R - General Procurement and Delivery				
PPC-NON/CONSTR-0020	SG&R - Provide Plans For Contracting With Local Business Owners (Statute Check-List # 8)	100%	3-Mar-14	2-Jun-14
PPC-NON/CONSTR-0210	SG&R - Provide Names of All Proposed Vendors of Gaming Equipment	100%	3-Mar-14	22-Sep-14
PPC-NON/CONSTR-0250	SG&R - Surveillance Equipment Delivery & Install	56%	2-Feb-15	30-Apr-15
PPC-NON/CONSTR-0040	SG&R - Design & Construct To LEED Gold Certification	50%		30-Jun-15
PPC-NON/CONSTR-0050	SG&R - Apply To USGBC For LEED Gold Certification	50%	1-Jul-15	11-Aug-15
PPC-NON/CONSTR-0030	SG&R - Provide LEED Certification To MGC (Statute Check-List # 12)	0%	12-Aug-15	4-Feb-16
SG&R - Slot Machines Procurement and Delivery				
PPC-NON/CONSTR-0305	SG&R - Activate Security Cameras (Gaming Floor / Other Areas)	82%	7-Mar-15	30-Apr-15
PPC-NON/CONSTR-0310	SG&R - Slot Machine Procurement & Manufacturing	100%	26-Jan-15	30-Apr-15
PPC-NON/CONSTR-0315	SG&R - Deliver & Install Slot Machine Bases (7dc)	50%	4-Apr-15	15-May-15
PPC-NON/CONSTR-0410	SG&R - Slot Machine Delivery & Installation	0%	24-Apr-15	26-May-15
PPC-NON/CONSTR-0415	SG&R - Slot Machine Start-Up & Check-Out	0%	28-Apr-15	12-Jun-15
Host & Surrounding Communities				
PPC-NON/CONSTR-0080	SG&R - Identify Infrastructure Costs + Commit To Mitigation Plan (Statute C.L. # 23) - Released Marois	100%	3-Mar-14	12-Nov-14
PPC-NON/CONSTR-0120	SG&R - Conduct Jobfairs (SCA Foxboro, Mansfield, North Attleboro, Wrentham)	75%	3-Mar-14	1-Jun-15
PPC-NON/CONSTR-0090	SG&R - Implement Measures To Address Problem Gaming (Statute C.L. # 23)	100%	16-Apr-15	20-Apr-15
PPC-NON/CONSTR-0100	SG&R - Conduct Baseline Studies (License # 9 Other)	0%	31-Mar-15	15-Jun-15
PPC-NON/CONSTR-0110	SG&R - Traffic Related Baseline Studies (RFA # 2)	20%	31-Mar-15	15-Jun-15
PPC-NON/CONSTR-0370	SG&R - Monitor & Assess Initial Impacts To Community (Starting Post Opening Day)	0%	1-Jul-15	28-Jun-16
PPC-NON/CONSTR-0380	SG&R - Prepare Initial Reports On Post Opening Monitoring	0%	6-Jul-16	24-Aug-16
Regulatory Approvals				
SG&R				
PPC-NON/CONSTR-0260	SG&R - Submit Exterior Design Plans For MGC Approval (FDC # 9)	100%	28-May-14	18-Jul-14
PPC-NON/CONSTR-0270	SG&R - Submit Floor Plan For MGC Approval (FDC # 9)	100%	1-Jul-14	7-Aug-14
PPC-NON/CONSTR-0400	SG&R - Submit Required Approvals List & MGC Approval (Summary Item # 25)	100%	3-Mar-14	29-Aug-14
PPC-NON/CONSTR-0180	SG&R - Submit Surveillance System Plan For MGC Approval (RFA C.L. # 5 & 6)	50%	22-Sep-14	20-Apr-15
PPC-NON/CONSTR-0390	* SG&R - Submit "12.15.14" Bank Secrecy Act Plan To MGC For Approval "02.27.15"	86%	1-Oct-14	30-Apr-15
PPC-NON/CONSTR-0060	* SG&R - File & Submit Internal Controls To MGC	88%	1-Oct-14	1-Jun-15
PPC-NON/CONSTR-0070	SG&R - Submit Responsible Gaming Plan (FDC # 20)	40%	3-Mar-14	30-Apr-15
PPC-NON/CONSTR-0200	SG&R - Submit Slot Monitoring System For MGC Approval	40%	22-Sep-14	30-Apr-15
MGC Approvals				
PPC-NON/CONSTR-0350	MGC - Approve Mass. Community College Training Plans (License # 12)	100%	3-Mar-14	15-Jul-14
PPC-NON/CONSTR-0150	MGC - Finalize & Approve Gaming Office Requirements (RFA # 2)	100%	3-Mar-14	7-Aug-14
PPC-NON/CONSTR-0170	MGC - Develop & Issue Surveillance System Specifications	100%	3-Mar-14	19-Sep-14
PPC-NON/CONSTR-0240	MGC - Issue Free Play Standards (License # 26)	100%	3-Mar-14	19-Sep-14
PPC-NON/CONSTR-0290	MGC - Issue State Slot Monitoring System Requirements	100%	3-Mar-14	19-Sep-14
PPC-NON/CONSTR-0010	* MGC - Provide Regulation / Full Descriptions Of Internal Controls (Statute Check-List # 4)	100%	3-Mar-14	19-Jun-15
PPC-NON/CONSTR-0280	MGC - Approve Slot Machine Requirements	100%	3-Mar-14	30-Sep-14
PPC-NON/CONSTR-0320	MGC - License Slot Machine Vendors	90%	3-Mar-14	30-Apr-15
PPC-NON/CONSTR-0710	MGC - Approve Exterior Design (FDC #9)	100%	21-Jul-14	31-Dec-14
PPC-NON/CONSTR-0720	* MGC - Approve Floor Plan For MGC Approval (FDC # 9)	100%	8-Aug-14	14-May-15
PPC-NON/CONSTR-0720	* MGC - Final Approval of Floor Plan	0%	15-May-15	24-Jun-15
PPC-NON/CONSTR-0340	MGC - Approve Surveillance System Plan	100%	2-Jan-15	20-Mar-15
PPC-NON/CONSTR-0160	* MGC - Approve Internal Controls	50%	16-Jan-15	1-Jun-15
PPC-NON/CONSTR-0730	MGC - Approve Slot Monitoring System	0%	3-Feb-15	29-May-15
PPC-NON/CONSTR-0140	MGC - Develop & Provide On Site Requirements For Inspection For Pre-Opening Activities (RFA # 2)	50%	2-Mar-15	30-Apr-15
PPC-NON/CONSTR-0740	MGC - Approve Slot Machine Testing Program	0%	3-Mar-15	1-Jun-15
PPC-NON/CONSTR-0700	MGC - Approval of Responsible Gaming Plan (FDC # 20)	75%	3-Feb-15	15-May-15
PPC-NON/CONSTR-0190	MGC - On-Site Review & Approval Process Of Surveillance System	0%	24-Feb-15	15-May-15
PPC-NON/CONSTR-0130	MGC - Develop & Provide Process & Road Map Requirements For On-Site Operating License Issuance	65%	3-Mar-14	29-May-15
PPC-NON/CONSTR-0230	MGC - Test & Approve Slot Monitoring System for Use	0%	1-Apr-15	29-May-15
Other Requirements				
PPC-NON/CONSTR-0450	SG&R - Submit Plan for Regional Tourism (License #23)	100%	30-Mar-14	30-Apr-14
PPC-NON/CONSTR-0420	SG&R - Submit Affirmative Marketing Program for Design & Construction and On-site Workforce	100%	28-Mar-14	26-Jun-14
PPC-NON/CONSTR-0430	SG&R - Submit Affirmative Marketing Plan for Businesses Providing Goods & Services	100%	28-Mar-14	7-Aug-14
PPC-NON/CONSTR-0440	SG&R - Submit Plan to Work with MA DOL on Employment Opportunities	100%	28-Mar-14	7-Aug-14
PPC-NON/CONSTR-0460	SG&R - Gas Line Easement	100%	5-May-14	22-Aug-14
PPC-NON/CONSTR-0330	* SG&R - Execute Amended Lottery Agreement (License # 10)	74%	5-Nov-14	1-Jun-15
PPC-NON/CONSTR-0360	SG&R - Apply For Or Amend Existing & Obtain Alcoholic Beverage License	50%	5-Jan-15	1-Jun-15
PPC-NON/CONSTR-1000	SG&R - Install Security / IT Equipment	50%	18-Feb-15	1-Jun-15

* The dates on various items identified above are under evaluation. SG&R and MGC are currently in communication to get dates in line with current non-construction activities.

APPENDIX 3

Plainridge Park Casino Quarterly Report to MGC Affirmative Action Program Design & Construction As of March 31, 2015

Reference 205 CMR 135.02 – (3)

Diversity Plan for the Design and Construction Phase of Plainridge Park Casino previously approved during MGC meeting held May 15, 2014 and project remains in compliance with said plan.

Specifics of said progress addressed in the following Appendix 8 and Appendix 9 of this quarterly report.

APPENDIX 4

Plainridge Park Casino Quarterly Report to MGC Project Schedule Changes As of March 31, 2015

Reference 205 CMR 135.02 – (4)

In spite of record snowfalls and severe winter conditions, no circumstances have arisen that would necessitate a major change to the project schedule or impact the completion date of June 2015.

Penn National Gaming issued a press release March 23, 2015 announcing Plainridge Park Casino's plans, subject to receipt of regulatory approvals, to open to the public on June 24, 2015. SG&R will continue to work with MGC on details supporting that opening date.

In addition to SGR and Turner Construction monitoring the schedule, on a monthly basis, Turner Construction provides MGC consultants the current project schedule for construction and non-construction activities.

Attached hereto is a report of aerial photos taken as of April 6, 2015 and various project photos taken March 31, 2015 and April 20, 2015.



PENN NATIONAL
GAMING, INC.



Turner

PLAINRIDGE PARK CASINO- PROJECT PHOTOS

Aerial Photos Taken as of 4/6/15





Various Project Photos Taken 3/31/15

Sidewalk leading to Casino Entrance



Live Entertainment Area



New Elevator Lobby at Track
GM Office



Laying Carpet at Food Court



Exterior Work at Fluties Sports Bar



Framing for ceiling
Chevrons Toward Casino



Women's Restroom
Adjacent to Stage Area



Walk In Coolers
Service Area Behind Stage



Casino Cashier looking
Toward Retail Space



Exterior of Oyster Bar and
Ramp to Existing Clubhouse



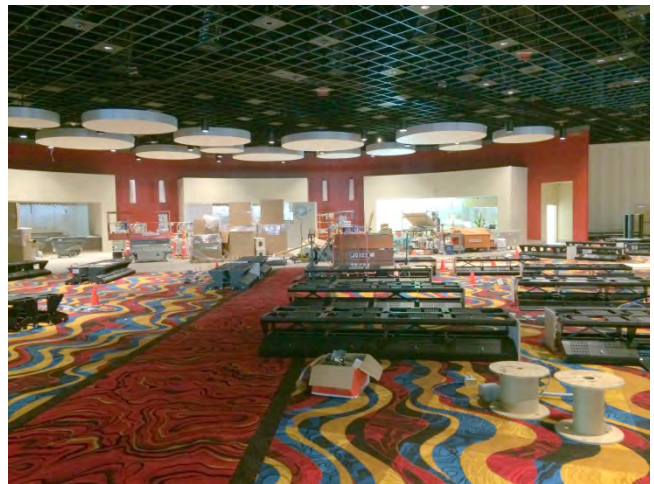
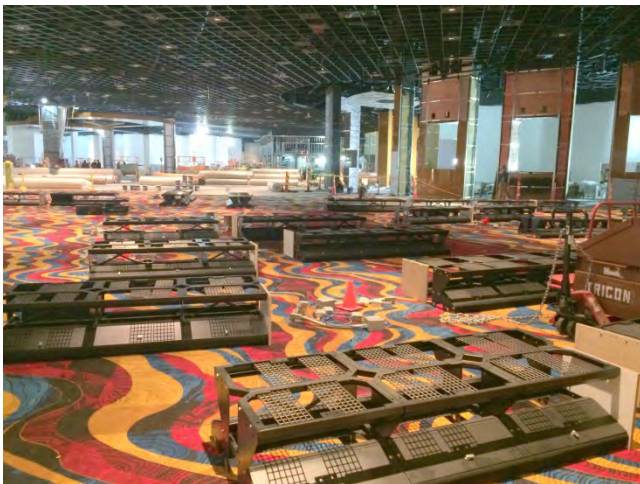
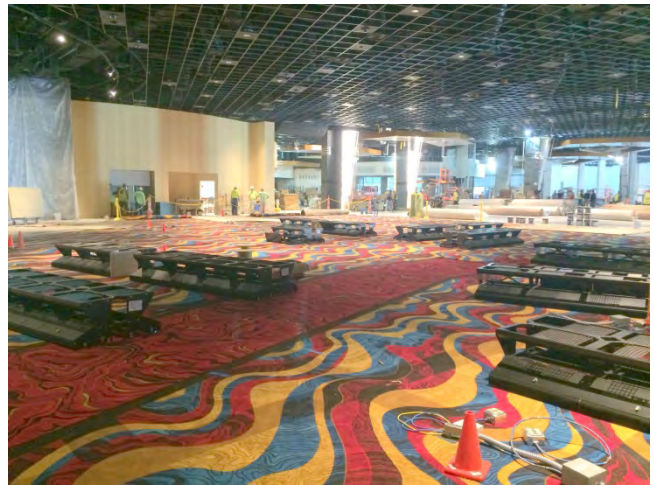
Lower Trackside Lounge



Work at Similcast Theater



Various Project Photos Taken 4/20/15



Various shots of kitchens



MassDOT Improvements Photos Taken 4/27



APPENDIX 5

**Plainridge Park Casino
Quarterly Report to MGC
Cost of Construction and Capitalization of Gaming Licensee
As of March 31, 2015**

Reference 205 CMR 135.02 – (5)(a)(b)

Certification letter attached.



PENN NATIONAL
GAMING, INC.

April 23, 2015

Massachusetts Gaming Commission
84 State Street, 10th Floor
Boston, MA 02109

RE: Quarterly Report

Dear Commissioners:

In accordance with 205 CMR 135.02(5)(a) of the Massachusetts Gaming Commission Monitoring of Project Construction and Licensee Requirements (the “Monitoring Regulations”), please see below for the total estimated costs of construction and related infrastructure improvements relating to the development of the Plainridge Park Casino in Plainridge, Massachusetts (the “Facility”), and related costs incurred through March 31, 2015 which have been calculated in accordance with 205 CMR 122.03: Costs Included in the Calculation of Capital Investment. Please note since the last reporting there has been an increase of \$25 million in the overall budget which is principally a result of our decision to purchase rather than lease certain games and equipment.

	Cost Incurred as of 3/31/15	Estimated Remaining Cost	Total Estimated Cost
Building/Construction ¹	\$ 84,397,374	\$ 53,201,384	\$ 137,598,758
Land	\$ 18,980,513	\$ -	\$ 18,980,513
Other Acquisition Costs	\$ 2,084,648	\$ -	\$ 2,084,648
License/Application Fees	\$ 25,000,000	\$ -	\$ 25,000,000
Gaming and Operations Equipment	\$ 7,284,006	\$ 32,698,325	\$ 39,982,331
Design	\$ 5,658,135	\$ 1,795,615	\$ 7,453,750
Preopening Expenses	\$ -	\$ 7,000,000	\$ 7,000,000
Cage Cash	\$ -	\$ 7,000,000	\$ 7,000,000
Capitalized Interest	\$ 1,169,535	\$ 1,330,465	\$ 2,500,000
Off-Site Improvements	\$ -	\$ 2,400,000	\$ 2,400,000
Total	\$ 144,574,211	\$ 105,425,789	\$ 250,000,000

In addition, in accordance with 205 CMR 135.02(b) of the Monitoring Regulations, I direct you to the publicly-filed financial statements of Penn National Gaming, Inc. (“Penn”), the parent of Springfield Gaming and Redevelopment, LLC (the “Applicant”), including Penn’s Annual Report on Form 10-K for

¹ Includes site preparation.

the year ended December 31, 2014, filed with the Securities and Exchange Commission (the "SEC") on February 27, 2015, and Penn's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015, expected to be filed with the SEC on or about May 8, 2015, each of which are available at www.sec.gov. As reflected in these financial statements, the Applicant has sufficient financial resources in order to meet all expected financial obligations relating to the completion of the gaming establishment and related infrastructure improvements associated with the Facility.

I, Saul V. Reibstein, hereby certify, to my knowledge and in my capacity as Chief Financial Officer of Penn National Gaming, Inc., as to the material veracity of the foregoing.

Very truly yours,



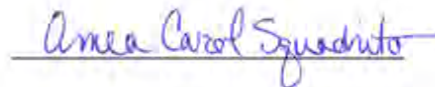
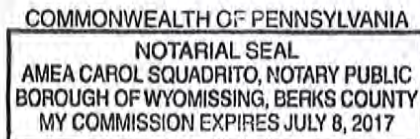
Saul V. Reibstein
Chief Financial Officer

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF BERKS

On this 23rd day of APRIL, 2015, before me, the undersigned officer, personally appeared Saul V. Reibstein, who acknowledged himself to be the Chief Financial Officer of Penn National Gaming, Inc., a Pennsylvania corporation, and that he, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of such company by himself as the authorized officer.

IN WITNESS WHEREOF, I have hereunder set my hand and Notarial Seal.



**Plainridge Park Casino
Quarterly Report to MGC
Design and Construction Contracts
As of March 31, 2015**

Reference 205 CMR 135.02(5)(c)

LIST OF DESIGN AND CONSTRUCTION CONTRACTS ISSUED QUARTER ENDING MARCH 31, 2015			
<u>Vendor/Contractor</u>	<u>Date</u>	<u>Services</u>	<u>MGC Status</u>
Beverage Management Systems	01/22/15	Beverage Dispensing System Install	NGV – Registrant
Amtrend Corporation	01/20/15	Custom Banquette Furniture	NGV – Pending
Jenn One Designs LLC	01/30/15	Memorabilia Install/Coordination	NGV – Registrant
Reldom Corporation	02/17/15	Custom Millwork	NGV – Registrant
WCD Window Coverings	02/19/15	Custom Draperies	NGV – Registrant
Daktronics	02/20/15	AV Equipment	NGV – Registrant
Core BTS	02/27/15	Phone Equipment and Services	NGV – Registrant
Ferrante Manufacturing Company	02/23/15	Custom Furniture	NGV – Registrant
Capital Plastic Company Inc.	02/26/15	Memorabilia Display Cases	NGV – Pending
MICROS Fidelio Worldwide	02/26/15	Software sales and support	NGV – Registrant
CORE BTS	02/27/15	Software implementation Services	NGV – Registrant
IGT	02/20/15	Gaming Equipment	VGP - Pending
WMS	03/02/15	Gaming Equipment	VGP - Temporary
Multimedia Games	02/27/15	Gaming Equipment	VGP - Temporary
Bally	02/11/15	Gaming Equipment	VGP - Temporary
KGM Gaming	02/20/15	Gaming Equipment	VGP - Temporary
Christopher N. Smith	03/01/15	Consulting Services	NGV - Registrant
Konami	03/05/15	Gaming Equipment	VGP - Temporary
MICROS	03/12/15	Gaming Equipment	NGV - Registrant
Gtech	03/18/15	Gaming Equipment	VGP - Pending
NOUVIR Lighting	03/19/15	Custom Lighting in Cases	NGV - Registrant
Vanasse and Associates, Inc.	03/27/15	Traffic Engineering and Planning Services	NGV - Registrant
EGADS, LLC	03/20/15	Signage	NGV - Registrant
Contronics Wireless Communications	03/26/15	Antenna Repair for Emergency Services	NGV - Registrant
Cummins Allison	03/26/15	Countroom Equipment	NGV - Registrant

APPENDIX 7

Plainridge Park Casino Quarterly Report to MGC Status Report of Construction Activities As of March 31, 2015

Reference 205 CMR 135.02 – (5)(d)

Status Report Reflecting Progress of Construction

- Significant construction activities to date are in line with approved schedule (see Appendix 2) and include:
 - All significant construction contracts have been awarded
 - Certificate of Occupancy for garage offices received 2/24/15
 - Certificate of Occupancy received 3/31/15 for Live Racing area
 - IT equipment rooms turned over to operations team 2/16/15
 - Photovoltaic panels on casino building complete
 - Photovoltaic panels on the garage will begin in April
 - Permit received 2/6/15 for MassDOT offsite improvements and work began 3/20/15
 - Underground and utility work and rough grading for 495 south bound off ramp
 - Commenced Route 1 median work
 - Commenced foundations for signal poles and signs
 - Surveillance rooms turned over from a construction standpoint on 3/10/15
 - Starting 3/23/15, installation of surveillance equipment commenced. Scope of work includes:
 - Installation of racks and head end equipment
 - Camera installation and connections
 - Installation of surveillance room monitors
 - April 23, 2015 commenced filming/recording of gaming floor areas 1 and 2
 - Exterior of casino building is 95% complete
 - Finishes continuing at Extended Porte Cochere
 - Mobilization started for construction of the armored car bay
 - Interior fitout of casino building is in progress
 - Installation of carpeting and flooring has begun in many areas
 - Interior walls continue to be enclosed and finished
 - Continue wiring for slot machines - 30% complete
 - Fitout of kitchens in progress
 - Site work is in progress
 - Foundations for racing/regulatory building scheduled to start in April
 - Landscaping scheduled to begin in early April

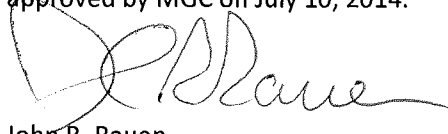
- Engaged consultant to perform baseline traffic studies
 - Executed an agreement with Vanasse & Associates, Inc. for traffic engineering and planning services
 - Scope meets requirements outlined in Surrounding Community Agreements for Foxboro, Mansfield, North Attleboro, Wrentham, and City of Attleboro for baseline traffic monitoring programs
 - As of 4/27/15, we have been advised that field work is complete and expect consultant's report by 5/1/15

Areas of non-compliance with approved schedule

- None

Certification Statement

I certify that construction activities through March 31, 2015, are in compliance with the project schedule approved by MGC on July 10, 2014.



John R. Rauen
Authorized Representative
Springfield Gaming and Redevelopment, LLC

APPENDIX 8

Plainridge Park Casino Quarterly Report to MGC Project Construction Work Force As of March 31, 2015

Reference 205 CMR 135.02 – (5)(e)

Project Construction Workforce reports the following for WBE/MBE/VBE participation:

Minority	16% participation to date vs. goal of 16%
Women	3% participation to date vs. goal of 7%
Veteran	8% participation to date vs. aspirational goal of 3%

Detailed statistical reports attached:

- Subcontractors Workforce Percentages
- Total Weekly Manpower Chart
- Workers Onsite by Company Log

Deviation from established goals:

Women	3% participation to date vs. goal of 7%
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The four percent cumulative shortfall of the women's workforce goal is a result of the number of larger trade areas represented on the job (site, plumbing, electrical, drywall and mechanical). These trades have struggled to meet goal percentages to date due to the overall composition of their workforce in the general Massachusetts area, and therefore, the workforce available for the Plainridge casino project.

Turner and the affected subcontractors meet regularly to monitor performance and identify steps to increase minority participation. Turner employs the same monitoring and corrective action approach with all subcontractors and is satisfied that a good faith effort to achieve goals is being made by all project participants.

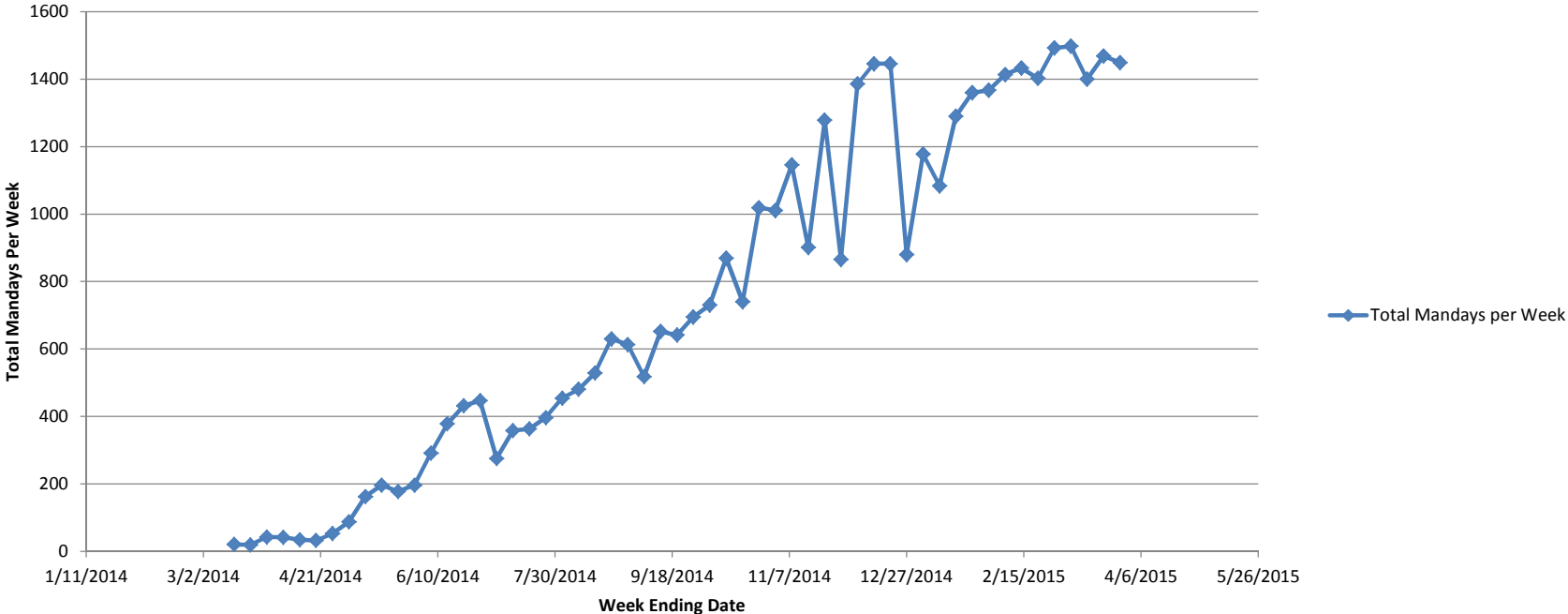
SUBCONTRACTORS WORKFORCE PERCENTAGES ~ Plainridge Park Casino

WEEK ENDING	SUBCONTRACTOR	THIS WEEKS HOURS	LAST WEEKS HOURS	Y-T-D JOB HOURS	Minority Y-T-D HOURS	LAST WEEK Minority %	THIS WEEK Minority %	Minority YEAR TO DATE %	Female Y-T-D HOURS	LAST WEEK Female %	THIS WEEK Female %	Female YEAR TO DATE %	Veteran Y-T-D HOURS	LAST WEEK Veteran %	THIS WEEK Veteran %	Veteran YEAR TO DATE %
4/5/2015	Turner Construction	615.0	637.0	18,086.0	5,100	25	27	28	2,025	9	7	11	0	0	0	0
4/5/2015	Marois Brothers	462.5	284.0	22,892.5	2,805	14	9	12	132.0	0	0	1	2,639	15	17	12
4/5/2015	S&F Concrete	0.0	0.0	6,482.5	618	0	0	10	0	0	0	0	0	0	0	0
4/5/2015	NB Kenney	578.0	604.0	25,507.5	1,211	13	14	5	1,921	13	7	8	3,882	21	17	15
4/5/2015	Prime Steel	72.0	0.0	5,931.0	768	0	0	13	389	0	0	7	169	0	0	3
4/5/2015	Ostrow Electrical	586.0	570.0	26,095.8	3,094	7	7	12	1,898	14	14	7	6,536	20	19	25
4/5/2015	Soini Erosion Control	0.0	0.0	16.0	16	0	0	100	0.0	0	0	0	0	0	0	0
4/5/2015	Melo's Rodbusters	0.0	0.0	1,424.0	218	0	0	15	323.0	0	0	23	0	0	0	0
4/5/2015	Kone	0.0	0.0	1,633.0	0	0	0	0	0	0	0	0	0	0	0	0
4/5/2015	Costa Brothers	223.5	80.0	6,352.5	478	20	18	8	0	0	0	0	1,267	40	18	20
4/5/2015	Willow Tree	0.0	0.0	200.0	72	0	0	36	0	0	0	0	0	0	0	0
4/5/2015	King Erectors	0.0	0.0	8,340.0	2,204	0	0	26	546	0	0	7	0	0	0	0
4/5/2015	Modern Glass	16.0	0.0	2,820.8	0	0	0	0	0	0	0	0	194	0	0	7
4/5/2015	Chapman Waterproofing	31.0	8.0	3,282.5	816	0	0	25	73	0	0	2	268	0	0	8
4/5/2015	TJ McCartney	50.0	40.0	14,872.5	4,112	0	16	28	0	0	0	0	682	0	0	5
4/5/2015	Pro Cut	0.0	0.0	457.0	0	0	0	0	0	0	0	0	0	0	0	0
4/5/2015	RM Technologies	0.0	0.0	3,999.0	2,732	0	0	68	0	0	0	0	35	0	0	1
4/5/2015	Arden Engineering	198.5	200.0	8,428.0	0	0	0	0	0	0	0	0	134	0	0	2
4/5/2015	Island International	275.0	135.0	8,515.0	2,052	36	17	24	0	0	0	0	736	5	0	9
4/5/2015	Clifford & Galvin	0.0	0.0	441.0	101	0	0	23	0	0	0	0	0	0	0	0
4/5/2015	Ryan Iron	32.0	0.0	2,663.0	177	0	0	7	0	0	0	0	0	0	0	0
4/5/2015	Titan Roofing	479.5	371.0	7,568.5	155	0	0	2	0	0	0	0	570	0	0	8
4/5/2015	DDS Industries	3.0	0.0	5,585.3	0	0	0	0	0	0	0	0	781	29	0	14
4/5/2015	Hallamore Corp	0.0	0.0	307.8	9	0	0	3	0	0	0	0	56	0	0	18
4/5/2015	Cox Engineering	760.0	975.0	27,166.5	3,027	12	11	11	0	0	0	0	2,074	8	5	8
4/5/2015	Coghlin Electric	3,095.5	3,244.0	46,353.5	5,196	19	20	11	2,036	4	5	4	3,011	6	6	6
4/5/2015	Commonwealth Scaffold	194.0	210.0	5,456.5	309	0	0	6	0	0	0	0	27	0	0	0
4/5/2015	Atlantic Contracting	0.0	0.0	689.0	0	0	0	0	0	0	0	0	0	0	0	0
4/5/2015	Reid Electric	0.0	0.0	552.0	0	0	0	0	0	0	0	0	552	0	0	100
4/5/2015	E.S. Boulos	0.0	0.0	3,382.0	398	0	0	12	0	0	0	0	170	0	0	5
4/5/2015	Soep Painting	328.0	286.0	5,714.0	1,210	17	24	21	152	10	10	3	0	0	0	0
4/5/2015	Roadsafe Traffic Safety	0.0	0.0	145.0	31	0	0	21	0.0	0	0	3	0	0	0	0
4/5/2015	H. Carr & Sons	1,212.0	1,702.0	30,224.0	9,133	36	42	30	1,024	3	3	3	1,124	0	0	4

WEEK ENDING	SUBCONTRACTOR	THIS WEEKS HOURS	LAST WEEKS HOURS	Y-T-D JOB HOURS	Minority Y-T-D HOURS	LAST WEEK Minority %	THIS WEEK Minority %	Minority YEAR TO DATE %	Female Y-T-D HOURS	LAST WEEK Female %	THIS WEEK Female %	Female YEAR TO DATE %	Veteran Y-T-D HOURS	LAST WEEK Veteran %	THIS WEEK Veteran %	Veteran YEAR TO DATE %
4/5/2015	High Point Interiors	284.0	436.0	3,133.0	347	11	14	11	0	0	0	0	0	0	0	0
4/5/2015	Circle Floors	327.0	298.0	2,331.0	2,132	100	100	91	0	0	0	0	0	0	0	0
4/5/2015	New England Decks & Floors	256.0	365.0	2,135.0	629	30	34	29	0	0	0	0	0	0	0	0
4/5/2015	Frontline	84.0	104.0	380.0	136	38	29	36	220	38	62	58	0	0	0	0
4/5/2015	Eaton Door	0.0	64.0	311.0	30	33	0	10	0	0	0	0	8	0	0	3
4/5/2015	Adirondack Studios	154.0	160.0	650.0	165	25	24	25	0	0	0	0	0	0	0	0
4/5/2015	Alleghany Millwork	0.0	0.0	1,753.0	0	0	0	0	0	0	0	0	128	13	0	7
	TOTALS	10,316.5	10,773.0	312,276.6	49,475.6	20	21	16	10,737.5	4	4	3	25,041.8	6	5	8

	<u>Project Goals</u>	<u>Year To Date</u>
Minority	16%	16 %
Female	7%	3 %
Veteran	*Aspirational 3%	8 %

Plainridge Park Casino Total Weekly Manpower



The Total Mandays per Week is the sum of the total number of days worked by each worker in a given week.

Plainridge Park Casino	
Cumulative individuals onsite through March 31, 2015	
Company	Number of Workers
AA Penta Corp	2
Aaxiom	3
Adirondack Studios	5
AJ Conveyor	3
Arden Engineering	14
Atlantic	5
ATR Sales	3
Baldwin	2
Boston Lightning Rod	2
Briggs	3
Bristol Fire	1
Chapman	20
Circle Floors	19
Clifford & Galvin	5
Coghlin	1
Coghlin Electric	66
Coke	3
Collins Overhead	1
Colonial Systems	9
Commonwealth Scaffold	25
Cook Landclearing	2
Cosco Inc.	8
Costa	14
Cox Engineering	42
Currie	1
DDS	8
Don Martin	11
Drain Shooter	1
E.S. Boulos	17
East Coast Interiors	17
Easy Bar	2
Food Equipment Inst.	5
Frontline	8
Gilcoine	5
Glancy	4
H Carr	1
H. Carr	1
H. Carr	1
H. Carr	1
H. Carr	1
H. Carr	1
H. Carr	1
H. Carr & Sons	68
H.A.S.	2
Hallmore	3
Haron	1
HAS Construction	9
Heritage	2
High Point	2

Plainridge Park Casino	
Cumulative individuals onsite through March 31, 2015	
Company	Number of Workers
High Voltage Maintenance	2
Imperatore	3
Island	13
JCJ Arch.	2
JME	1
Johnson Insul	3
King	18
Kone	6
MBI	29
MD Drilling	11
Melo Rod	11
Modern Glass	21
MTK Const.	4
NBK	52
NEFS	3
New England Decks	12
New England Finish	2
Ostrow	27
Penn Gaming	21
Perry Assoc.	1
Pinck	1
Prime	18
Pro Cut	5
Richard Reed Electric	1
RMT	17
Ryan Iron	11
S&F Concrete	68
S.O.S.	1
Security Fence	5
Soep Painting	19
Soini	5
Steelco	2
Sully Mac	9
Thyssen Krupp	3
Tilton	4
Titan	29
TJ McCartney	55
Turner	46
Unistrut	1
Ver-tex	3
Waterman	1
Willow Tree	3
Total	979

APPENDIX 9

**Plainridge Park Casino
Quarterly Report to MGC
Contracts and Payments to Minority, Women and
Veteran Business Enterprises for Construction Phase
As of March 31, 2015**

Reference 205 CMR 135.02 – (5)(f)

Detailed statistical reports attached:

M/W/VBE Tracking Report updated through 3/31/15

- Turner has issued \$91.4 million in construction contracts and change orders and received commitments of the following M/W/VBE participation:

Minority	10% participation to date vs. goal of 4%
Women	13% participation to date vs. goal of 7%
Veteran	9% participation to date vs. aspirational goal of 3%

Actual Payments to Minority Business Enterprises

- As of March 31, 2015, commitments totaling \$29,443,455 have been made to MBE/WBE/VBE enterprises.
- Through March 31, 2015, payments to MBE/WBE/VBE amounted to \$23,357,031 (80% of commitments paid).

Updated: 3/31/2015

Trade	Contract Award Date	Award Amount	Revised Amount	Awarded Prime Subcontractor	MBE / WBE / VBE Opportunity	Updated At Award						Updated Prior to Start and During Construction						Updated as Payments Are Made								
						Original Commitment						Current Amount						Payments to Date								
						MBE	%	WBE	%	VBE	%	MBE	%	WBE	%	VBE	%	MBE	WBE	VBE						
Existing Conditions Demo and Structure lower tier	05/16/14			Turner	None																					
Temp Stair lower tier	05/16/14			Commonwealth	None																					
Earthwork lower tier	04/11/14			Marois	Don Martin Corporation FC Corporation Security Fences Company Willow Tree Outdoor Markings, Inc. Dagle Electric Fabiano Oil	15%	6%		4%	2%	1%			7%												
Earthwork - Garage lower tier	05/12/14			Marois	None																					
Concrete lower tier	04/04/14			S&F	S&F Rebars and Mesh Melo's Rod Busters	88%			6%	6%				96%												
Concrete - Garage lower tier	05/12/14			S&F	S&F Rebars and Mesh Melo's Rod Busters	88%			7%	5%				60%												
Precast Garage	07/09/14			Blakeslee Prestress	None																					
Demolition Award	07/16/14			R M Technologies	R M Technologies	100%								100%												
Masonry lower tier	06/10/14			Costa Brothers Masonry	Costa Brothers Masonry	100%								100%												
Steel Framing lower tier	04/11/14			Industries Canatal	Erection and Welding	11%								6%												
Misc Metal lower tier	07/09/14			Ryan Iron Works	None																					
Damproofing & Waterproofing lower tier	06/19/14			Chapman	Gilbert & Becker Villanova Supplies Exchange	9%			3%					7%												
Membrane Roofing lower tier	05/16/14			Titan Roofing	Titan Roofing	100%								100%												
Spray on Fireproofing and Garage Spray Insulation lower tier	07/24/14			Island International	Iroquois Bar Corp	8%																				
Spray Foam lower tier	06/17/14			Island International	Iroquois Bar Corp	2%																				
Doors & Frames lower tier	09/10/14			Eaton Door and Frame	None																					
Entrances Storefronts & Curtainwall lower tier	06/17/14			Modern Glass	Material Hardware Coulter Construction	9%			2%					7%												
Plaster & Gypsum Board lower tier	06/10/14			TJ McCartney	TJ McCartney						100%													94%		
Folding Partitions lower tier	11/12/14			CRF, Inc Interior Systems	None																					
Millwork lower tier	11/26/14			Allegheny Millwork	None																					
Flooring lower tier	11/26/14			Circle Flooring	None																					
Theming lower tier	11/26/14			Adirondack Studios	Penn Stainles Products Passonno Paints Inc JH Bennett						0.06%													0.7%		
																										0.4%

Updated: 3/31/2015

Trade	Contract Award Date	Award Amount	Revised Amount	Awarded Prime Subcontractor	MBE / WBE / VBE Opportunity	Updated At Award					Updated Prior to Start and During Construction					Updated as Payments Are Made			
						Original Commitment					Current Amount					Payments to Date			
						MBE	%	WBE	%	VBE	%	MBE	%	WBE	%	VBE	%	MBE	WBE
Paint lower tier	11/25/14			Sosp Painting	Senices Enterprise		11%						11%						
Photovoltaic Solar Generation Award lower tier	09/21/14			E.S. Boulos of Westbrook	Certified Connections Inc.		23%						23%						
Kitchen Equipment lower tier	10/02/14			Johnson-Lancaster	None														
Pre-Engineered Metal Building lower tier	04/11/14			Currie Building Systems	None														
Resinous Flooring lower tier	11/26/14			New England Decks and Floors	New England Decks and Floors						100%							56%	
Elevators - Garage lower tier	05/16/14			Kone	None														
Fire Protection- Garage lower tier	06/05/14			Arden Engineering	E.L. Waterman				12%				12%						
Temp Fire Protection lower tier	05/20/14			Bristol Fire Protection	None														
Fire Protection- Casino lower tier	09/11/14			Arden Engineering	E.L. Waterman				11%				10%						
Plumbing- Casino lower tier	09/22/14			NB Kenney	Construction Planners Hat Creek Outfit, Inc Total Mechanical				11%		3%		7%		4%			3%	
Plumbing - Garage lower tier	05/16/14			NB Kenney	None														
Temp Plumbing lower tier	04/11/14			NB Kenney	None														
Underground Plumbing lower tier	06/17/14			NB Kenney	None														
HVAC Parking Garage lower tier	08/14/14			DDS Industries	General Safety Services				0.1%						0.1%				
HVAC Casino lower tier	09/22/14			Cox Engineering	Cox Engineering						100%							100%	
Casino Elevator lower tier	08/08/14			ThyssenKrupp	None														
MEP Equipment - Casino and Garage lower tier	04/11/14			Turner Logistics	None														
MEP Equipment - Simulcast lower tier	06/17/14			Turner Logistics	None														
Overhead Door & Loading Dock Equipment lower tier	09/11/14			Collins Overhead Door, Inc	Dagle Electric				3%						2%				
Electrical- Casino lower tier	09/22/14			Coghlin Electric	Coghlin Electric				100%						100%				
Electrical - Casino lower tier	01/23/15			Ostrow Electric															
Electrical - Garage lower tier	05/12/14			Ostrow Electric	Reid Electric Fire Code Design		13%		4%				6%		3%				
Underground and Site Electrical lower tier	06/17/14			Ostrow Electric	Reid Electric Granite City Electric		3%		10%				3%		9%				
Casino GWB/Casino & Garage ACT lower tier	11/25/14			H. Carr & Sons	Tavares, LLC/Essex		11%						10%						

TURNER CONSTRUCTION COMPANY
 Plainridge Casino
 M/W/VBE TRACKING

Updated: 3/31/2015

Trade	Contract Award Date	Award Amount	Revised Amount	Awarded Prime Subcontractor	MBE / WBE / VBE Opportunity	Updated At Award					Updated Prior to Start and During Construction					Updated as Payments Are Made				
						Original Commitment					Current Amount					Payments to Date				
						MBE	%	WBE	%	VBE	%	MBE	%	WBE	%	VBE	%	MBE	WBE	VBE
Tile and Interior Stone lower tier	11/25/14			High Point Interiors	None															
Specialties lower tier	11/26/14			Ver-Tex	None															
Cleaning lower tier	02/17/15			Front Line, Inc	Front Line, Inc															
Landscape lower tier	03/19/15			Valley Crest Landscaping																
TOTALS TO DATE		\$ 73,208,139	\$ 91,427,046			\$ 8,373,092	11%	\$ 9,531,655	13%	\$ 8,014,368	11%	\$ 9,399,971	10%	\$ 12,060,758	13%	\$ 7,982,725	9%	\$ 6,729,475	\$ 9,664,100	\$ 6,963,456
						Original Commitments \$ 25,919,115					Current Commitments \$ 29,443,455					Payments to Date \$ 23,357,031				

Total Contracts and Change Orders Awarded to Date	\$ 91,427,046
Total W/M/VBE Original Commitments	\$ 25,902,215
Total W/M/VBE Commitments to Date	\$ 29,443,455
Total W/M/VBE Payments through December 31, 2014	\$ 9,974,175
Total W/M/VBE Payments through March 31, 2015	\$ 23,357,031

PROJECT GOALS	COMMITMENT TOTALS
MBE - 4%	MBE Amount 10%
WBE - 7%	WBE Amount 13%
VBE - 3%	VBE Amount 9%

APPENDIX 9

**Plainridge Park Casino
Quarterly Report to MGC
Contracts and Payments to Minority, Women and
Veteran Business Enterprises for Design Phase
As of March 31, 2015**

Reference 205 CMR 135.02 – (5)(f)

Detailed statistical report:

Minority	0% participation to date vs. goal of 4%
Women	0% participation to date vs. goal of 7%
Veteran	0% participation to date vs. aspirational goal of 3%

Deviation from established goals:

- Unique set of circumstances, as described in the June 30 quarterly report, remain the same.
- JCJ, project architect, previously identified a WBE structural engineer to assist with modifications being made to the existing racing building. That engineer lost their WBE status. Work was awarded to the current project structural engineer due to time and cost constraints.
- SGR will continue to work with design team members to identify any further MBE/WBE/VBE opportunities.

Actual Payments to Minority Business Enterprises

Not Applicable

APPENDIX 10

Plainridge Park Casino Quarterly Report to MGC Permits As of March 31, 2015

Reference 205 CMR 135.02 – (6)

Permit Chart and Corresponding Documents (pursuant to 205 CMR 120.01)

Permit Status Report dated April 6, 2015 attached:

- Received Racing Building and Parking Permit from Plainville Conservation Commission 2/28/15
- Modified Environmental Health Impact Permit for Buildings and Expanded Parking received 2/9/15
- On 2/12/15 Received Amended Special Permit from Plainville Planning Board for expanded parking, racing regulatory building, smoking area expansion, armored car bay relocation and signage.
- Received temporary certificate of Use and Occupancy for the garage on 2/24/15

Updates to MassDOT/MEPA Process

- Received MassDOT permit to start work for offsite traffic improvements 2/5/15
 - Began Route 1 off-site improvements 3/20/15

Permit Amendments

- Racing Regulatory Building permit has been filed with the Building Department

Permit Appeals

- None

Plainridge Park Casino Permit Status Report

Report Updated April 6, 2015

<u>PERMIT</u>	<u>DATE ISSUED</u>
1. <u>Plainville Conservation Commission</u>	
• Negative Determination of Applicability (sitework) (no number assigned)	10/23/2012
• Order of Conditions (electrical transformer substation) Mass DEP File No. SE 265-0322	11/19/2013
• Order of Conditions (additional surface parking) Mass DEP File No. SE 265-0323	11/19/2013
• Order of Conditions (offsite highway improvements) Mass DEP File No. SE 265-0324	11/19/2013
• Order of Conditions (Racing Building and Parking) Mass DEP File No. SE 265-0333	02/28/2015
2. <u>Plainville Board of Health</u>	
• Environmental Health Impact Permit (no number assigned)	07/09/2013
• Modified Environmental Health Impact Permit Stormwater Treatment Units (no number assigned)	08/11/2014
• Modified Environmental Health Impact Permit Buildings and Expanded Parking (no number assigned)	02/09/2015
3. <u>Plainville Planning Board</u>	
• Second Amended Special Permit (no number assigned)	08/29/2013
• Third Amended Special Permit (no number assigned)	02/12/2015
4. <u>Plainville Building Department</u>	
• Building Permit (Core Shell Structure) Permit Number 14-134	06/18/2014
• Building Permit (Simulcast Demolition) Permit Number 14-153	08/06/2014
• Building Permit (Parking Garage Transfer) Permit Number 14-131A	10/07/2014
• Building Permit (Casino Fitout) Permit Number 14-257	10/20/2014
• Temporary Certificate of Use and Occupancy (Garage) Permit Number 14-257A	02/24/2015

5. Mass. Department of Transportation (MassDOT)
 - Attractions Guide Signage 09/05/2012
Permit Number 5-2012-0130
 - Section 61 Findings 10/07/2014
(Reference MEPA EEA #11431)
 - Soil Borings for Design and Signals 11/20/2014
Permit Number 5-2014-0506
 - Access, Highway and Traffic Signals 02/05/2015
Permit Number 5-2014-0416

6. Mass. Division of Fisheries and Wildlife (Mass DFW)
 - Confirmation of “No-Take” Letter under Mass. 04/12/2013
Natural Heritage and Endangered Species Program
NHESP Tracking No. 10-27867

7. Mass. Exec. Office of Energy & Environmental Affairs
 - Certificate of the Secretary of Energy and Environ – 12/27/2013
mental Affairs on the Final Environmental Impact
Report under the Massachusetts Environmental Policy
Act (MEPA FEIR)
EEA Number 11431
 - E-mail from MEPA Director 10/01/2014
N-Grid Distribution Line to MITS – no review required
EEA Number 11431

8. U. S. Environmental Protection Agency (US EPA)
 - Confirmation of No Permit Required under the 06/12/2013
National Pollutant Discharge Elimination System
(NPDES) Permitting requirements

9. Massachusetts Gaming Commission
 - Category 2 Gaming License 02/28/2014
(no number assigned)
 - Section 61 Findings 12/31/2014
(Reference MEPA EEA #11431)

Pending Project Permits :

* Building Permit – Racing Regulatory Building Filed with Building Dept.

APPENDIX 11

**Plainridge Park Casino
Quarterly Report to MGC
Notice to Organized Labor
As To Licensees Commitments for Affirmative Action
As of March 31, 2015**

Reference 205 CMR 135.02 – (7)

No change from last quarter. Remain in compliance with licensing requirements and commitments pursuant to MGL. C23K various sections.

Turner's relationship with the Business Agents and Managers remains positive and receptive and they continue to be cooperative in reinforcing the goals of 16% minority, 7% female and 3% aspirational veterans.

APPENDIX 12

Plainridge Park Casino Quarterly Report to MGC Operational Affirmative Action Plan As of March 31, 2015

Reference 205 CMR 135.02 – (8)

Detailed Statistical Report Attached:

- SGR has made commitments totaling \$11.9 million for the provision of goods and services and received the following M/W/VBE participation:

Minority	3% participation to date vs. goal of 6%
Women	16% participation to date vs. goal of 12%
Veteran	18% participation to date vs. aspirational goal of 3%

- SGR continues to reach out to M/W/VBE enterprises to identify any further opportunities for participation.

Actual Payments to Minority Businesses

- As of March 31, 2015, total commitments of \$4.4 million have been made to M/W/VBE enterprises.
- Through March 31, 2015, payments to M/W/VBE enterprises amounted to \$2.3 million (52% of commitments paid).

Vendor Outreach Programs:

- SGR participated as a speaker at the Massachusetts Gaming Board Vendor Advisory meeting held at Plainridge Park on March 4, 2015.
- SGR expects to hold their next purchasing outreach program during the month of May.

Plainridge, Mass - Diversity Reporting

Furniture, Fixtures and Equipment Only

Based on Wennsoft Commitments

E.GADS, LLC

PO Number	Purchase Order Total	MBE	WBE	VBE
PR0163	\$1,231,343.06	\$0.00	\$1,231,343.06	\$0.00
	\$1,231,343.06	\$0.00	\$1,231,343.06	\$0.00

Easybar

PO Number	Purchase Order Total	MBE	WBE	VBE
PR0064	\$284,940.63	\$0.00	\$284,940.63	\$0.00
	\$284,940.63	\$0.00	\$284,940.63	\$0.00

Kittredge Equipment Co. Inc.

PO Number	Purchase Order Total	MBE	WBE	VBE
PR0145	\$1,054.01	\$0.00	\$1,054.01	\$0.00
PR0144	\$48,069.56	\$0.00	\$48,069.56	\$0.00
	\$49,123.57	\$0.00	\$49,123.57	\$0.00

Milhench Supply Co.

PO Number	Purchase Order Total	MBE	WBE	VBE
PR0155	\$35,515.70	\$0.00	\$35,515.70	\$0.00
	\$35,515.70	\$0.00	\$35,515.70	\$0.00

New England Office Supply

PO Number	Purchase Order Total	MBE	WBE	VBE
PR0137	\$551.23	\$551.23	\$0.00	\$0.00
PR0066	\$378,079.81	\$378,079.81	\$0.00	\$0.00
	\$378,631.04	\$378,631.04	\$0.00	\$0.00

NoUVIR Lighting Corporation

PO Number	Purchase Order Total	MBE	WBE	VBE
PR0165	\$79,059.00	\$0.00	\$79,059.00	\$0.00
	\$79,059.00	\$0.00	\$79,059.00	\$0.00

Service Central Inc.

PO Number	Purchase Order Total	MBE	WBE	VBE
-----------	----------------------	-----	-----	-----

PR0164	\$10,475.25	\$0.00	\$10,475.25	\$0.00
PR0157	\$36,469.81	\$0.00	\$36,469.81	\$0.00
PR0138	\$88,052.24	\$0.00	\$88,052.24	\$0.00
	<hr/>			
	\$134,997.30	\$0.00	\$134,997.30	\$0.00

Solutions 4 Networks, Inc.

PO Number	Purchase Order Total	MBE	WBE	VBE
PR0118	\$73,052.66	\$0.00	\$73,052.66	\$0.00
	<hr/>			
	\$73,052.66	\$0.00	\$73,052.66	\$0.00

Southwest Surveillance Systems

PO Number	Purchase Order Total	MBE	WBE	VBE
PR0067	\$2,101,762.00	\$0.00	\$0.00	\$2,101,762.00
	<hr/>			
	\$2,101,762.00	\$0.00	\$0.00	\$2,101,762.00

Grand Total \$4,368,424.96 \$378,631.04 \$1,888,031.92 \$2,101,762.00

Total Wennsoft Commitments To Date	\$11,944,133	3%	16%	18%
		MBE	WBE	VBE

MGC HIRING UPDATE
APRIL 30, 2015



PLAINRIDGE PARK
CASINO

Outreach and Communication

- **Brockton Chamber of Commerce Speaking Engagement** – February 12, 2015
- **Partnerships with Career Centers**
 - Participation in Job Fairs in Partnership with Career Centers in Attleboro, Norwood, and Taunton
 - OJT opportunities in Slot Technician recruitment
 - State House speaking engagement- March 11, 2015
- **Massasoit and Bristol Community Colleges**
 - Participation in Brockton Campus Job Fair
 - Exploring additional training opportunities; i.e. Serve Safe, Tips
- **Veterans Inc**
 - Partnership with Tony Forzaglia & Richard Turner
- **New England Area Conference NAACP**
 - Partnership with Stephen Bernard
- **Meeting with MGC, Career Centers, Community Colleges and Secretary of Labor and Workforce Development** – March 4, 2015

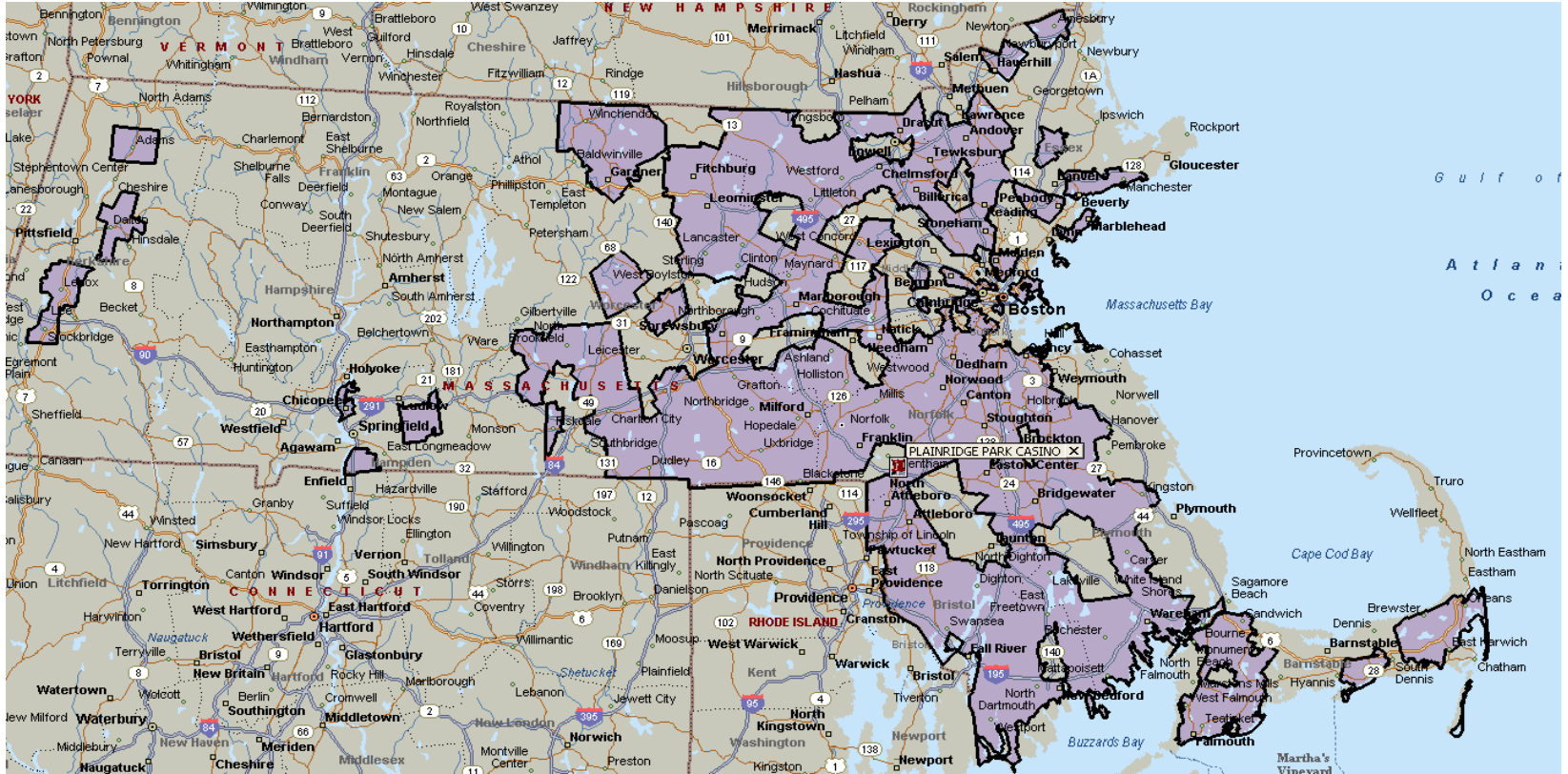


Outreach and Communication Job Fairs

- 10/15/2014 – Mansfield
- 11/18/2014 – Plainville
- 3/3/2015 – Taunton Career Center
- 3/4/2015 – Attleboro
- 3/20/2015 – DCU Center – Worcester
- 4/1/2015 – Massasoit Community College, Brockton Campus
- 4/9/2015 – Gillette Stadium (Foxboro) Recruit Military Job Fair
- 4/16/15 – North Attleboro
- 4/23/15 - Wrentham

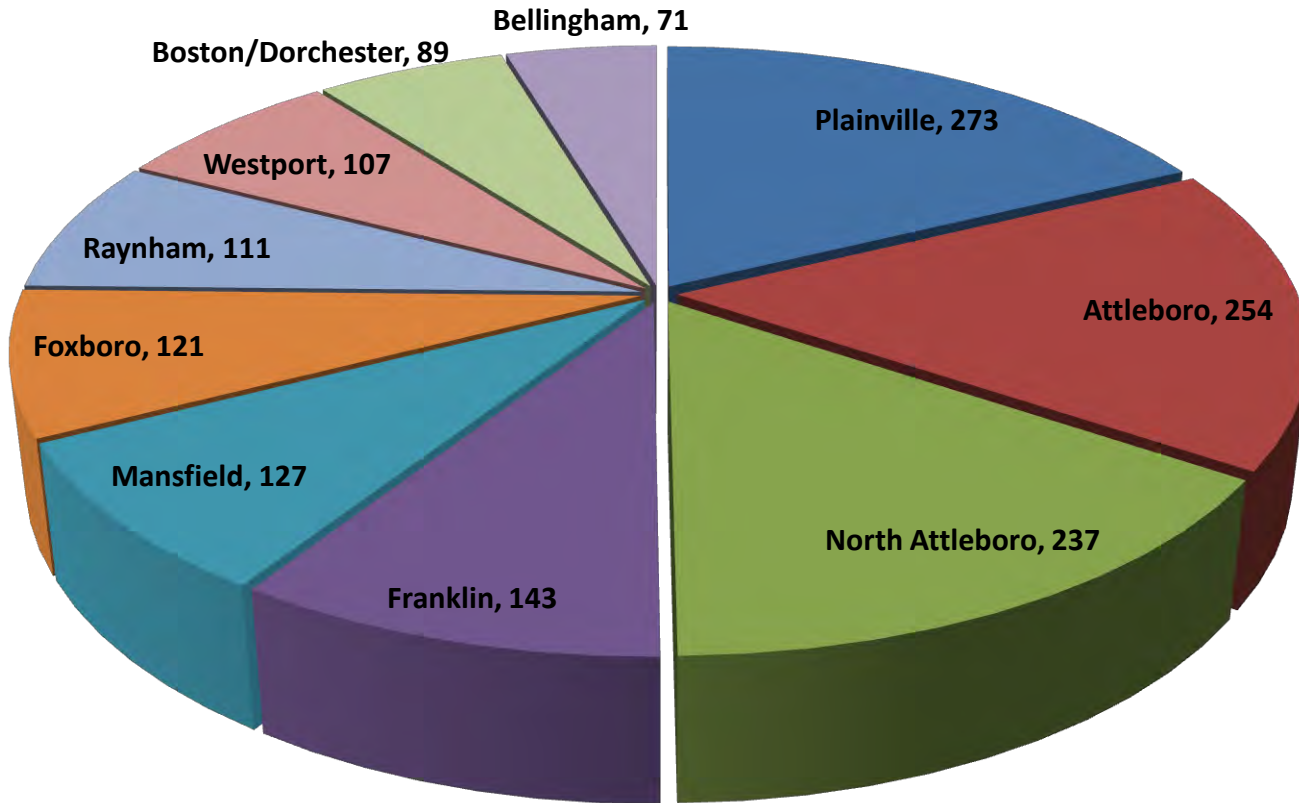


Applicant Pool



Top 10

Total Applicants 4,416

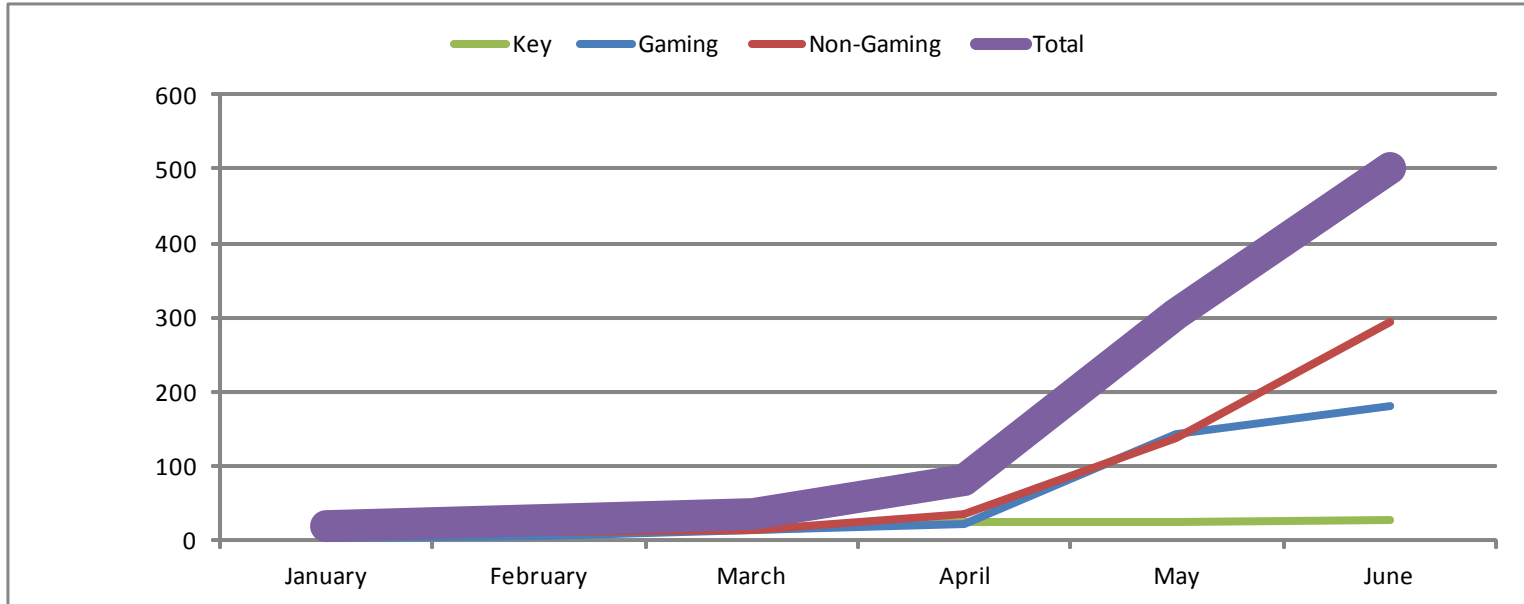


Hiring to Date

- Local New Hires = 37%
- Diversity New Hires = 17%



Hiring Timeline



Headcount	January	February	March	April	May	June
Key	10	11	12	25	25	27
Gaming	1	5	12	21	143	180
Non-Gaming	7	10	12	35	136	293
Total	18	26	36	81	304	500



License Submittal Timeline

- May 27th
 - Goal to have all GEL licenses and temp requests submitted (approximately 140)
- June 10th
 - Goal to have all Registrant Apps submitted
- June 17th
 - All positions hired and trained



Team Member Training

- New Hire Orientation

- Mass Hiring Orientation-1st Two Weeks of June
- Approximately 30 team members per session
- Sister property to assist with training
- Culture, Core Values, Red Carpet Customer Service, Safety, LEED Gold, Anti-Harassment, Policies and Procedures and Responsible Gaming
- 6-8 hour training
- Held on-site
- Department specific training to follow new hire orientation





Central Management System (CMS) Update

April 30th Commission Meeting



MGC CENTRAL MANAGEMENT SYSTEM PROJECT STATUS UPDATE

- MGC / IGT Contract signed on 4/22/15
- IGT & MGC baseline requirements meetings with Finance and IEB
- IGT and MGC infrastructure Overview
- MGC Executive Summary Report – see attached
- Detailed Project Plan GANT chart



MGC GAMING TECHNOLOGY LABORATORY STATUS UPDATE

ID	Task Name	Start	Finish	July 11	September 21	December 1	February 11	April 21	July 1	September 11	November 21	February 1
1	MAV INTELLIGEN Central Monitoring System	Fri 2/6/15	Tue 4/19/16	MAV INTELLIGEN Central Monitoring System								
24	Contract Signing	Wed 4/22/15	Wed 4/22/15	Contract Signing 4/22								
49	Data Center Sites (PDC/BDC) survey	Tue 3/31/15	Tue 3/31/15	Data Center Sites (PDC/BDC) survey 3/31								
50	Execution	Wed 3/25/15	Fri 11/13/15	Execution 11/13								
55	Infrastructure - Order and Ship Hardware	Thu 4/23/15	Tue 7/21/15	Infrastructure - Order and Ship Hardware 7/21								
60	Infrastructure - Install and Prep Hardware	Wed 7/22/15	Thu 8/13/15	Infrastructure - Install and Prep Hardware 8/13								
76	Generate BRS - INTELLIGEN Baseline	Mon 4/6/15	Thu 4/9/15	4d Generate BRS - INTELLIGEN Baseline								
77	BRS Review - Internal	Tue 4/7/15	Mon 4/13/15	4.5d BRS Review - Internal								
81	Requirements Gathering Session	Tue 4/14/15	Fri 4/24/15	8.37d Requirements Gathering Session								
84	MGC Requirements Approval	Fri 5/1/15	Fri 5/1/15	MGC Requirements Approval 5/1								
98	Software & QA	Thu 4/9/15	Fri 7/24/15	Software & QA 7/24								
101	SW Deliverable 1 - MA Overlay / Invoicing	Thu 4/9/15	Wed 6/10/15	SW Deliverable 1 - MA Overlay / Invoicing 6/10								
119	SW Deliverable 2 - Defect Removal Release	Wed 6/3/15	Thu 7/2/15	SW Deliverable 2 - Defect Removal Release 7/2								
139	System Test	Thu 7/2/15	Fri 7/24/15	System Test 7/24								
146	Comm QA and fail-over testing	Fri 8/14/15	Thu 8/20/15	5d Comm QA and fail-over testing								
147	APL and Anomaly Testing	Fri 8/21/15	Thu 9/3/15	10d APL and Anomaly Testing								
148	NOC Infrastructure / Configuration	Fri 5/1/15	Tue 9/22/15	NOC Infrastructure / Configuration 9/22								
154	CAT "Lite" Training	Fri 8/7/15	Mon 8/10/15	2d CAT "Lite" Training								
155	Allocation of Vendor EGDs for CAT	Fri 7/31/15	Fri 7/31/15	Allocation of Vendor EGDs for CAT 7/31								
156	Customer Acceptance Test	Tue 8/11/15	Tue 9/22/15	30d Customer Acceptance Test								
160	Submit CS to ITL Lab	Tue 8/11/15	Tue 9/22/15	Submit CS to ITL Lab 9/22								
161	MGC Acceptance of CMS System	Wed 9/23/15	Wed 9/23/15	MGC Acceptance of CMS System 9/23								
164	Communications Training	Fri 8/7/15	Mon 8/10/15	Communications Training 8/10								
165	Operations/ Hotline Training	Fri 8/7/15	Wed 8/19/15	9d Operations/ Hotline Training								
166	End User Training	Thu 8/20/15	Wed 8/26/15	5d End User Training								
167	Venue Installation and Setup	Fri 4/10/15	Wed 8/5/15	Venue Installation and Setup 8/5								
168	Penn National Floor Readiness	Fri 4/17/15	Wed 6/24/15	Penn National Floor Readiness 6/24								
169	Floor Section 1 - Bases Installed	Fri 4/17/15	Thu 4/23/15	Floor Section 1 - Bases Installed 4/23								
170	Floor Section 2 - Bases Installed	Tue 4/28/15	Mon 5/4/15	Floor Section 2 - Bases Installed 5/4								
171	Floor Section 3 - Bases Installed	Mon 5/11/15	Fri 5/15/15	Floor Section 3 - Bases Installed 5/15								
172	Floor Section 4 - Bases Installed	Tue 5/19/15	Tue 5/26/15	Floor Section 4 - Bases Installed 5/26								
174	PN Install - Section 1 - Slot machines and cabling	Fri 5/1/15	Tue 5/5/15	PN Install - Section 1 - Slot machines and cabling 5/5								
175	PN Install - Section 2 - Slot machines and cabling	Wed 5/6/15	Fri 5/8/15	PN Install - Section 2 - Slot machines and cabling 5/8								
176	PN Install - Section 3 - Slot machines and cabling	Tue 5/19/15	Thu 5/21/15	PN Install - Section 3 - Slot machines and cabling 5/21								
177	PN Install - Section 4 - Slot machines and cabling	Wed 5/27/15	Fri 5/29/15	PN Install - Section 4 - Slot machines and cabling 5/29								
178	Plainridge Floor setup complete / Soft Go Live	Mon 6/22/15	Mon 6/22/15	Plainridge Floor setup complete / Soft Go Live 6/22								
181	IGT Plainville Install	Fri 4/10/15	Wed 8/5/15	IGT Plainville Install 8/5								
183	Order Fiber Loops, Converters	Fri 4/10/15	Thu 4/16/15	Order Fiber Loops, Converters 4/16								
184	Fiber Loop Lead Time	Fri 4/17/15	Thu 5/14/15	Fiber Loop Lead Time 5/14								
185	IGT Installation of Fiber Loops / Converters	Fri 5/15/15	Mon 6/15/15	IGT Installation of fiber Loops / Converters 6/15								
187	Order Fiber Boards	Thu 4/23/15	Wed 5/6/15	Order Fiber Boards 5/6								
188	Equipment Lead Time	Thu 5/7/15	Fri 6/19/15	Equipment Lead Time 6/19								
189	Fiber board installation	Mon 6/22/15	Wed 8/5/15	Fiber board installation 8/5								
190	Stage Equipment (MTSCs)	Mon 6/22/15	Tue 7/14/15	Stage Equipment (MTSCs) 7/14								
191	Ship System Racks	Wed 7/15/15	Tue 7/21/15	Ship System Racks 7/21								
192	Install MTSCs in MDR at Plainridge Park Casino	Wed 7/22/15	Tue 7/28/15	Install MTSCs in MDR at Plainridge Park Casino 7/28								
193	Comm Closet Cabling	Wed 7/15/15	Tue 7/28/15	Comm Closet Cabling 7/28								

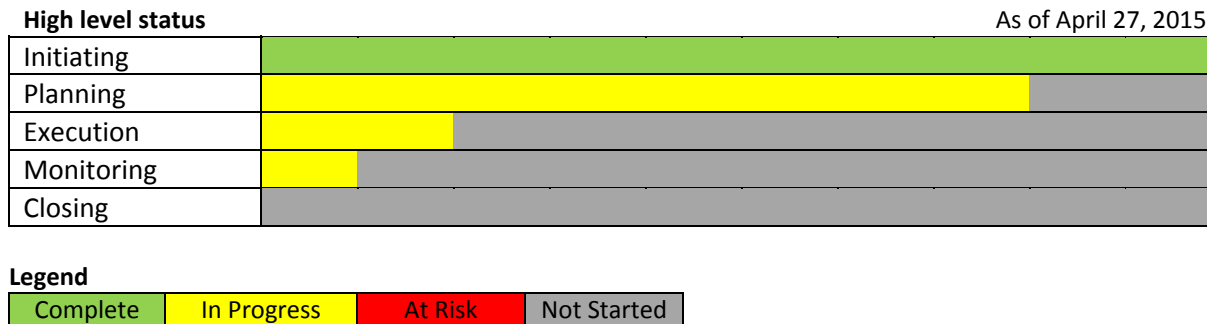
CMS GO LIVE Date - 9/30/15



Massachusetts CMS Executive Overview

Executive Summary

The INTELLIGEN CMS Project delivery is tracking per schedule. The Project Communication plan has been provided and weekly status meetings are ongoing with MGC and Penn National. Currently no major risks are in effect.



Initiating Phase

The contract has been signed and the project has been kicked off. Teams are assigned and engaged.

Planning Phase

We are finalizing the Network Operations Center planning, Independent Test Lab Procurement (ITL) and Customer Acceptance Test guidelines.

Execution Phase

We have begun the hardware order process for all required hardware for the Project. Once we receive the hardware we will stage it in Rhode Island labs and then ship to the intended locations.

We have started the Software Development and Integration Test Cycles. Once completed we will install the software on Primary / Secondary environments for performance testing, as well as install on CAT / ITL environments for Acceptance and Certification Tests.

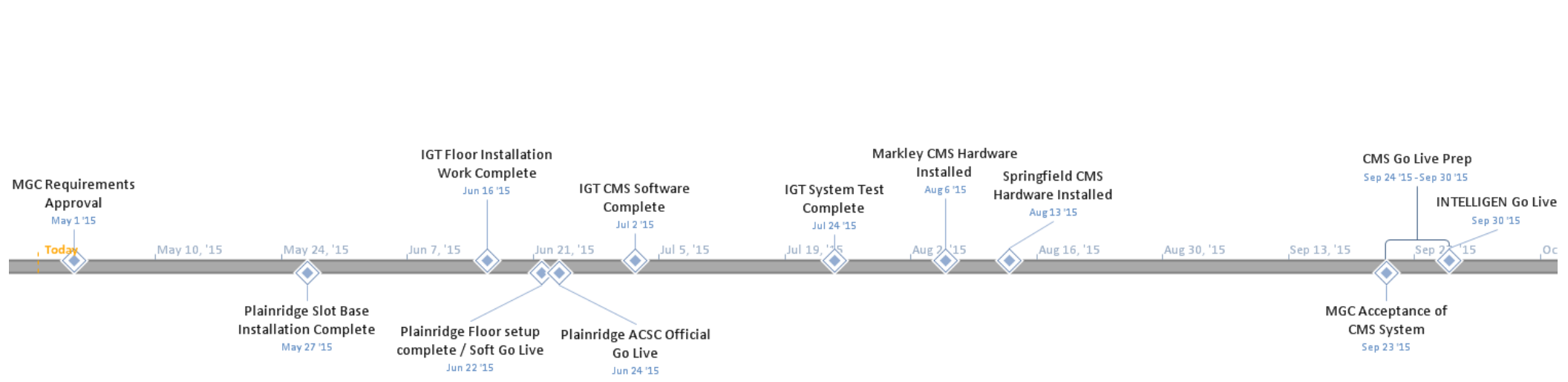
Monitoring Phase

We are monitoring the project on a weekly basis inclusive of MGC and Penn National.

Milestones

*Indented text represents external dependencies

Milestone	Date	Status	Comments
MGC Requirements Approval	01-May-2015	In Progress	
Plainridge Slot Base Installation Complete	27-May-2015	In Progress	
IGT: Casino Floor Installation Work Complete	16-Jun-2015		Fiber boards, loops and converters.
Plainridge Floor Setup Complete (Soft Go Live)	22-Jun-2015		
Plainridge Park Casino ACSC Go Live	24-Jun-2015		
CMS Software Complete	02-Jul-2015		
System Test Complete	24-Jul-2015		
IGT: Casino – Remaining hardware install complete	28-Jul-2015		Slot Controllers located in Casino MDR
Markley CMS Hardware Installed (PDC)	06-Aug-2015		
Springfield CMS Hardware Installed (BDC)	13-Aug-2015		
ITL – INTELLIGEN Certification Complete	18-Sep-2015		Awaiting ITL procurement
MGC Acceptance of CMS System	23-Sep-2015		
Training Complete	26-Aug-2015		
INTELLIGEN CMS Go Live Prep	29-Sep-2015		
INTELLIGEN CMS Go Live	30-Sep-2015		



MGC Requirements Approval
May 1, '15

IGT Floor Installation Work Complete
Jun 16, '15

IGT CMS Software Complete
Jul 2, '15

IGT System Test Complete
Jul 24, '15

Markley CMS Hardware Installed
Aug 6, '15

Springfield CMS Hardware Installed
Aug 13, '15

CMS Go Live Prep
Sep 24, '15 - Sep 30, '15

INTELLIGEN Go Live
Sep 30, '15

Plainridge Slot Base Installation Complete
May 27, '15

Plainridge Floor setup complete / Soft Go Live
Jun 22, '15

Plainridge ACSC Official Go Live
Jun 24, '15

MGC Acceptance of CMS System
Sep 23, '15

Risks

#	Date	Description	Probability	Impact	Status	Control Measures	Owner
1	April 19	EGD hardware installs need to be completed by 22-Jun to prevent disruption on the floor after Casino Go Live.	Low	High	Monitor	<ul style="list-style-type: none">• Hardware is being expedited• Staff is being allocated• GEL Licensing is being completed	Edward
2	April 27	Vendor EGDs preferred for IGT Testing	Low	Low	Monitor	<ul style="list-style-type: none">• These have been requested from 5 vendors	John
3	April 27	ITL Lab Procurement Schedule Impact	Medium	Medium	Monitor	<ul style="list-style-type: none">• Procurement is almost complete	John
4	April 27	Casino interruption during Go Live	Medium	Medium	Analysis	<ul style="list-style-type: none">• Detailed plan on timing of Slots being taken offline with ACSC, then brought back online to talk to ACSC and INTELLIGEN	Edward

No Documents



BILL CARPENTER
MAYOR

City of Brockton

Law Department

PHILIP C. NESSRALLA, JR.
CITY SOLICITOR

KATHERINE M. FEODOROFF
KAREN A. FISHER
NAHOMI S. CARLISLE
ASSISTANT CITY SOLICITORS

PATRICIA A. FLORIO
PARALEGAL

May 1, 2015

Re: *Notice to Voters issued pursuant to 205 CMR 115.00 and Referendum on Destination Resort Casino*

Dear Brockton Voter:

The City will hold a special election on May 12, 2015 on whether or not to permit the operation of a gaming establishment if licensed by the Massachusetts Gaming Commission (“the Commission”) to be located on a portion of the Brockton Fairgrounds, located off Belmont Street, Brockton, MA. I am writing this letter as a notice to registered voters in compliance with the Commission’s regulation (205 CMR 115.00).

By way of background, the City of Brockton (“the City”) and Mass Gaming & Entertainment, LLC (“MG&E”), an applicant for a Massachusetts license to operate a gaming establishment in the City, entered into a Host Community Agreement (“the Agreement”) as of February 19, 2015. A copy of the Host Community Agreement, including a Summary of the Agreement, can be found on the City’s website at <http://www.brockton.ma.us/Information/casino>.

Massachusetts General Law c. 23K (“the gaming laws”) authorizes the Commission to develop and manage the process to select, license, oversee, and regulate all expanding gaming facilities in the Commonwealth. Under the gaming laws, MG&E must demonstrate compliance with the suitability requirements imposed by state law as implemented and administered by the Commission, and MG&E must obtain a positive determination of suitability from the Commission.

The Commission’s application process for awarding a category 1 license has two phases. “Phase 1” of the application includes investigations conducted by the commission, and its Investigation and Enforcement Bureau, including members of the Massachusetts State Police, to determine “suitability.” As part of this investigation, the Commission reviews such things as integrity, honesty, good character, and reputation of the applicant; the financial stability, integrity, and background of the applicant; the business practices and business ability of the applicant to establish and maintain a successful gaming establishment; and the history of compliance with gaming licensing requirements in other jurisdictions of the applicant. A final determination of Phase 1 of the application has not been completed and may not be issued prior to the election. As indicated above, the Commission will make its updated determination of suitability after completing a thorough background investigation of the applicant, its principal operating offices, and investors.

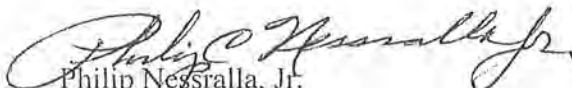
Phase 2 of the application process involves the Commission’s review of the details of the development itself, its location, design and amenities, how it will operate, and how the applicant will mitigate the impact in the respective host community. The Commission will not permit the applicant to begin the Phase 2 process unless and until it is determined to be suitable and receives a majority of support from the voters in the City on a ballot question, and submits its Phase 2 application to the Commission, among other requirements.

The Commission, after a thorough investigation, previously issued a positive determination of suitability with respect to MG&E in 2013. The Commission currently is reviewing any changes, new members and new circumstances since this date as part of its review of MG&E. With respect to MG&E's current application concerning its proposed gaming establishment in Brockton, as of the date of this notice, the Commission has not yet completed its updated suitability investigation of MG&E and, therefore, has not made an updated determination of suitability with respect to MG&E and may not make such a determination prior to the May 12, 2015 election.

Pursuant to the Commission's regulations under 205 CMR 115.05(6), I write on behalf of the City to inform you that the City's May 12, 2015 special election will be held subject to the Commission's issuance of a positive determination of suitability to MGE; that the Commission will make its determination of suitability after completing a thorough background investigation of MG&E, its principal operating officers and investors; and that the Commission will not permit MG&E or its principal operating officers or investors to proceed with the application for a gaming license unless it determines that they are suitable to operate a gaming facility in Massachusetts.

If you have any questions about the Host Community Agreement, the Commission's determination of suitability process, or the May 12, 2015 special election, please feel free to contact my office, or the office of the Massachusetts Gaming Commission, 101 Federal Street, 23rd Floor, Boston, MA 02111 at 617-979-8400.

Regards,


Philip Nersisyan, Jr.
City Solicitor



BILL CARPENTER
MAYOR

City of Brockton

Law Department

PHILIP C. NESSRALLA, JR.
CITY SOLICITOR

KATHERINE M. FEODOROFF
KAREN A. FISHER
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ASSISTANT CITY SOLICITORS

PATRICIA A. FLORIO
PARALEGAL

April 27, 2015

VIA ELECTRONIC SUBMISSION

Chairman Stephen Crosby
Massachusetts Gaming Commissioners
Massachusetts Gaming Commission
101 Federal Street, 23rd Floor
Boston, MA 02110

Re: City of Brockton's Request for a Variance from 205 CMR 115.06

Dear Chairman Crosby and the Massachusetts Gaming Commissioners:

The City of Brockton respectfully requests that the Massachusetts Gaming Commission ("the Commission") exercise its discretion as authorized pursuant to 205 CMR 102.03(4) to grant to the City of Brockton ("the City") a variance from the requirements under 205 CMR 115.06.

By way of background, the City of Brockton entered into a Host Community Agreement with Mass Gaming & Entertainment ("MG&E") as of February 19, 2015. On March 9, 2015, the City's governing body, the City Council, voted to schedule a special election on the gaming establishment question for May 12, 2015 as required by the M.G.L. c. 23K ("the Gaming Act") (annexed hereto as Exhibit 1). Subsequent to that vote, the City Council voted on an Order to acknowledge that it formally approves the holding of the election prior to the Commission's positive determination of MG&E's suitability (annexed hereto as Exhibit 2). The Commission's regulations, as you know, call for the opposite sequencing of the two events. See 205 CMR 115.05(6)(a).

This variance request meets the criteria set for under 205 CMR 102.03(4)(a). First, granting the variance is consistent with the purposes of M.G.L. c. 23K ("the Act") because the measures to ensure integrity of the gaming licensing process are met, albeit in a different sequence than prescribed by the regulation. Second, granting the variance will not interfere with the ability of the Commission or Investigations and Enforcement Bureau to fulfill its duties because a gaming license remains subject to the Commission's issuance of a positive determination of suitability irrespective of the sequencing of the two events. Third, granting the variance will not adversely affect the public interest because the City Council does, in fact, approve holding the

election in advance of the Commission's final determination of MG&E's suitability and, moreover, the public will be provided written notice of MG&E's suitability status in advance of the May 12, 2015 special election. Finally, not granting the variance would cause a substantial hardship to the City because it could not proceed with the May 12, 2015 election and would effectively be eliminated from the Region C competition given the Commission's current deadlines.

For the reasons set forth above, the City of Brockton respectfully requests that the Commission grant a variance from the procedural sequence requirements set forth in 205 CMR 115.05(6) and take any other action in furtherance of such request that the Commission deems appropriate.

Respectfully,



Phillip Nessralla
City Solicitor
City of Brockton

Cc:

John Ziemba, Ombudsman, Commission

Catherine Blue, General Counsel, Commission

Michael Connolly, Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, P.C.

EXHIBIT 1

In City Council, February 23, 2015

ORDERED:

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That the City Council, having been informed of the signing of an agreement between the City of Brockton and Mass Gaming & Entertainment, LLC for the operation of a gaming establishment licensed by the Massachusetts Gaming Commission to be located on property in the City of Brockton known as the Brockton Fairgrounds, such property generally bounded by Belmont Street, West Street, and Forest Ave, a copy of which agreement is attached hereto, and having received a request for an election for a ballot question on such license, votes calls for an election to be held on Tuesday, May 12, 2015, and in compliance with the provisions of the Election Laws, notice is hereby given that a Special Election will be held on Tuesday, May 12, 2015 in the following designated polling places:

Ward One	Precinct A	Housing Authority, 70 Hawley St
Ward One	Precinct B	West Middle School, 271 West Street
Ward One	Precinct C	Hancock School, 125 Pearl Street
Ward One	Precinct D	Hancock School, 125 Pearl Street
Ward Two	Precinct A	Douglas House, 20 Haverhill St
Ward Two	Precinct B	Manning Towers, 45 Goddard Road
Ward Two	Precinct C	Senior Center, 10 Father Kenney Way
Ward Two	Precinct D	War Memorial Building, 156 West Elm St
Ward Three	Precinct A	South Middle School, 105 Keith Avenue Ext
Ward Three	Precinct B	Huntington School, 1121 Warren Avenue
Ward Three	Precinct C	John F. Kennedy School, 900 Ash Street
Ward Three	Precinct D	West Side Library, 540 Forest Avenue
Ward Four	Precinct A	Emmanuel House, 25 East Nilsson St
Ward Four	Precinct B	Gilmore School, 150 Clinton Street
Ward Four	Precinct C	Davis Elementary School, 380 Plain St
Ward Four	Precinct D	Campello High Rise Apts, 1380 Main St
Ward Five	Precinct A	East Side Library, 54 Kingman Street
Ward Five	Precinct B	East Middle School, 464 Centre Street
Ward Five	Precinct C	Downey School, 55 Electric Avenue
Ward Five	Precinct D	Caffrey Towers, 755 Crescent Street
Ward Six	Precinct A	Brookfield School, 135 Jon Drive
Ward Six	Precinct B	Ashfield School Gymnasium, 225 Coe Road
Ward Six	Precinct C	Brookfield School, 135 Jon Drive
Ward Six	Precinct D	Brookfield School, 135 Jon Drive
Ward Seven	Precinct A	North Middle School, 108 Oak Street
Ward Seven	Precinct B	Belair Street High Rise, 105 Belair St
Ward Seven	Precinct C	Sullivan Towers, 140 Colonel Bell Drive
Ward Seven	Precinct D	Raymond School, 125 Oak Street


The polls will be open at 7:00 A.M., and will be closed at 8:00 P.M.

Said voters will then in their respective polling places give their vote each on one piece of paper to the Warden on the following question:

"Shall the City of Brockton permit the operation of a gaming establishment licensed by the Massachusetts Gaming Commission to be located at the property known as the Brockton Fairgrounds, such property generally bounded by Belmont Street, West Street, and Forest Ave? YES ___ NO ___"

The ballot question shall be accompanied by a concise summary as determined by the City Solicitor.

A TRUE COPY, ATTEST


Councillor Timothy J. Cruise

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IN CITY COUNCIL

February 23, 2015
READ AND REFERRED TO STANDING
COMMITTEE ON FINANCE

Galtough
City Clerk

IN City Council, March 9, 2015

Councillor Cruise motioned to amend and was properly seconded. Adopted as amended by a roll call vote taken by "yeas" and "nays"; eleven members present and all voting in the affirmative. Councillor Cruise motioned to file reconsideration with the wish that it not prevail and was properly seconded. Reconsideration failed by a hand vote.

Galtough
City Clerk

March 10, 2015
Bill Cruise

A TRUE COPY, ATTEST.

In City Council, April 13, 2015

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WHEREAS, 205 CMR 115.05 (3) provides that the Massachusetts Gaming Commission, upon determining that an applicant or new qualifier has met its burden of demonstrating compliance with the suitability standards in M.G.L. c. 23K and 205 CMR 115.00, shall issue a positive determination of suitability which may include conditions and restrictions; and

WHEREAS, the Massachusetts Gaming Commission on July 11, 2013 issued a positive determination of suitability to Mass Gaming & Entertainment, LLC, following a thorough investigation of persons and entities related to Mass Gaming & Entertainment, LLC which the Massachusetts Gaming Commission determined were required to be qualified ("qualifiers"); and

WHEREAS, the Massachusetts Gaming Commission on August 5, 2013, following a thorough investigation, found Mr. and Mrs. George and Laetitia Carney, two persons who will be associated with Mass Gaming & Entertainment, LLC; to be suitable as qualifiers to another applicant; and

WHEREAS, the Expanded Gaming Act requires continuing suitability on the part of applicants, licensees and their associated qualifiers; and

WHEREAS, the Massachusetts Gaming Commission is in the process of determining the suitability of Mass Gaming & Entertainment, LLC and its related qualifiers due to the passage of time and proposed changes in ownership and certain qualifiers; and

WHEREAS, the Massachusetts Gaming Commission has not yet issued a new positive determination of suitability for Mass Gaming & Entertainment, LLC and its related qualifiers; and


WHEREAS, 205 CMR 115.05 (6) provides that a host community may not hold an election in accordance with M.G.L. c. 23, § 15(13) until the Massachusetts Gaming Commission has issued a positive determination of suitability to the applicant in accordance with 205 CMR 115.05 (3) unless certain conditions are satisfied, which conditions include the governing body of the community formally approving the holding of an election prior to a positive determination of suitability having been issued to the applicant by the Massachusetts Gaming Commission; and

WHEREAS, the City Council previously voted to schedule an election for May 12, 2015 to vote on whether to permit the operation a gaming establishment at the site of the Brockton Fairgrounds; NOW THEREFORE, IT IS HEREBY

ORDERED:

That the City Council of the City of Brockton hereby approves and directs the holding of an election on May 12, 2015 for its residents to vote on whether to permit the operation of a gaming establishment at the site of the Brockton Fairgrounds notwithstanding that a new positive determination of suitability may not yet have been issued to Mass Gaming & Entertainment, LLC and its related qualifiers by the Massachusetts Gaming Commission by such date.

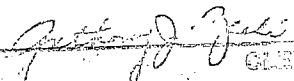
That the City Council of the City of Brockton hereby directs, in the event that the Massachusetts Gaming Commission will not have issued, prior to May 12, 2015, a new positive determination of suitability for Mass Gaming & Entertainment, LLC and its related qualifiers, that at the expense of Mass Gaming & Entertainment, LLC, notices be sent to voting households within the City of Brockton concerning the May 12, 2015 election in such a way as to fulfill the requirements of 205 CMR 115.05 6(b).



Councilor Timothy Cruise

CITY COUNCIL

April 13, 2015
READ AND REFERRED TO STANDING
COMMITTEE ON Finance



CLERK

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In City Council, April 27, 2015

Adopted by a roll call vote taken by "yeas" and "nays"; nine members present and all voting in the affirmative. Councillors DuBois and Stewart absent.



City Clerk

APRIL 30 2015

205 CMR: MASSACHUSETTS GAMING COMMISSION
UNIFORM STANDARDS OF ACCOUNTING PROCEDURES
AND INTERNAL CONTROLS

Section

- 138.01: Definitions
- 138.02: Licensee's system of internal controls
- 138.03: Records regarding company ownership
- 138.04: Gaming licensee's organization
- 138.05: System for Ensuring Employees are Properly Licensed or Registered
- 138.06: System for Business Dealings with Vendors
- 138.07: ~~Floor plans of the gaming area, gaming establishment simulcasting facility and restricted areas~~ **Reserved for future use**
- 138.08: Accounting records
- 138.09: Retention, storage and destruction records
- 138.10: Jobs compendium submission
- 138.11: Personnel assigned to the operation and conduct of gaming
~~Patron Identification/Patron Complimentaries~~
- 138.12: ~~RESERVED~~ **Alcoholic Beverage Control**
- 138.13: Complimentary services or items and promotional gaming credits
- 138.14 Internal control procedures for security department
- 138.15: Internal control procedures for access badge system and issuance of temporary license credentials, and restricted areas
- 138.16: Access to public and restricted areas
- 138.17: Searches of employees and the workplace by the gaming licensee
- 138.18: Vendor access badges
- 138.19: Count rooms; physical characteristics; count protocols
- 138.20: Possession of firearms
- 138.21: Protection of minors **& underage youth**

- 138.22: Critical incident preparedness plan
- 138.23: Drop boxes for table games and electronic table games; gaming table slot cash storage boxes
- 138.24: Cashiers' cage; satellite cages; master coin bank; coin vaults
- 138.25: Simulcast counter
- 138.26: Keys for dual locks; gaming licensee-controlled keys and locks; notice to the IEB and surveillance department upon malfunction and repair, maintenance or replacement
- 138.27: **Reserved for future use**
- 138.28: Gaming day
- 138.29: Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults
- 138.30: Accounting controls within the simulcast counter
- 138.31: Procedure for accepting cash and coupons at gaming tables
- 138.32: Table game drop boxes, transport to and from gaming tables; storage boxes
- 138.33: Removal of slot drop buckets, slot drop boxes and slot cash storage boxes **containers**; unsecured currency; recording of meter readings for slot machine drop
- 138.34: Procedures for acceptance of tips or gratuities from patrons
- 138.35: Table inventory; table inventory container; chip reserve compartment
- 138.36: Procedures for counting table inventory, opening tables for gaming, shift changes at gaming tables, and closing gaming tables
- 138.37: Procedure for distributing and removing gaming chips, coins and plaques to gaming tables
- 138.38: ~~Procedures for acceptance, accounting for, withdrawal and refund of patron deposits~~
Reserved for future use
- 138.39: ~~Procedures for accepting, verifying and accounting for wire transfers and electronic fund transfers; wire transfer and electronic fund transfer fees; Procedures for sending funds by wire transfer or electric fund transfer~~
Reserved for future use

- 138.40: Procedure for acceptance of checks, cash equivalents and credit/debit cards; issuance of counter checks ~~or slot counter checks~~
- 138.41: **Replacement checks and the** ~~Redemption, substitution, and consolidation~~ of counter checks ~~or slot counter checks at the cashier's cage; redemption of counter checks at a gaming table~~
- 138.42: Acceptance of payments toward outstanding patron checks
- 138.43: Procedures for establishing patron credit accounts, and recording checks exchanged, redeemed or consolidated
- 138.44: Patron request for suspension of credit privileges
- 138.45: Procedure for depositing checks received from gaming patrons
- 138.46: Procedure for collecting and recording checks returned to the gaming establishment **licensee** after deposit
- 138.47: Automatic Teller Machines (ATM)
- 138.48: Procedure for opening, counting and recording contents of table drop boxes and slot cash storage boxes
- 138.49: Procedure for opening, counting and recording the contents of bill validator boxes, gaming voucher redemption machines, determination of gross revenue deduction
- 138.50: ~~Temporary amendments for pit and slot zone configurations or reconstitutions~~ **Reserved for future use**
- 138.51: Accounting controls for gaming voucher redemption machines
- 138.52: Slot Machines and bill changers; coin and token containers; slot cash storage boxes; entry authorization logs
- 138.53: Progressive slot machines
- 138.54: Linked slot machines interconnected in more than one gaming establishment; slot system operator; computer monitor
- 138.55: Inspection of slot machine jackpots
- 138.56: Attendant paid jackpots and credit meter payouts
- 138.57: **Reserved for future use**
- 138.58: Alternate forms of jackpot payments

- 138.59: Procedure for filling payout reserve containers of slot machines and hopper storage areas
- 138.60: Procedure governing the removal of coin, slot tokens and slugs from a slot machine hopper
- 138.61: Slot accounting requirements; electronic table games which accept gaming vouchers or coupons redeemed by gaming voucher system
- 138.62: Payment of table game progressive payout wagers; supplemental wagers not paid from the table inventory
- 138.63: Slot machines and bill changers; authorized locations; movements
- 138.64: Accounting controls for chip persons and chips
- 138.65: Cashless wagering systems
- 138.66: Master lists of approved table games, movements of gaming equipment; amendments of operation certificates upon filing updated master list
- 138.67: Employee Signatures
- 138.68: Expiration of gaming-related obligations owed to patrons; payment to the Massachusetts Gaming Control Fund
- 138.69: Entertainment, filming or photography within the gaming establishment
- 138.70: Technical standards for count room equipment

138.01: Definitions

As used in 205 CMR 138.00 the following words and phrases shall have the following meanings unless the context clearly indicates otherwise:

Annuity jackpot means any slot machine ~~jackpot~~ **payout** offered by a gaming licensee, ~~wide area progressive or multi-state progressive slot system whereby a~~ **where a** patron wins the right **is entitled** to receive cash payments at specified intervals in the future.

Asset number means a unique number permanently assigned to a slot machine and a slot cash storage box for purposes of tracking that machine and storage box while owned by a gaming licensee.

~~Authorized instrument means a cash equivalent, a casino check, a casino affiliate check, an annuity jackpot trust check or a replacement check.~~

~~Automated coupon redemption machine means any mechanical, electrical or other device which operates independently of a slot machine and which, upon insertion of a valid casino coupon or currency, dispenses an amount of coin or slot tokens equivalent to the face value of the coupon or currency, and which immediately upon exchange cancels the coupon.~~

Bank is defined in M.G.L. c.167B, §1.

Cage supervisor means any person who supervises personnel and functions within the cashiers' cage.

Cash means currency or coin.

Cash equivalent means a certified check, cashier's check, treasurer's check, personal checks, travelers' check, ~~or money order,~~ **or other instrument deemed a cash equivalent by the commission.**

Check is defined in M.G.L. c.106, section 3-104.

Chief gaming executive means the individual employed by a gaming establishment who is responsible for the daily conduct of a gaming licensee's gaming business. Unless the chief gaming executive also serves as the chief executive officer of the gaming licensee, the chief gaming executive shall report directly to the chief executive officer of the gaming licensee.

Closer means the original of the Table Inventory Slip upon which each table inventory is recorded at the end of each shift.

~~Credit card cash transaction means a transaction in which a patron obtains cash, chips, plaques, or slot tokens from a cashier by presenting a recognized credit card.~~

Debit card cash transaction means a transaction in which a patron obtains cash, chips, plaques, or slot tokens from a cashier by presenting a recognized debit card.

Derogatory information means issues that have a negative bearing on one's casino credit including such things as a patron credit account being partially or completely uncollectible, checks returned unpaid by the patron's bank, settlements, liens, judgments, other credit problems of the patron, or any other information provided by a gaming licensee's security or surveillance department.

Electronic fund transfer is defined in M.G.L. c.167B, §1.

Handle means the total value of coins, slot tokens, including foreign slot tokens, currency, coupons, gaming vouchers, and electronic credits invested by a patron to activate the play of a slot machine or other electronic gaming device.

Identification Credential means government issued photo identification which contains the person's signature.

Imprest means the basis on which cashiers' cage and slot booth funds are replenished from time to time in exactly the value of the net of expenditures made from the funds and value received.

Incompatible function means a function that places any person or department in a position to both perpetrate and conceal errors or irregularities in the normal course of their duties. For example, anyone recording transactions and having access to assets ordinarily would be considered to be in a position to perpetrate errors or irregularities. Persons may have incompatible functions if such persons are members of departments which have supervisors not independent of each other.

Master Game Report means a record of the computation of the win or loss or, for the game of poker, the poker revenue, for each gaming table, each game, and each gaming day.

Multi-state jackpot means any progressive slot machine jackpot offered by one or more gaming licensees in conjunction with a licensee from another jurisdiction pursuant to a multi-state progressive slot system agreement.

Opener means the duplicate copy of the table inventory slip upon which each table inventory is recorded at the end of each shift and serves as the record of each table inventory at the beginning of the next succeeding shift.

Outstanding patron check means any Counter Check, ~~Slot Counter Check~~ or replacement check that is not due for deposit or presentation pursuant to 205 CMR 138.45 and has not in fact been deposited or presented for payment or redeemed by the drawer.

Patron deposit means the total value of cash, cash equivalents, complimentary cash gifts, slot tokens, prize tokens, gaming chips or plaques deposited with a gaming licensee by a patron for his or her subsequent use pursuant to 205 CMR 138.3840.

Patron check means a Counter Check, ~~a Slot Counter Check~~ or a replacement check.

Poker revenue means the total value of rake charged to patrons at all poker tables pursuant to 205 CMR.

Registered electronic funds transfer company means an organization that:

- (1) Verifies, upon request from a merchant, the validity and account sufficiency of a recognized credit card in the normal course of its business;
- (2) Is authorized to perform the verification for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and
- (3) A gaming licensee has identified in its internal controls as a company that will be used to verify recognized credit cards that are presented in credit card cash or chip transactions.

Replacement check means a counter check which replaces one or more previously issued counter checks.

Scan means to attempt to verify a gaming voucher or coupon in a gaming voucher system or coupon acceptance system by utilizing a device that can read its bar code, or by manually inputting the serial number of the coupon or the validation number of the gaming voucher into the system.

Slot drop container shall include slot drop buckets, slot drop boxes and slot cash storage boxes.

Slot machine drop means the total value of coins, slot tokens, and foreign slot tokens in a slot drop bucket or a slot drop box, the total value of currency, gaming vouchers and coupons in a slot cash storage box, and the total value of electronic credits withdrawn from patron accounts, if applicable.

Slot machine win means the value of the drop less any jackpots paid less any change to the hopper inventory.

Supervisor means a key gaming employee or gaming employee employed in the operation of a gaming establishment in a supervisory capacity or empowered to make discretionary decisions which regulate gaming operations, including but not limited to, boxpersons, floorpersons, pit bosses, poker shift supervisors, table games shift managers, the gaming manager, and the assistant gaming manager.

Suspicious gaming voucher means any gaming voucher that appears to have been counterfeited, tampered with or altered in any way that would affect its integrity, suitability, validity or value.

Table game drop means the sum of the total value of currency, coin, or coupons deposited in the drop box at a gaming table.

Table game win or loss means the amount of table game drop minus the change in the tables chip inventory, including chips issued during fills and chips removed during credits for tables other than poker tables.

Third party check means a check endorsed by its payee to another party who becomes the holder in due course.

Unscanned gaming voucher means any gaming voucher that a gaming licensee elects to redeem when its gaming voucher system or any component thereof is inoperable and, as a result, the system is unable to determine the validity of the voucher.

Unsecured currency, unsecured gaming voucher, unsecured ticket, and unsecured coupon means currency, a voucher, ticket, or coupon found inside a bill changer but outside a bill validator box.

Unverified gaming voucher means any gaming voucher, other than a suspicious gaming voucher, that the gaming voucher system fails to verify and electronically cancel in the system when it is presented for redemption and scanned.

Wire transfer means a transfer of funds ~~by means of the Federal Reserve Bank wire system~~ **through Fedwire Funds Service** in accordance with the requirements of **as governed by 12 C.F.R. 240.25 et. Seq Part 210, Subpart B - Funds Transfers Through Fedwire.**

138.02: Licensee's system of internal controls

- (1) At least 60 days prior to commencing operations a gaming licensee shall submit to the commission its proposed minimum system of internal procedures and administrative and accounting controls (hereinafter, "internal controls") in accordance with 205 CMR 138.02(4). ~~Gaming operations may not be commenced~~ **An Operations Certificate shall not be issued to a gaming licensee for the commencement of gaming operations in accordance with 205 CMR** until the submission is approved in accordance with 205 CMR 138.02(2). The commission or its designee may perform any **inspection necessary in order to determine conformance with the approved internal controls.**
- (2) The commission shall refer the proposal submitted in accordance with 205 CMR 138.02(1) to the Executive Director who shall review the submission for compliance with M.G.L. c.23K, 205 CMR 138.00 and other applicable sections of 205 CMR referenced therein. Upon completion of review the Executive Director shall either approve the submission or advise the gaming licensee in writing of any deficiency, and may include any other recommendations and/or required changes intended to ensure that a robust system of internal controls is implemented. The gaming licensee may either accept a recommendation **or required change** in writing or advise the Executive Director in writing as to the reason for its disagreement. The gaming licensee may dispute any determination or recommendation made by the Executive Director to the commission which shall resolve the issue.

¶The commission or the Executive Director may revisit any provision of the internal controls at any time and direct adjustment if necessary, and provide for a reasonable implementation period, to ensure that a robust system of internal controls is in effect. Upon approval by the Executive Director ~~and/or commission~~ the gaming licensee shall be issued a writing evidencing the approval of its internal controls including any associated conditions.
- (3) At least 15 business days prior to changing any provision of the approved internal controls a gaming licensee shall submit the proposed change, including an explanation therefor, and new certifications from its chief legal and financial officers consistent with 205 CMR 138.02(4)(i) and (j), to the commission **for approval**. The commission shall refer the proposed change to the Executive Director who shall review the proposal to determine whether it complies with 205 CMR 138.00. Changes to the system of internal controls will generally be permitted if the proposed change does not lessen the applicable administrative, accounting, or physical control. Upon completion of review the Executive Director shall

either approve the proposed change or advise the gaming licensee in writing as to why the proposal does not comply with 205 CMR 138.00. The gaming licensee may appeal the Executive Director's determination to the commission which shall resolve the issue.

Approved changes shall be maintained as part of the approved internal controls.

Modifications to internal controls may not be implemented until approved by the Executive Director or the commission. Provided, however, if the Executive Director does not object or otherwise respond to the submission in writing within 15 business days of receipt of the submission, the gaming licensee may make the proposed change subject to further direction by the Executive Director in accordance with 205 CMR 138.02(3).

- (4) The internal controls shall include the following:
- (a) Administrative controls which include, as their primary objective, policies and procedures designed to assure that all activities and transactions of the gaming licensee are instituted and completed in accordance with the applicable policy and/or procedure.
 - (b) Accounting controls, as detailed in 205 CMR, which include, as their primary objective, procedures to assure that all activities and transactions of the gaming licensee are accurately reported and recorded in accordance with generally accepted accounting principles.
 - (c) Reporting controls which shall include policies and procedures for the timely reporting of economic and social impact reports, and standard financial and statistical reports and information in accordance with 205 CMR.
 - (d) Surveillance controls as detailed in 205 CMR *141: Surveillance of the Gaming Establishment*.
 - (e) Physical controls which include, as their primary objective, the safeguarding of company assets to include safeguards in the form of organizational safeguards, such as segregation of duties between incompatible functions, and physical safeguards such as restricted access to assets and routine security devices such as cameras and locking doors.
 - (f) A network security plan as described in 205 CMR *143.12: Network Security*.
 - (g) A plan to ensure compliance with 205 CMR: *Gross Gaming Revenue and Tax Remittance and Reporting*.
 - (h) All applicable policies and procedures required pursuant to 205 CMR 138.04-138.70.
 - (i) A certification by the gaming licensee's chief legal officer that the submitted procedures conform to M.G.L. c.23K, 205 CMR 138.00, and any applicable regulations referenced therein; and
 - (j) A certification by the gaming licensee's chief financial officer that the submitted procedures provide adequate and effective controls, establish a consistent overall system of internal procedures and administrative and accounting controls, and conform to generally accepted accounting principles and 205 CMR.
- (5) Nothing in 205 CMR 138.00 shall be interpreted so as to limit a gaming licensee's use of technology, provided that, if the gaming licensee intends to utilize any new technology not identified in its initial proposal, it shall submit ~~for commission approval~~ the changes to its system of internal controls to incorporate the use of any such new technology ~~to the commission which shall refer the proposed change to the Executive Director who shall review the proposal~~ in accordance with 205 CMR 138.02(3).

(6) (a) If a gaming licensee desires to incorporate a provision in its internal controls that is not in conformance with 205 CMR 138.00, or to exclude a provision required by 205 CMR 138.00, it may petition to do so by including its proposal in its internal controls filing, **or petition to change a provision of the internal controls in accordance with 138.02(3)**, along with a citation to the applicable provision of 205 CMR 138.00 and a written explanation as to why the variance is being requested. The Executive Director may allow the variance upon a finding that the proposal is at least equivalent to the relevant provision contained in 205 CMR 138.00 and/or that the proposal is likely to achieve the same outcome as if the provision contained in 205 CMR 138.00 were incorporated. Such variance shall be identified in the written approval issued in accordance with 205 CMR 138.02(2) **and a report filed with the commission that identifies the provision of 205 CMR 138.00 that a variance was granted from and provides the general reason the variance was granted. Provided, however, that a gaming licensee may not seek a variance from any of the provisions of 205 CMR 138.40-138.47.**

(b) In the event that a gaming licensee will be temporarily unable to abide by a provision of its system of internal controls, the Director of the IEB, or his or her designee, may upon request by the gaming licensee grant a limited temporary variance from a provision of the gaming licensee's system of internal controls, provided that such variance shall be for a set period of time not to exceed 48 hours, that the provision at issue shall relate to the gaming operation of the gaming establishment, and that it be based on good cause shown such that the health, safety or welfare of the public or the integrity of gaming will not be adversely impacted. Provided, that a gaming licensee may not seek a limited temporary variance from any of the provisions of 205 CMR 138.40-138.47. Where the circumstances warrant, such a variance may be renewed by the Director of the IEB, or his or her designee, for one additional 48 hour period. All such requests and determinations shall be documented and submitted to the Executive Director for review as promptly as possible.

(7) Upon approval in accordance with 205 CMR 138.02(2) and (3), the gaming licensee shall implement and abide by its system of internal controls. The commission **and the IEB** may take any steps necessary to determine whether the internal controls are being following and to enforce compliance. The gaming licensee shall periodically compare its approved system of internal controls, as written, to the system actually in place and operating for the purpose of identifying areas of non-compliance, if any, so as to take immediate corrective action. The periodic comparison shall be performed by either independent auditors or internal auditors.

(8) The gaming licensee shall maintain in its records and at all times a complete set of its system of internal controls in effect at that time.

(9) When possible, all filings and records required to be submitted to the commission in accordance with 205 CMR 138.00 shall be done electronically unless otherwise directed by the commission.

138.03: Records regarding company ownership

All records regarding ownership, as described in 205 CMR, shall be maintained at a location as determined by the gaming licensee provided that the commission is notified of such location where the records are to be stored. The commission shall be granted prompt and unfettered access to all such records upon request.

138.04: Gaming licensee's organization

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include tables of organization, which shall provide for:
 - (a) A system of personnel and chain of command which permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility;
 - (b) The segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties;
 - (c) Primary and secondary supervisory positions which permit the authorization or supervision of necessary transactions at all relevant times; and
 - (d) Areas of responsibility which are not so extensive as to be impractical for one person to monitor.

- (2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions detailing the structure, function, and area of responsibility for the following mandatory departments and supervisory positions, with each of the mandatory departments and supervisors cooperating with, yet performing independently of, all other mandatory departments and supervisors of the gaming licensee as follows:
 - (a) A surveillance department supervised by an executive who shall be responsible for the management of the surveillance department. The chief surveillance executive shall be subject to the reporting requirements specified in 205 CMR 138.04(4). The surveillance department monitoring room shall be supervised by an individual licensed as a key gaming employee in accordance with 205 CMR 134.00 who shall be present in the room at all times or, if not present, be within immediate contact and at a known location at the gaming establishment.
 - (b) An internal audit department supervised by an audit department executive. The audit department executive shall be subject to the reporting requirements specified in 205 CMR 138.04(4).
 - (c) An IT department supervised by an executive who shall be responsible for the management of the IT department.
 - (d) A casino games department supervised by an executive who shall be responsible for the management of the casino games department. The chief casino games executive shall be responsible for the operation and conduct of all authorized games and gaming devices in a gaming establishment
 - (e) A security department supervised by an executive who shall be responsible for the management of the security department.

- (f) A gaming accounting department supervised by an executive who shall be responsible for the management of the gaming accounting department. The chief gaming accounting executive shall be responsible for all gaming related accounting control functions.
- (g) A compliance committee consisting of at least 3 members, **at least** one of whom shall be independent of the gaming licensee. The compliance committee may consist of less than 3 members on a temporary basis upon a showing of good cause by the gaming licensee, but, under all circumstances, a compliance committee must include at least 1 independent member. The compliance committee may be created at either the gaming licensee level or at the level of a **parent**, holding or intermediary company. The compliance committee shall provide its policies and procedures to the commission, which policies and procedures shall provide for, at a minimum, the following:
- (1) The monitoring of policies, procedures, material transactions and proposed transactions for purposes of avoiding impropriety or the appearance thereof;
 - (2) The review of payments to individuals and entities ~~with business associations~~ and the provision of services, gifts or anything of value to or on behalf of any public official **provided, that review of such conduct as it relates to foreign public officials may be performed by legal counsel to the gaming licensee who shall then report their findings to the compliance committee**);
 - (3) The review of political contributions;
 - (4) Ensuring compliance with all applicable Federal, State and local laws and regulatory requirements;
 - (5) Protecting against unethical or unlawful behavior by employees;
 - (6) The conduct of due diligence reviews and investigations of directors, officers, executive level employees and those entities and individuals having material associations with the gaming licensee; and
 - (7) Providing the commission with the minutes of its meetings **within 45 days of the conduct of those meetings. If necessary, minutes in draft form may be submitted followed by final minutes when approved.**
- (h) An independent audit committee consisting of at least 3 members provided, however, that the independent audit committee may be comprised of less than 3 members on a temporary basis upon a showing of good cause to the commission. The independent audit committee may be created at either the gaming licensee level or at the level of a **parent**, holding or intermediary company. The Committee shall provide the commission with the minutes of its meetings within 45 days of the conduct of those meetings. **If necessary, minutes in draft form may be submitted followed by final minutes when approved.**
- (3) Each mandatory department shall be supervised at all times by at least one individual who has been licensed as a key gaming employee in accordance with 205 CMR 134.00.
- (4) The chief executives of the surveillance and internal audit departments required by 205 CMR 138.04(2) shall comply with the following reporting requirements:
- (a) Each executive shall report directly to the chief gaming executive of the gaming licensee regarding administrative matters and daily operations provided, however, a gaming licensee may allow each of these executives to report directly to a management

executive of the licensee other than the chief gaming executive if that management executive reports directly to the chief gaming executive.

(b) Each executive shall report directly to one of the following persons or entities regarding matters of policy, purpose, responsibility, and authority. The hiring, termination, and salary of each executive shall also be controlled by one of the following persons or entities:

- (1) The independent audit committee of the gaming licensee's board of directors;
- (2) The independent audit committee of the board of directors of any holding company of the gaming licensee which has absolute authority to direct the operations of the gaming licensee;
- (3) The senior surveillance or internal audit executive of any holding company included in 205 CMR 138.04(4)(b)(2) if such executive reports directly to the independent audit committee of the board of directors of the holding company; or
- (4) For gaming licensees or holding companies which are not corporate entities, the non-corporate equivalent of any of the persons or entities listed in 205 CMR 138.04(4)(b)(1) through (3).

(5) In the event of a vacancy in the chief executive officer position, the chief gaming executive, or in any executive position responsible for management of one of the mandatory departments set forth in 205 CMR 138.04(2)(a) through (f), the gaming licensee shall:

(a) Provide written notice to the commission no later than five days from the date of the vacancy, advising of the following:

- (1) The vacant position;
- (2) The date on which the position became vacant; and
- (3) The date on which it is anticipated that the vacancy will be filled on a permanent basis.

(b) Within 30 days, the gaming license shall either fill the vacant position described in 205 CMR 138.04(5) on a permanent basis or designate an individual to assume the duties and responsibilities of the vacant position on a temporary basis, which appointment shall not exceed 120 days, subject to extension upon approval by the commission. An individual temporarily designated shall not simultaneously function as the department supervisor for any department identified in 205 CMR 138.04(2) and such individual's areas of responsibility shall not be so extensive as to be impractical for one individual to monitor.

(c) Within five days of filling any vacancy, whether on a temporary or permanent basis, the gaming licensee shall provide written notice to the commission advising of the following:

- (1) The position;
- (2) The name of the person designated;
- (3) The date that the vacancy was filled; and
- (4) An indication of whether the position has been filled on a temporary or permanent basis.

- (6) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include, and a gaming licensee shall maintain on file, a current table of organization delineating the lines of authority for all personnel engaged in the operation of the gaming establishment, which shall, for each department and division, include direct and indirect lines of authority within the department or division.
- (7) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a plan for ensuring that all gaming employees employed in the gaming establishment are properly trained in their respective professions. Proper training of a gaming employee in the respective field for which the gaming employee is or shall be employed by the gaming licensee may be established as follows:
 - (a) Satisfactory completion by the employee of a course of instruction in the employee's respective field provided by a person recognized by the commission as a certified training school in accordance with 205 CMR 137.00;
 - (b) Satisfactory completion by the employee of a course of instruction or on the job training program provided by the gaming licensee in the employee's respective field;
 - (c) Relevant prior work experience of the employee in the employee's respective field; or
 - (d) Other relevant training or experience.

138.05: System for Ensuring Employees are Properly Licensed or Registered

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a plan for ensuring that all individuals employed in the gaming establishment are properly licensed or registered in accordance with 205 CMR 134.01, 134.02, and 134.03. The system of internal controls shall include without limitation the following:
 - (a) Procedures for assuring that only properly licensed and/or registered individuals are employed in each position for which a license or registration is required;
 - (b) Procedures to prepare and submit petitions for temporary licenses to individuals for employment in the gaming establishment pursuant to 205 CMR 134.12;
 - (c) Procedures to assure the timely renewal of licenses and registrations of individuals employed in the gaming establishment;
 - (d) Procedures for terminating or suspending the employment of individuals licensed or registered pursuant to 205 CMR 134.01, 134.02, and 134.03 within 24 hours of notification from the commission that the license, registration, or application of such individual has been revoked, suspended, or denied; and
 - (e) Procedures for compliance with the employee reporting information required to be submitted to the commission on a bi-monthly basis in accordance with 205 CMR 138.05(2).
- (2) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a plan for reporting the following to the commission on a bi-monthly basis and in a format as directed by the commission. For each individual licensed or registered in accordance with 205 CMR 134.00:
 - (a) License or registration number;

- (b) Last name, first name, middle initial;
- (c) Date of birth;
- (d) Position or job title, represented by a job code that corresponds with a position or job title in the gaming licensee's job compendium;
- (e) Initial hire date;
- (f) Effective date of any change in individual's position or job title;
- (g) Access code, if any, assigned to the individual, designating the restricted areas that the individual is permitted to enter;
- (h) For each individual who has been suspended or terminated since the most recent prior report was submitted to the commission:
 - (1) The information in 205 CMR 138.05(2)(a) through (g), and
 - (2) The effective date of suspension or termination.
- (i) A record of any and all designations to describe categories of employees, including without limitation, "full time," "part time" or "seasonal;" the number of individuals in each category; and the total number of individuals in all categories.
- (j) The date on which the information submitted in the report was compiled.

138.06: System for Business Dealings with Vendors

(1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a plan for ensuring that all persons conducting business with a gaming licensee as a vendor to a gaming establishment are properly licensed or registered in accordance with 205 CMR 134.04. The system of internal controls shall include without limitation the following:

- (a) Procedures for assuring that only properly licensed and/or registered vendors are conducting business with a gaming licensee;
- (b) Procedures to prepare and submit petitions for temporary licenses of vendors pursuant to 205 CMR 134.12;
- (c) Procedures to assure the timely renewal of licenses and registrations of vendors; and
- (d) Procedures for terminating or suspending the conduct of business with a vendor licensed or registered pursuant to 205 CMR 134.04 within 24 hours of notification from the Commission that the license, registration, or application of such vendor has been revoked, suspended, or denied.

(2) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a plan for providing a *Disbursement Report* to the Commission on a bi-monthly basis and in a format as directed by the Commission. The *Disbursement Report* shall reflect, for each vendor licensed or registered in accordance with 205 CMR 134.04, the following information:

- (a) Name of vendor;
- (b) Vendor license or registration number;
- (c) The amount of each individual disbursement drawn by the gaming licensee to the vendor, and the amount of each individual disbursement drawn by the vendor to the gaming licensee;

- (d) The date of each disbursement;
- (e) The total of all disbursements made during the reporting period by vendor; and
- (f) The date and amount of any payment to or from a vendor subsequently voided or corrected.

(3) Agreements with vendors. Each gaming licensee shall maintain a fully signed copy of every written agreement and records with respect to every unwritten agreement to which it is a party which provide, at a minimum, the terms of the agreement, the parties to the agreement, a description of the goods and/or services to be provided under the agreement, and details regarding the exchange of direct compensation under the agreement, including but not limited to dollar amounts, for any person doing business for the benefit of the gaming licensee and/or the gaming establishment, any person doing business relating to the construction, maintenance, renovation, and/or expansion of the gaming establishment, and any person doing business on the premises of the gaming establishment.

138.07: Floor plans of the gaming area, gaming establishment simulcasting facility and
restricted areas **Reserved for future use**

- (1) ~~A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include proposed floor plans of the gaming establishment's gaming area, simulcasting facility, if any, and any restricted areas.~~
- (2) ~~Each floor plan required by 205 CMR 138.07(1) shall accurately depict the entire layout, including equipment positioning, in the gaming area and support areas, shall be drawn to at least one-eighth inch scale (1/8 inch = one foot), shall have received any necessary approvals, and shall depict, at a minimum, the location of the following:~~
 - (a) ~~The gaming area, and any simulcasting facility, including, at a minimum, the proposed total square footage thereof and a clear delineation of the respective perimeter of each;~~
 - (b) ~~Each gaming pit, its pit location number, and any alternate configurations;~~
 - (c) ~~Each table game, noting its pit and table game location number;~~
 - (d) ~~Each CCTV camera, noting its type and camera number;~~
 - (e) ~~Each slot booth, noting its booth number;~~
 - (f) ~~Each cashier's cage and its component offices and areas;~~
 - (g) ~~Each separate master coin bank;~~
 - (h) ~~Each window at the cashiers' cage, noting its window number;~~
 - (i) ~~Each count room;~~
 - (j) ~~Each slot zone, its slot zone location letter or number and the total number of authorized slot machine locations within that slot zone, and at the gaming licensee's option, a maximum of four alternate configurations or locations for that slot zone and the alternate slot zone location number for each (for example, Slot Zone 2A);~~
 - (k) ~~Each authorized slot machine or other gaming device location, which location shall contain no more than one slot machine and bill changer at a time, noting its slot machine location number and any slot zone location letter or number;~~
 - (l) ~~Each slot stool authorized for use, if any;~~
 - (m) ~~Each automated coupon redemption machine, noting its location number;~~

- ~~(n) Each automated jackpot payout machine, noting its location number;~~
- ~~(o) Each gaming voucher redemption machine, noting its location number;~~
- ~~(p) Each satellite cage and its component offices and areas;~~
- ~~(q) Each coin vault;~~
- ~~(r) Each area approved for the storage of gaming chips or plaques;~~
- ~~(s) Each room or area approved for the storage of dice or playing cards;~~
- ~~(t) Each other room or area that is accessible directly from the gaming area;~~
- ~~(u) For those establishments with a simuleasting facility:~~

- ~~(1) Each simuleast counter and any ancillary simuleast counter, along with their component offices, areas and equipment;~~
- ~~(2) Each credit voucher machine, noting its location number;~~
- ~~(3) Each self-service pari-mutuel machine, noting its location number; and~~
- ~~(4) Each other area or room designated by the commission.~~

~~(3) A gaming licensee, after obtaining the commission's approval of its floor plans submitted as part of its internal controls, shall not commence gaming or simuleast wagering in the areas depicted on the floor plan until, subject to 205 CMR 138.50, a copy thereof that has been delivered to the commission's IEB office in the establishment, an electronic copy has been sent to the IEB's main office, and a printed copy thereof has been delivered to each of the following:~~

- ~~(a) The gaming licensee's security podium; and~~
- ~~(b) The gaming licensee's monitoring rooms~~

RESERVED

138.08: Accounting records

- (1) A gaming licensee shall maintain complete, accurate, and legible records of all transactions pertaining to the revenues and costs for the gaming establishment including those required in accordance with 205 CMR: *Continuing Disclosure and Reporting Obligations of Gaming Licensees and Qualifiers* and 205 CMR: *Gross Gaming Revenue Tax Remittance and Reporting*.
- (2) General accounting records shall be maintained on a double entry system of accounting with transactions recorded on the accrual basis. Detailed, supporting, subsidiary records sufficient to meet the requirements of 205 CMR shall also be maintained.

138.09: Retention, storage and destruction records

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a records retention schedule, and provisions related to the storage and destruction of records that at a minimum incorporates the following provisions:
 - (a) The following records shall be retained indefinitely unless permission for destruction is requested by the gaming licensee and approved by the commission:
 - (1) Corporate records required by 205 CMR 138.02;

- (2) Records of corporate and due diligence investigations and associated procedures;
 - (3) Current employee personnel files; and
 - (4) A record of any record destroyed, identifying the particular record, the period of retention and the date of destruction.
- (b) All financial, accounting, contract, payroll, personnel, employee and budget documents shall be retained for the periods prescribed in sections D and E of the *Massachusetts Statewide Records Retention Schedule, 02-11*. (References in the *Schedule* to the state comptroller, state accounting system and other similar terms shall be read to refer to the Licensee and its accounting systems).
 - (c) All tax return filings and related records referenced in section *L3 Tax Filing #1* of the *Massachusetts Statewide Records Retention Schedule, 02-11* shall be retained for 6 years.
 - (d) All tax revenue accounting records referenced in section *L5 Tax Collection #12* of the *Massachusetts Statewide Records Retention Schedule, 02-11* shall be retained in accordance with the periods prescribed in the *Schedule*.
 - (e) In addition to those records referenced in 205 CMR 138.09(1)(a) through (d), the Licensee's records retention schedule shall include provisions by category relative to:
 - (1) All gaming related records
 - (2) Security related records
 - (3) Surveillance related records (subject to 205 CMR 141.05(7))
 - (4) Records relative to junkets
 - (5) Records relative to vendors
- (2) (a) A gaming licensee may petition the commission at any time for approval of a facility off the site of the gaming establishment to be used to generate or store records **required to be retained in accordance with 205 CMR 138.09(1)**. Such petition shall include:
 - (1) A detailed description of the proposed off-site facility, including security and fire safety systems; and
 - (2) The procedures pursuant to which commission agents will be able to gain access to the records retained at the off-site facility.
 - (b) A gaming license may store any records electronically or via other suitable medium.
- (3) A gaming licensee shall, except as otherwise provided, notify the commission **and the Gaming Enforcement Division of the Attorney General's Office** in writing at least ~~15~~ **60** days prior to the scheduled destruction of any record **required to be retained in accordance with 205 CMR 138.09(1)**. Such notice shall list each type of record scheduled for destruction, including a description sufficient to identify the records included; the retention period; and the date of destruction.
 - (4) The commission **or the Gaming Enforcement Division of the Attorney General's Office** may prohibit the destruction of any record **required to be retained in accordance with 205 CMR 138.09(1)** by so notifying the gaming licensee in writing within ~~15~~ **45** days of receipt of the notice of destruction pursuant to 205 CMR 138.09(3) or within the specified retention period. Such original record may thereafter be destroyed only upon notice from the commission, the IEB, **the Massachusetts Attorney General's Office**, or by order of the commission upon the petition of the gaming licensee or by the commission on its own initiative.

- (5) The gaming licensee may utilize the services of a disposal company for the destruction of any records **required to be retained in accordance with 205 CMR 138.09(1)** except those related to credit. Any cash complimentary coupons to be destroyed by a disposal company shall be cancelled with a void stamp, hole punch or similar device, or must contain a clearly marked expiration date which has expired.
- (6) Nothing herein shall be construed as relieving a gaming licensee from meeting any obligation to prepare or maintain any book, record or document required by any other federal, state or local governmental body, authority or agency.

138.10: Jobs compendium submission

- (1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a jobs compendium detailing job descriptions, chains of command, and lines of authority for all personnel engaged in the operation of the gaming establishment. The licensee shall maintain and update the jobs compendium on a regular basis.
- (2) A jobs compendium shall include the following sections, in the order listed:
 - (a) An alphabetical table of contents listing the position title and job code for each job description included in 205 CMR 138.10(1) and the page number on which the corresponding job description may be found;
 - (b) A table of organization for each department and division, including all positions, and illustrating by position title, direct and indirect lines of authority within the department or division. Each page of a table of organization shall specify the following:
 - (1) The date of its submission;
 - (2) The date of the previously submitted table of organization which it supersedes; and
 - (3) A unique title or other identifying designation for that table of organization.
 - (c) A description of each employee position which accurately corresponds to the position title as listed in the table of organization and in the alphabetical table of contents. Each position description shall be contained on a separate page, organized by departments or divisions, and shall include, at a minimum, the following:
 - (1) Position title and corresponding department;
 - (2) Job duties and responsibilities;
 - (3) Detailed descriptions of experiential or educational requirements;
 - (4) Proposed registration or license rank consistent with 205 CMR 134.01 through 134.03;
 - (5) The date of submission of each employee position job description and the date of any prior job description it supersedes; and
 - (6) The date of submission and page number of each table of organization on which the employee position title is included.
- (3) A proposed amendment to a previously approved jobs compendium, including any amendment to a table of organization, may be implemented by the gaming licensee without the prior approval of the commission in accordance with 205 CMR 138.02(3), provided that:
 - (a) The amendment is immediately recorded in the jobs compendium maintained by the licensee on its premises; and
 - (b) The amendment is submitted to the commission by the end of the business day on the date of implementation, including at a minimum, the following:

- (1) A detailed cover letter listing by department each position title to which modifications have been made, a brief summary of each change, instructions regarding any changes in page numbers and the date of implementation; and
 - (2) The proposed changes to the information required by 205 CMR 138.10(2), including the corresponding job descriptions and tables of organization, contained on pages which may be used to substitute for those sections of the jobs compendium previously approved by the commission.
- (4) A gaming licensee shall not be required to comply with the filing requirements of 205 CMR 138.10(3) for amendments to job descriptions for positions which require a gaming service employee registration, provided that the gaming licensee files with the commission a notice of any addition, deletion or amendment to any position that requires gaming service employee registration. Such notice shall include the title, department, job code, salary grade and table of organization on which that position is identified.
 - (5) Notwithstanding any other requirement of 205 CMR, each gaming licensee shall submit a complete and up-to-date jobs compendium in accordance with 205 CMR 138.02 to the commission 18 months after approval of its system of internal controls in accordance with 205 CMR 138.02 and every two years thereafter, unless otherwise directed by the commission.
 - (6) Each gaming licensee shall maintain on its premises a complete, updated copy, which may be maintained electronically, of its jobs compendium.
 - (7) No provision of 205 CMR 138.00 shall be construed so as to limit a gaming licensee's discretion in utilizing a particular job title for any position in its jobs compendium.

138.11: Personnel assigned to the operation and conduct of gaming

Each gaming licensee shall be required to employ the following personnel in the operation of its gaming establishment regardless of the position titles assigned to such personnel by the gaming licensee in its approved jobs compendium:

- (1) Each gaming licensee shall at all times maintain a level of staffing that ensures the proper operation and effective supervision of all authorized games and simulcast wagering in the gaming establishment ~~and simulcasting facility.~~
- (2) Each gaming licensee shall be required to employ a gaming manager. The gaming manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of a gaming licensee's casino games department including, without limitation, the hiring and terminating of all gaming establishment employees ~~and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the gaming licensee's board of directors or non-corporate equivalent.~~
 - (a) In the absence of the gaming manager and the assistant gaming manager, should the gaming establishment have an assistant gaming manager, a table games shift manager or slot shift manager, as applicable, who is employed within the casino games department shall be designated by the gaming licensee as the person responsible for the overall operation of the casino games department and such person shall have the authority of a gaming manager.
 - (b) ~~Notwithstanding 205 CMR 138.11(2), if a gaming licensee chooses to establish an independent slot department, the independent~~ **The** slot department shall be supervised

and managed by a slot department manager/~~shift manager at all times~~ in accordance with 205 CMR 138.11(4)(h)(5).

- (3) The following personnel shall be used to operate the table games in a gaming establishment:
 - (a) Gaming clerk shall be the employee located at a desk in the pit to prepare documentation required for the operation of table games including, without limitation, Requests for Fills, Requests for Credits, Counter Checks and documents that evidence the exchange of gaming chips or plaques ~~as part of credit or debit card chip transactions~~.
 - (b) Dealers shall be the employees assigned to each table game to directly operate and conduct the game.
 - (c) Stickperson shall be the dealer assigned to each craps table to control the dice and may be responsible for the proposition wagers made at the craps table. A stickperson may also be assigned to a mini-craps table, in addition to the required dealer, to control the dice and may be responsible for the proposition wagers made at the mini-craps table.
 - (d) Boxperson shall be the first level supervisor assigned the responsibility of directly participating in and supervising the operation and conduct of the craps game.
 - (e) Floorperson shall be the second level supervisor assigned the responsibility for directly supervising the operation and conduct of a craps game, and the first level supervisor assigned the responsibility for directly supervising the operation and conduct of all other table games.
 - (f) Pit boss shall be the third level supervisor assigned the responsibility for the overall supervision of the operation and conduct of a craps game and the second level supervisor assigned the responsibility for the overall supervision of the operation and conduct of all other table games other than poker.
 - (g) Poker shift supervisor shall be the supervisor assigned with the responsibility for directly supervising all activities related to the operation and conduct of poker. A poker shift supervisor may also supervise table games other than poker in lieu of a pit boss.
 - (h) Table games shift manager shall be the supervisor assigned to each shift with the responsibility for the supervision of table games conducted in the gaming establishment provided, however, that:
 - (1) If a gaming licensee chooses to establish an independent slot department a gaming manager may personally perform the required duties of a table games shift manager when the gaming manager is present in the gaming establishment; and
 - (2) A gaming licensee may, as part of its revised supervision plan as set forth in 205 CMR 138.11(6), permit its table games shift manager to provide a break, for a reasonable period of time, for a pit boss on duty during the hours of 12:00 a.m. to 12:00 p.m.
- (4) Each gaming licensee shall maintain the following minimum levels of staffing:
 - (a) One gaming clerk shall be assigned to the entire gaming establishment;
 - (b) One dealer shall be assigned to each table for any table game other than craps and baccarat;
 - (c) Three dealers shall be assigned to each craps and baccarat table;
 - (d) One boxperson shall be assigned to each craps table;
 - (e) One floorperson shall supervise not more than:
 - (1) Six tables comprised of any combination of table games excluding baccarat, minibaccarat (when using the dealing procedure in 205 CMR), craps, mini-craps, ~~automated craps~~ and pai gow ~~tiles~~; or

- (2) One baccarat table; or
- (3) As to the game of minibaccarat, when using the dealing procedure in 205 CMR:
 - (a) Two minibaccarat tables using the dealing procedure in 205 CMR; or
 - (b) One minibaccarat table using the dealing procedure in 205 CMR and one table of any other table game excluding baccarat, mini-craps and pai gow tiles (unless the pai gow tiles table has continuous, dedicated surveillance camera coverage); or
- (4) As to the game of craps:
 - (a) Two craps tables; or
 - (b) One craps table and one table of any other table game excluding baccarat, mini-craps and pai gow tiles; or
 - (c) One mini-craps table; or
 - (d) ~~Two automated craps games; or~~
 - (e) ~~One automated craps table and two other table games, excluding baccarat, minibaccarat (when using the dealing procedure in 205 CMR), craps, mini-craps and pai gow; or~~
- (5) As to the game of pai gow tiles:
 - (a) One pai gow tiles table; or
 - (b) Two pai gow tiles tables if the tables are in a side-by-side configuration and continuous, dedicated surveillance camera coverage is maintained for the pai gow tiles tables; or
 - (c) One pai gow tiles table with continuous, dedicated surveillance camera coverage and one table of any other table game excluding baccarat, craps and mini-craps; or
- (6) As to the game of poker:
 - (a) Six poker tables if the poker shift supervisor is supervising both poker tables and table games other than poker; or
 - (b) Ten poker tables if the poker shift supervisor is supervising only poker tables; or
 - (c) Twelve poker tables if the poker shift supervisor is supervising only poker tables and no floorperson assigned to poker by a gaming licensee has any responsibilities for seating players.
- (f) One pit boss shall supervise not more than 24 gaming tables, provided that all of the tables are within view of each other; and
- (g) One poker shift supervisor shall supervise all open poker tables; provided, however, that the poker shift supervisor may supervise a total of not more than 16 poker tables and table games other than poker (in lieu of a pit boss) if fewer than 16 poker tables are open.
 - (1) Notwithstanding the provisions of 205 CMR 138.11(4)(g):
 - (a) If a gaming licensee has six or fewer poker tables open for gaming activity, no poker floorperson shall be required and the poker tables may be supervised by the poker shift supervisor, provided that the poker shift supervisor is not supervising any other table games; and
 - (b) If a gaming licensee has at least one but fewer than four poker tables open for gaming activity, the poker shift supervisor may supervise any combination of not more than four poker tables and table games other than poker (in lieu of a

pit boss) and no floorperson shall be required to supervise the poker tables provided that the floorperson supervision requirements for games other than poker are satisfied.

- (2) Notwithstanding the provisions of 205 CMR 138.11(4)(g), a gaming licensee may implement a plan for revised supervision by floorpersons, poker shift supervisors, pit bosses or slot shift managers. A plan for revised supervision of table games shall not include any gaming tables at which the cards shall be used for more than 24 hours pursuant to 205 CMR. In any plan for revised supervision:
 - (a) One floorperson may supervise not more than 8 tables comprised of any combination of table games excluding baccarat, minibaccarat (when using the dealing procedure in 205 CMR, craps, mini-craps, ~~automated craps~~, pai gow tiles and blackjack when offering the streak wager permitted under 205 CMR;
 - (b) One pit boss may supervise not more than 36 gaming tables, provided that all of the tables are within view of each other;
 - (c) One poker shift supervisor may supervise a total of not more than 30 poker tables and gaming tables other than poker (in lieu of a pit boss), provided that:
 - (1) The poker shift supervisor is supervising all poker tables which are open to the public; and
 - (2) One floorperson may supervise not more than 8 poker tables;
 - (d) One floorperson may supervise two craps tables and one additional table of any other table game excluding baccarat, minibaccarat (when using the dealing procedure in 205 CMR, mini-craps, ~~automated craps~~ and pai gow tiles);
 - (e) One floorperson may supervise one craps table and two additional tables comprised of any combination of table games excluding baccarat, minibaccarat, mini-craps, ~~automated craps~~ and pai gow tiles;
 - (f) One floorperson assigned to poker may supervise not more than 12 poker tables if the poker shift supervisor is supervising only poker tables; and
 - (g) One floorperson assigned to poker may supervise not more than 14 poker tables if the poker shift supervisor is supervising only poker tables and no floorperson assigned to poker has any responsibilities for seating players.
- (h) The following personnel shall be used to maintain and operate the slot machines, electronic gaming equipment, and bill changers in a gaming establishment:
 - (1) Slot mechanics shall be the persons assigned the responsibility for repairing and maintaining slot machines, electronic gaming equipment, and bill changers in proper operating condition and participating in the filling of payout reserve containers.
 - (2) Slot attendants shall be the persons assigned the responsibility for the operation of slot machines and bill changers, including, but not limited to, participating in manual jackpot payouts and filling payout reserve containers.
 - (3) Slot supervisors shall be the first level supervisors assigned the responsibility for directly supervising the operation of slot machines and bill changers.
 - (4) Slot shift manager shall be the second level supervisor with the responsibility for the overall supervision of the slot machine and bill changer operation for each shift.

- (5) ~~If a gaming licensee chooses to establish an independent slot department~~ The slot department manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of the gaming licensee's slot machines, electronic gaming equipment, and bill changers. In the absence of the slot department manager, the slot shift manager shall have the authority of the slot department manager.
- (i) ~~If a gaming licensee will offer automated table games for which part, but not all, of the game play requires manual involvement by an employee, the gaming licensee's staffing plan shall incorporate staffing of these games such that proper operation and effective supervision will be provided.~~
- (5) Nothing in 205 CMR 138.11 shall be construed to limit a gaming licensee from utilizing personnel in addition to those described herein nor shall anything in 205 CMR 138.11 be construed to limit the discretion of the commission to order the utilization of additional personnel by the gaming licensee as necessary.
- (6) The gaming manager or table games shift manager shall notify the IEB no later than 24 hours in advance of implementing or changing any plan for revised supervision for table games, and the slot shift manager, provided, however, that notice may be provided less than 24 hours in advance in circumstances which are emergent or may otherwise not reasonably be anticipated.
- (a) Any notice of a plan for revised supervision of table games shall include, without limitation, the following information:
- (1) The pit number and configuration of any pit affected;
 - (2) The type, location and table number of any table affected;
 - (3) The standard staffing level required for the gaming table or tables and the proposed variance therefrom;
 - (4) The start date and time, and the duration, of the revised supervision; and
 - (5) The basis for the request to revise the number of supervisory personnel, which shall include any relevant factors which demonstrate that proper operation and effective supervision of the affected gaming tables will be maintained, such as, as applicable, a showing:
 - (a) That the revised supervision is justified by a reduced volume of play at the specified times and gaming tables in the gaming establishment;
 - (b) That the particular dealers or supervisors assigned to the affected tables possess a degree of skill and experience indicative of sufficient ability to operate the affected tables with revised supervision, in which case a record of the personnel assigned to such tables during the period of revised supervision shall be maintained;
 - (c) That a reduced number of gaming tables will be operating in the affected pits, which are in a configuration to ensure proper supervision and operation; or
 - (d) Any other facts or circumstances which establish that a revision in the number of supervisory personnel is appropriate.
- (b) The commission may, at any time upon 12 hours notice, direct that the plan for revised supervision be terminated and that the licensee maintain standard staffing levels as defined in 205 CMR 138.11.

138.12: Alcoholic Beverage Control

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A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures designed to ensure compliance with 205 CMR: *Sale and Distribution of Alcoholic Beverages at Gaming Establishments* including, at a minimum, procedures designed to ensure proper training of employees involved in the service of alcoholic beverages, procedures designed to prevent serving alcoholic beverages to underage or visibly intoxicated individuals, procedures to ensure that visibly intoxicated or impaired patrons are not permitted to play slot machines or table games (as further detailed in 205 CMR 138.14), and procedures to ensure that alcohol is properly secured and stored.

138.13: Complimentary services or items and promotional gaming credits

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a detailed complimentary distribution program consistent with M.G.L. c.23K, §28 and a description of its proposed use and distribution of promotional gaming credits. The program shall include provisions detailing the protocols and procedures for the distribution of complimentary alcoholic beverages to patrons in the gaming area. Further, if in accordance with 205 CMR 136.07(4), alcoholic beverages will be provided free of charge to patrons in a licensed area outside of the gaming area, and paid for by a third party other than the gaming beverage licensee or jointly responsible person or will be paid for using a form of monetary-like consideration other than money, the gaming licensee shall detail the manner in which such payments will be made and/or accepted and records of the transaction maintained.
- (2) The gaming licensee's complimentary distribution program shall be such that reasonable assurance is provided that any complimentary services or items, as defined by M.G.L. c.23K, §2, whether provided directly to the patron and the patron's guests by the gaming licensee or indirectly to the patron and the patron's guests on behalf of a third party, are:
 - (a) Issued by employees authorized for such purposes in accordance with the program;
 - (b) In accordance with M.G.L. c.23K, §28(c), valued in an amount based upon the retail price normally charged by the gaming licensee for the service or item. The value of a complimentary service or item not normally offered for sale by a gaming licensee or provided by a third party on behalf of a gaming licensee shall be the cost to the gaming licensee of providing the service or item, as determined under rules adopted by the commission; and
 - (c) Recorded, compiled and maintained in such a way so as to allow a system of reporting in accordance with M.G.L. c.23K, §28(b) that can report complimentaries by date, issuer, recipient, type, and value.
- (3) A gaming licensee may include in its policy and procedure provisions for the discretionary discounting of the amount of an outstanding Counter Check ~~or Slot Counter Check~~ to be redeemed by a patron for any marketing related reason.

138.14 Internal control procedures for security department

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions describing the duties and operation of its security department. Such provisions shall include details relative to the design, construction, and location of primary and secondary armored car routes to and from the armored car bay, including provisions for the security of such routes.

138.15: Internal control procedures for access badge system and issuance of temporary license credentials, and restricted areas

(1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions related to credentials. All key gaming employees, gaming employees, and gaming service employees, while engaged in the performance of their duties on the premises of the gaming establishment, shall visibly display a credential issued by the ~~commission~~ gaming licensee on his or her person at all times, and have in their possession their commission issued identification.

The system of internal controls related to credentials shall at a minimum incorporate the following credentialing system:

- (a) A – Access shall apply to individuals in the following positions with the gaming licensee: Chief Executive Officer, Chief Operating Officer, President, Audit Committee, Vice Presidents, Directors, General Counsel, Associate General Counsel, Security Employees, Surveillance Employees, qualifiers deemed suitable in accordance with 205 CMR 115.05(3), and Internal Audit Employees. Only those Vice Presidents and Directors directly related to gaming operations, Finance or Administration shall be assigned an "A" access code. All non-gaming related Vice Presidents and Directors shall be required to have a security escort to gain access to restricted areas.

All employees and others designated with the "A" access code shall have access to all restricted areas, with limitations on access to the count rooms, surveillance room. Access may be permitted to count rooms while a count is not in progress with a valid reason and permission of the IEB Agent on duty. Access to the surveillance room and catwalks for non-surveillance employees must be with permission of the Director of Surveillance.

- (b) M – access shall apply to MIS Employees. All employees designated with the "M" access code shall have access to the MIS computer room. They have access to all other restricted areas with valid reason and prior approval of restricted area department manager. (Access to the count rooms requires permission of the IEB Agent on duty.)
- (c) C – access shall apply to Cashiers, Cage Employees, Slot Coin Cage Employees, Collection Employees, Credit Employees, Pit Clerks, Income Control, All Accounting

/Finance Employees, Hard Count Room Employees, Soft Count Room Employees, Impressionment Employees, and Simulcast Employees.

All employees designated with the "C" access code shall have access to cashiers cage, satellite cashiers cage, master coin bank, slot booths, runways, simulcast counters, and pit areas with valid reason and prior approval of the restricted area department manager. Also, they shall have access to the count rooms to perform functions previously approved in their internal control submissions and with permission of the IEB Agent on duty.

- (d) CS – access shall apply to slot attendant supervisors who supervise slot coin cashiers, and slot coin cashiers who report to slot attendant supervisors. All employees designated with the “CS” access code shall have access to slot booths, runways, slot repair room, and to the cashiers cage only when necessary to pass through the cashiers cage to access a slot coin booth. A “CS” badged employee shall not have access to the master coin bank.
 - (e) P – access shall apply to Casino Games Employees, Poker Games Employees, and Gaming Table Maintenance Employees. All employees designated with the "P" access code shall have access to the casino pit and poker pit areas.
 - (f) S – access shall apply to Slot Department Employees. All employees designated with the "S" access code shall have access to the slot repair room.
 - (g) V – access shall apply to all visitors to restricted areas. All visitors to restricted areas shall be designated with the "V" access code and shall have access to restricted areas only when such entry is authorized by an employee designated with "A" access code and the restricted area supervisor. Further, if such entry is so authorized, a visitor may enter a restricted area only when accompanied by an "A" employee or by a security officer, and by notification of the IEB Agent on duty. Visitors may access the surveillance room/catwalks only with the permission of the Director of Surveillance and **either an IEB agent or an agent of the Gaming Enforcement Division of the Massachusetts Attorney General’s Office.**
- (2) The commission shall issue an official credential that shall bear the inscription “Massachusetts Gaming Commission,” the official seal of the commission, the signature of the chair of the commission or his or her designee, as well as a photograph of the licensee or registrant and specific identification information for the person to whom the credential is issued. The information shall include:
- (a) License or registration number,
 - (b) Name, and
 - (c) Access code.
- (3) The credential format shall be in a shape and legibility that will enhance surveillance capability and visual acuity.

(4) Notwithstanding 205 CMR 138.15(1), the Director of the IEB or his or her designee, may, upon written request by a gaming licensee, and upon a showing of good cause, exempt certain positions, titles, or persons from the requirements of 205 CMR 138.15(1).

(5) Commission employees, agents or contractors or employees of agencies authorized to conduct regulatory or regulatory related activities pursuant to M.G.L. c.23K at a gaming establishment shall carry their agency credentials on their person at all times while engaged in the performance of their duties. Credentials may not be utilized for unofficial, social, or non-employment related access, purpose, or presence within any gaming establishment.

(6) A temporary credential shall only be issued by the security department if the following criteria are verified:

- (a) The employee to whom the credential is to be issued is listed in the gaming licensee's current employee status report;
- (b) The employee holds a current license or registration issued in accordance with 205 CMR 134.00;
- (c) The employee is authorized by his or her supervisor to possess the specific credential to be working in the designated or restricted area authorized by such credential; and
- (d) The employee has not been issued more than 12 temporary credentials within the preceding 12 month period from the issuance of the first temporary credential.

(7) The temporary credentials may be issued to an employee only for a 24 hour period and shall contain the following information:

- (a) A prominent space to allow the insertion of the name of the specific employee to whom it is issued;
- (b) The date and time of issuance by the security department;
- (c) Name and credential number of issuing security officer;
- (d) The conspicuous notation that the credential is "VOID AFTER 24 HOURS"; and
- (e) A sequential number reflecting the number of temporary credentials issued at that gaming establishment that is to be recorded in both an onsite IEB and security department bound log book or database.

(8) The IEB shall approve the design of the temporary credentials. The gaming licensee's security department shall secure the temporary credentials until needed for issuance in compliance with 205 CMR 138.15(7). The security department shall provide a monthly report to the IEB identifying the number, names, departments and frequency of temporary credentials issued as well as any missing, stolen, destroyed, or replaced credentials. The IEB may require additional information regarding any credential issuance or utilization and the gaming licensee shall provide all such information in a timely fashion.

138.16: Access to public and restricted areas

(1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions relative to access to restricted areas. No gaming licensee shall permit any individual to have access to any restricted area in its gaming establishment unless such access is permitted in accordance with the gaming licensee's internal controls. Restricted areas shall, at a minimum, include the following areas:

- (a) ~~Cashiers cage, satellite cashiers cage, master coin bank, slot booths, and runways.~~ All employees designated with the "A" and "C" access codes, as provided by 205 CMR 138.15(1), may enter these restricted areas. Employees designated with the "M" access code have access with the limitations described under their access letter. Any licensed employee may enter this area with a valid reason and permission of the restricted area supervisor. The cage secretary and/or a cage area cleaner may enter the cashier's cage without a security escort to complete their job function; however these individuals must have the permission of the cage area supervisor and are the sole responsibility of that supervisor. Employees designated with the "CS" access code, as provided by 205 CMR 138.15(1), may enter the slot booths and runways. They may enter the cashier's cage only when access is needed to gain entrance to a slot coin booth. A "CS" access code shall not have access to the master coin bank.
- (b) Count rooms. All employees designated with the "C" access code, as provided by 205 CMR 138.15(1), whose duties require access may enter this restricted area. Employees designated with the "A" and "M" access codes, as provided by 205 CMR 138.15(1), may have access with limitations described under their access letter. Any employee may enter this area with a valid reason, permission of the restricted area supervisor, and permission of an IEB agent on duty.
- (c) Cashiers cage, satellite cashiers cage, master coin bank, slot booths, and runways. All employees designated with the "A" and "C" access codes, as provided by 205 CMR 138.15(1), may enter these restricted areas. Employees must be listed on the cage access list to gain access to the cage. Employees designated with the "M" access code, as provided by 205 CMR 138.15(1), may have access with the limitations described under their access letter. Any licensed employee may enter this area with a valid reason and permission of the restricted area supervisor. The cage secretary and/or a cage area cleaner may enter the cashier's cage without a security escort to complete their job function; however these individuals must have the permission of the cage area supervisor and are the sole responsibility of that supervisor. All employees designated with the "CS" access code, as provided by 205 CMR 138.15(1), may enter the slot booths, and runways. They may enter the cashier's cage only when access is needed to gain entrance to a slot coin booth. At no time shall a "CS" access code, as provided by 205 CMR 138.15(1), have access to the master coin bank.
- (d) Slot repair room. All employees designated with the "A", "CS", and "S" access code, as provided by 205 CMR 138.15(1), may enter this restricted area. Employees designated with the "M" access code, as provided by 205 CMR 138.15(1), may have access with limitations described under their access letter. Any employee may enter this area with a valid reason and permission of the restricted area supervisor.

- (e) Simulcast counters. All employees designated with the "A" and "C" access code, as provided by 205 CMR 138.15(1), may enter this restricted area. Employees designated with the "M" access code, as provided by 205 CMR 138.15(1), may have access with the limitations described under their access letter. Any employee may enter this area with a valid reason and permission of the restricted area supervisor.
- (d) Computer room. All employees designated with the "A" and "M" access code, as provided by 205 CMR 138.15(1), may enter this restricted area. Any licensed employee may enter this area with a valid reason and permission of the restricted area supervisor. A MIS secretary and/or computer room area cleaner may enter the computer room without a security escort to complete their job function, however these individuals must have the permission of the computer room supervisor and shall be the sole responsibility of that supervisor. Any employee may enter this area with a valid reason, permission of the restricted area supervisor, and permission of an IEB agent on duty.
- (f) Card and dice storage room. All employees designated with the "A" access code, as provided by 205 CMR 138.15(1), and those games/poker department employees who hold the position of casino/poker shift manager or above may enter this restricted area. Any employee may enter this area with a valid reason and permission of the restricted area supervisor.
- (g) Card and dice destruction room. All employees designated with "A" access code, as provided by 205 CMR 138.15(1), may enter this restricted area.
- (h) Pit areas. All employees designated with the "A" and "P" access code, as provided by 205 CMR 138.15(1), may enter this restricted area. Employees designated with the "M", and "C" access codes, as provided by 205 CMR 138.15(1), may have access with limitations described under their access letter. Any employee may enter this area with a "valid" reason and permission of the restricted area supervisor.
- (e) Surveillance room and catwalks. All employees designated with the "A" access code, as provided by 205 CMR 138.15(1), who are surveillance room employees may enter this restricted area. All other employees designated with the "A" access code may have access with the limitations described under their access letter. Employees designated with the "M" access code, as provided by 205 CMR 138.15(1), may have access with the limitations described under their access letter. Anyone who enters this restricted area, who is not a surveillance room employee or a member of the IEB, must sign the surveillance room entry log prior to entering the restricted area. The surveillance room secretary and/or surveillance room area cleaner may enter the surveillance room without a security escort to complete their job function, however these individuals must have the permission of the surveillance room area supervisor and are the sole responsibility of that supervisor. Any employee may enter this area with a valid reason, permission of the restricted area supervisor, and permission of an IEB agent on duty.

- (i) Access to restricted area for employees who do not hold a gaming employee license. All employees who would not otherwise be afforded access to a restricted area in accordance with 205 CMR 138.15(1) may be granted access to restricted areas with a valid reason, a security escort, and permission of the restricted area's department manager with limitations on the count rooms, surveillance room. Access may be granted to the count rooms while the counts are not in progress and with permission of the IEB Agent on duty **or the Gaming Enforcement Division of the Massachusetts Attorney General's Office.** Access to the surveillance room/catwalks may be granted only with a valid work related reason and permission of the Director of Surveillance.
- (2) A gaming licensee may deny or limit access to any public areas of the gaming establishment for any reason necessary to ensure public safety and/or the integrity of the gaming operations, including, but not limited to, the following reasons:
 - (a) Persons excluded in accordance with 205 CMR 133.00: *Voluntary Self Exclusion* or M.G.L. c.23K, §45;
 - (b) Underage persons in a prohibited area;
 - (c) Players required by a gaming licensee to leave the game of poker in accordance with 205 CMR.
- (3) Nothing in 205 CMR 138.16 or a gaming licensee's system of internal controls shall limit the authority of commission employees or agents **or the Gaming Enforcement Division of the Massachusetts Attorney General's Office** from obtaining access to restricted areas in the performance of their respective duties and responsibilities.

138.17: Searches of employees and the workplace by the gaming licensee

- (1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include internal policies and procedures for the gaming licensee's security department to conduct searches of employees, including screening for drugs and alcohol, and employee workplaces, workspaces, and personal receptacles, specifically describing the policies and procedures with respect to searches conducted at random and based upon reasonable suspicion. Examples of "workspaces" include, but are not limited to, desks, closets, lockers, and drawers located within the gaming establishment.
- (2) If the policies and procedures referenced in 205 CMR 138.17(1) are approved by the commission, such policies and procedures shall be set forth in writing, prior to implementation, as a portion of the gaming licensee's employee personnel policy manual. The content of this manual shall include a requirement that the employee consents to searches conducted in the described workplace areas and subject to the described circumstances as a condition of employment with the gaming licensee. This manual shall be distributed to all employees. Each employee shall acknowledge in writing, by way of the employee's signature, receipt of the manual and an understanding of its contents, and specifically an understanding that the employee consents to the policy and understands it. The gaming licensee shall maintain the written acknowledgements in a central repository.

138.18: Vendor access badges

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions related to vendor access badges. Access badges may be issued to personnel of a gaming vendor and non-gaming vendor licensed or registered in accordance with 205 CMR 134.00 who in the course of providing their goods or services require access to a restricted area of the gaming establishment. Access badges shall be issued by the security department of the gaming licensee upon a verification of the identification of the specific employee with at least two forms of identification, at least one of which must be a government issued photo identification, and the employee's work schedule. Each access badge shall be effective only for the term of the service to be provided, issued on a daily basis after confirmation of identity, and shall be surrendered to the security department at the end of each day.
- (2) The access badge shall contain the following information:
 - (a) A prominent space to allow the insertion of the name of the specific person to whom it is issued and identify the vendor employer;
 - (b) The date and time of issuance by the security department;
 - (c) Name and access badge number of issuing security officer; and
 - (d) A sequential number reflecting the number of total badges issued at that gaming establishment that is to be recorded in both an onsite IEB and security department access badge log book or database.

138.19: Count rooms; physical characteristics; count protocols

- (1) A gaming licensee shall have one or more rooms to be known as a "count room" specifically designated, designed, and used for counting the contents of table drop boxes, ~~slot cash storage boxes, slot drop buckets~~ and slot drop boxes **containers**. If a gaming licensee's system of internal controls provides for counts of the contents of slot drop buckets and slot drop boxes in a different room from the room where the table drop boxes and slot cash storage boxes are counted, that latter shall be known as the "soft count room," and the former shall be known as the "hard count room."
- (2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of all equipment used in the counting and recording process and all other systems used for purposes related to the counting of gross revenue and shall otherwise comport with the requirements of 205 CMR 138.19.
- (3) A gaming licensee shall design and construct each count room to provide maximum security with, at a minimum, the following security measures:
 - (a) A metal door installed on each entrance and exit equipped with a lock which shall be maintained and controlled by the security department;
 - (b) An alarm device, which audibly signals the surveillance, security departments, and the on-site IEB office whenever a count room door is opened;
 - (c) A light system, which illuminates one or more lights in the surveillance department and at each count room door, for purposes of maintaining constant surveillance on the entrance and exits to the count room;
 - (d) Closed circuit television cameras wired to the surveillance department capable of, but not limited to, the following:

- (1) Video monitoring of the entire count process; and
 - (2) Continuous video-monitoring of the interior of the count room, including storage cabinets or trolleys used to store drop boxes, ~~slot cash storage boxes~~, slot drop ~~buckets~~ **containers**, and emergency drop boxes; and
- (e) For the soft count room only, microphones wired to the surveillance department for audio monitoring of the entire count process. **Any room that is wired for audio monitoring shall have, conspicuously posted on the entrance and the walls within, a notice indicating that the room is subject to such monitoring.**
- (4) In addition to the requirements of 205 CMR 138.19(3), a count room used to count coin slot drop boxes and buckets shall have:
- (a) A fixed-door type or a hand-held metal detector used by a security department member to inspect all persons exiting the hard count room; and
 - (b) A separate light system or other device approved by the IEB which shall provide a continuous visual signal at the count room door, whenever any access door to the count room is opened while the system is activated. The light system or device shall:
 - (1) Maintain the visual signal until the system is reset or deactivated; and
 - (2) Be designed so as to permit its activation, deactivation or resetting only by a member of the security department.
- (5) In addition to 205 CMR 138.19(3), the soft count room shall have:
- (a) A table constructed of clear glass or similar material for the emptying, counting, and recording of the contents of drop boxes and slot cash storage boxes which shall be known as the "count table;"
 - (b) A table constructed of clear glass or similar material for the stacking of the contents of table drop boxes and slot cash storage boxes which have been counted, prior to the recount and acceptance by the cage cashier or cashier supervisor. The table shall be known as the "banking table;" and
 - (c) A locked accounting box, the key to which shall be maintained and controlled by a supervisor in the casino accounting department with no incompatible functions.
- (6) The count room doors shall be secured at all times except when opened for the following authorized purposes:
- (a) To allow one or more members of the count team to change shifts or take a work break;
 - (b) To permit access to equipment by authorized IT department employees;
 - (c) To permit table drop boxes or slot cash storage boxes to be secured in the count room;
 - (d) To permit empty table drop boxes, slot cash storage boxes, emergency table game drop boxes or emergency slot cash storage boxes that were not part of the current count to be removed from the count room;
 - (e) To allow a main bank cashier or cage supervisor to enter the count room to recount and accept the drop;
 - (f) To allow the count team to exit the room at the conclusion of the count; or
 - (g) In the event of an emergency.
- (7) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR

138.02 shall include a workflow diagram that shall indicate, at a minimum, the location of all equipment in a count room, all equipment used in the counting process and the flow of all currency, coupons, gaming vouchers and paperwork from the start of the count to the conclusion of the count.

- (8) The count team may simultaneously count the contents of the table drop boxes and the slot cash storage boxes provided that the contents of the table drop boxes remain segregated from the contents of the slot cash storage boxes throughout the count and acceptance by the main bank cashier or cage supervisor.
- (9) Except during an emergency, with the exception of the count team and agents of the IEB, prior to anyone entering or leaving a count room during the soft count process, all contents that have been removed from either a drop bucket, drop box or slot cash storage box shall be counted at least once and secured. Any trolleys that contain uncounted drop boxes or slot cash storage boxes shall be secured.
- (10) The opening, counting, and recording of the contents of table drop boxes, ~~slot cash storage boxes, slot drop buckets,~~ and slot drop boxes **containers** shall be performed in the presence of a count room supervisor. The count shall be performed by at least three employees ("count team"), which shall include the count room supervisor. The counting and recording process shall be discontinued where the minimum number of count room personnel is not present or are not capable of performing their responsibilities.
- (11) All persons present in the count room during the counting process, except agents of the IEB, shall:
 - (a) Wear as outer garments, only a full-length, one-piece, pocketless garment with openings only for the arms, feet, and neck;
 - (b) Not be permitted to wear a long sleeve garment under the outer garment; and
 - (c) Not be permitted to carry a bag, pocketbook or other container unless it is transparent.
- (12) Access to the count room during the counting process shall be limited to the count team, internal audit personnel, other persons authorized by the IEB, or agents of the IEB. No count room employee shall, during the soft count process, enter a storage area for table drop boxes or slot cash storage boxes adjacent to the count room to perform any function not directly related to the counting process.
- (13) No person shall remove his or her hands from or return them to a position on or above the count table, banking table or counting equipment unless the backs and palms of his or her hands are first held straight out and displayed to other members of the count team and surveillance cameras. In addition, whenever any person enters or leaves the count room during the counting process, any employee remaining in the count room shall be required to step away from the count table, banking table and counting equipment until the person has entered or left the countroom.
- (14) Immediately prior to the commencement of the count, doors to the count room shall be securely locked and remain locked at all times, except when opened for an authorized purpose in 205 CMR 138.19(6). A count team member shall notify surveillance that the count is about to begin, after which surveillance shall make a continuous video and, if applicable, audio recording, with the time and date inserted thereon, of the entire counting process. A count room member shall also notify surveillance whenever a count room door will be opened during the count.

- (15) Once all currency, gaming vouchers, coupons, coin and/or slot tokens have been counted and the final count totals have been obtained, no employee shall be permitted to leave the count room, except in an emergency, until the recount and acceptance of the drop is completed by a cage cashier or cashier supervisor.
- (16) The count room supervisor shall prepare a record of the names and credential or license numbers of each employee who was present in the count room during any part of the count process. Such record shall be forwarded to the accounting department at the conclusion of the count.

138.20: Possession of firearms

- (1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a policy prohibiting any person from possessing a firearm within or upon the premises of a gaming establishment. ~~Persons violating this policy shall be removed from the gaming establishment by the gaming licensee or law enforcement personnel.~~ **If the gaming licensee learns that an individual possesses a firearm within or upon the premises of a gaming establishment, the gaming licensee must immediately notify an official within the on-site office of the IEB and the individual violating the policy shall be removed from the premises of the gaming establishment by officers assigned to the Gaming Enforcement Unit. Thereafter, the gaming licensee shall promptly, and in any event no later than 48 hours of such removal, or violation of the policy, notify the Chief of the Gaming Enforcement Division of the Massachusetts Attorney General's Office.**
- (2) Notwithstanding 205 CMR 138.20(1), the following individuals may, in the course of their official duties, possess a firearm within or upon the premises of a gaming establishment:
 - (a) A member of the Massachusetts State Police assigned to the Gaming Enforcement Unit;
 - (b) A law enforcement officer of the host community police department assigned to work at the gaming establishment pursuant to the memorandum of agreement required to be executed in accordance with M.G.L. c. 23K, §6(f);
 - (c) An official who is specifically authorized to do so by the commission or the IEB; and
 - (d) A federal law enforcement officer.
- (3) Any law enforcement officer in possession of a firearm, other than a member of the Massachusetts State Police assigned to the Gaming Enforcement Unit, shall provide notification to an official within the on-site office of the State Police Gaming Enforcement Unit at the gaming establishment prior to arrival or upon arrival at the gaming establishment. This notification shall be documented with the onsite office of the State Police Gaming Enforcement Unit.
- (4) The gaming licensee shall post in a conspicuous location at each entrance to the gaming establishment a legible sign that states:

“No firearms are allowed within or upon the premises of this gaming establishment. This prohibition extends to all areas of this facility: public, non-public, restricted, and non-restricted areas. Persons violating this restriction will be removed from the premises and subject to further investigation and, if appropriate, prosecution. If you have any questions about this prohibition, please request to see an official from the Massachusetts Gaming Commission Office before proceeding.”

Certain law enforcement officers may be exempt from this prohibition; however they must notify the Massachusetts State Police of their presence by either visiting the Massachusetts State Police Gaming Enforcement Unit Office on site or by calling the State Police Gaming Enforcement Unit at [insert phone number].”

138.21: Protection of minors & underage youth

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include **the** internal policies and procedures ~~including, at minimum, the following:~~

- ~~(1) that the gaming licensee’s security and surveillance department, or equivalent personnel, perform regular checks of the parking areas of the gaming establishment for purposes of locating any minors left unattended in motor vehicles and for the immediate report of any such incidents to the local and state police in the municipality where the gaming establishment is located; and~~
- ~~(2) security procedures for ensuring the safety of minors on the premises of a gaming establishment.~~

as required in 205 CMR: Protection of Minors & Underage Youth.

138.22: Critical incident preparedness plan

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a detailed critical incident preparedness plan to enhance the prevention of, preparedness for, and response to critical incidents, including without limitation natural disasters, workplace violence, dangerous substance, and active shooter crisis incidents. This plan shall include a training component which is designed to enhance awareness of pre-incident indicators and describe actions to take to prevent and prepare for potential crisis incidents. This plan also shall include an action plan that describes the gaming establishment’s pre-planning and coordination for a series of activities and procedures involving the gaming licensee’s management and security personnel; the commission on-site officials; the onsite responding Massachusetts State Police personnel; the responding local, county, state law enforcement personnel; EMS and other first responder personnel, all in response to potential or actual critical incidents. The gaming licensee shall review its crisis preparedness plan annually. The gaming licensee’s submission shall be evaluated in terms of its adequacy to assure that reasonable preparation and steps have been taken to ensure public safety, inter-agency crisis communication, tactical coordination, site facility identification and pre-staging, which as a whole, shall serve to maximize the protections afforded to the public, patrons, employees, law enforcement officers, and first responders and maximize the efficacy of first responder actions in emergent critical incident situations.

138.23: Drop boxes for table games and electronic table games; gaming table slot cash storage boxes

RESERVED

138.24: Cashiers' cage; satellite cages; master coin bank; coin vaults

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures relative to the cashiers' cage, satellite, cages, master coin banks (if any), and coin vaults (if any) that incorporate, at a minimum, the following:

- (1) Each establishment shall have on or immediately adjacent to the gaming area a physical structure known as a cashiers' cage ("cage") to house the cashiers and to serve as the central location in the gaming area for the following:
 - (a) The custody of the cage inventory comprising currency including cash, patrons' deposits, coin, patron checks, gaming chips and plaques, and of forms, documents, and records normally associated with the operation of a cage;
 - (b) The approval, exchange, redemption, and consolidation of patron checks received for the purposes of gaming;
 - (c) The receipt, distribution, sale and redemption of gaming chips and plaques
 - (d) The issuance, receipt and reconciliation of imprest funds used by slot attendants in the acceptance of currency and coupons from patrons in exchange for currency;
 - (e) The issuance, receipt and reconciliation of imprest chip funds and currency used by chippersons in the acceptance of coin, currency, slot tokens and coupons from seated poker patrons in exchange for chips; and
 - (f) Such other functions normally associated with the operation of a cage.

- (2) If a gaming establishment will make use of coins or tokens in its gaming operation it shall have within the cage or in such other area as approved by the commission a physical structure known as a master coin bank to house master coin bank cashiers. The master coin bank shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein and serve as the central location in the gaming establishment for the following:
 - (a) The custody of currency, coin, prize tokens, slot tokens, forms, documents and records normally generated or utilized by master coin bank cashiers, slot cashiers, changepersons, and slot attendants;
 - (b) The exchange of currency, coin, coupons, prize tokens and slot tokens for supporting documentation;
 - (c) The responsibility for the overall reconciliation of all documentation generated by master coin bank cashiers, slot cashiers, changepersons, and slot attendants;
 - (d) The receipt of coin and slot tokens from the hard count room; and
 - (e) Such other functions normally associated with the operation of the master coin bank.

- (3) The cage shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein; such design and construction shall, at a minimum, include the following features and specifications:
 - (a) It shall be fully enclosed except for openings through which materials such as gaming chips and plaques, slot tokens and prize tokens, patron checks, cash, records, and

- documents can be passed to service the public, gaming tables, and slot booths;
- (b) It shall have a manually triggered silent alarm system for the cage, ancillary office space, and any related vault, which systems shall be connected directly to the monitoring rooms of the closed circuit television system, IEB office and the security department office;
 - (c) It shall have double door entry and exit system (MAN-TRAP) that will not permit an individual to pass through the second door until the first door is securely locked. In addition:
 - (1) The first door adjacent to the gaming floor of the double door entry and exit system shall be controlled by ~~the security~~ **one** department (**electronically and manually**). The second door of the double door entry and exit system shall be controlled by ~~the cashiers' cage~~ **a separate department from the first**;
 - (2) The system shall have closed circuit television coverage which shall be monitored by the security department or surveillance department; and
 - (3) Any entrance to the cage that is not a double door entry and exit system shall be an alarmed emergency exit door only.
 - (d) It shall have separate locks on each door of the double door entry and exit system, the keys to which shall be different from each other.
- (4) Each master coin bank located outside the cage shall meet all the requirements of 205 CMR 138.24(3).
- (5) Each gaming establishment may have separate areas for the storage of coin, prize tokens and slot tokens ("coin vaults") in locations outside the cage or master coin bank.
- (6) Each coin vault shall be designed, constructed and operated to provide maximum security for the materials housed and activities performed therein, and shall include at least the following:
- (a) A fully enclosed room, located in an area not open to the public;
 - (b) A metal door with one key that shall be maintained and controlled by the main bank or master coin bank, which shall establish a sign-in and sign-out procedure for removal and replacement of that key;
 - (c) An alarm device that signals the monitors of the gaming licensee's close circuit television system whenever the door to the coin vault is opened; and
 - (d) Closed circuit television cameras capable of accurate visual monitoring and taping of any activities in the coin vault.
- (7) Each gaming establishment may also have one or more "satellite cages" separate and apart from the cashiers' cage, but in or adjacent to a gaming area or simulcasting facility, established to maximize security, efficient operations, or patron convenience and comfort and designed and constructed in accordance with this regulation. Subject to commission approval, a satellite cage may perform any or all of the functions of the cashiers' cage. The functions which are conducted in a satellite cage shall be subject to the applicable accounting controls set forth in 205 CMR.
- (8) Each gaming licensee shall file with the commission the names of all persons possessing the combination or keys to the locks securing the entrance to the cage, any satellite cages, master coin bank and coin vaults; as well as all persons possessing the ability to operate alarm systems for the cage, any satellite cages, master coin bank and coin vaults.

(9) Notwithstanding 205 CMR 138.24(2), each gaming licensee may, with prior commission approval, operate its cashiers' cage without the master coin bank, provided that the main bank serves as the central location in the gaming establishment for the transactions enumerated in 205 CMR 138.24(2)(a) through (e), and provided further, that the references therein and elsewhere in 205 CMR 138.00 to:

- (a) "Master coin bank cashiers" shall apply instead to the main bank cashiers assigned the duties and performing the functions that would otherwise be assigned to or performed by master coin bank cashiers; and
- (b) The "master coin bank" shall apply instead to the main bank, but only insofar as it is authorized to perform master coin bank functions.

(10) Whenever the approved internal controls of a gaming licensee require or authorize documents to be transported from the cashiers' cage to a satellite cage or from a satellite cage to the cashiers' cage or another satellite cage, the gaming licensee shall, unless specified otherwise, transport the documents through the use of a pneumatic tube system or a casino security department representative.

138.25: Simulcast counter

RESERVED

138.26: Keys for dual locks; gaming licensee-controlled keys and locks; notice to the IEB and surveillance department upon malfunction and repair, maintenance or replacement

- (1) Any key, locking mechanism or locking system that is required by 205 CMR 138.00 shall be ~~patented~~ **subject to review and approval by the IEB**. Such key shall be ~~legally duplicable only by the manufacturer or an agent or successor thereof, and shall be~~ capable of unlocking the locking device on no more than one type of secure box, compartment or location used or maintained within the gaming establishment.
- (2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a process for **obtaining, reproducing**, inventorying and identifying each controlled key, locking mechanism, or locking system and setting forth the procedure by which the key, locking mechanism, or locking system shall be controlled. Such internal controls shall, at a minimum, include an enumeration of those incidents ~~or events which, if they occurred, would compromise the security of the gaming licensee's locking systems and~~ **require it to immediately comply with the provisions herein which would be considered to compromise the security of any part of the gaming establishment**.
- (3) The types of secure boxes, compartments or locations that require a unique key, locking mechanism, or locking system shall include, without limitation, the following:
 - (a) Drop boxes;
 - (b) Slot ~~cash storage boxes~~ **drop containers**;
 - (c) Trolleys to transport drop boxes from gaming tables to a secure location;

- (d) Trolleys or cabinets used to transport or store, respectively, slot cash storage boxes;
 - (e) Count room entrance and exit doors;
 - (f) Compartments housing slot drop buckets **containers**;
 - ~~(g) Slot drop boxes;~~
 - ~~(h) Compartments housing slot drop boxes;~~
 - (i) Areas in which slot cash storage boxes are located;
 - (j) Compartments housing microprocessors or other control units controlling progressive meter(s) for progressive slot machines;
 - (k) Locations housing a computer that controls a progressive payout wager system for gaming tables offering a progressive payout wager; and
 - (l) Storage cabinets or trolleys for unattached slot drop boxes.
- (4) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include inventory procedures for any key required to be controlled and maintained by a gaming licensee and for any corresponding locking device including, without limitation, any key and locking device required by 205 CMR 138.00 for a dual control locking system. The key and locking device inventory controls of each gaming licensee shall include, at a minimum, procedures for:
- (a) Maintenance of inventory ledgers by identified, authorized personnel for purposes of documenting:
 - (1) The requisitioning of keys and locking devices from vendors;
 - (2) The receipt of blank key stock;
 - (3) The storage and issuance of keys and locking devices;
 - (4) Any loss, removal from service, and subsequent replacement of keys and locking devices;
 - (5) The destruction of keys and locking devices; and
 - (6) The results of physical inventories;
 - (b) The storage of duplicate keys and locking devices, including a physical description of any storage location and the identification of authorized personnel in control of such location;
 - (c) The destruction of keys and locking devices, including documentation detailing in whose presence any destruction shall occur; and
 - (d) Physical inventories of all keys and locking devices at least once every 12 months.
- (5) A gaming licensee shall notify the IEB and its surveillance department immediately upon becoming aware of any malfunction of any alarm system or alarmed door, and upon any emergency service to restore their proper function. In addition, a gaming licensee shall provide the IEB and its surveillance department with at least 24 hours written notice prior to effecting any non-emergency repair, maintenance or replacement of any such alarm system or alarmed door including, without limitation:
- (a) Alarm systems for any emergency exit from the gaming floor or simulcasting facility;
 - (b) Alarm systems for the cage, its ancillary office space and any related vault;
 - (c) Alarm systems for any master coin bank located outside the cage;
 - (d) Alarmed emergency exit door(s) for the cage;

- (e) Alarmed doors to vaults signaling the closed circuit television system;
- (f) Alarmed doors to count rooms signaling the monitoring rooms and the security department;
- (g) Alarm systems providing for a continuous visual signal whenever any access door to the count room is open; and
- (h) Alarm systems for any slot cashier window in a slot booth.

138.27: Reserved for future use
RESERVED

138.28: Gaming day

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall specify what the **hours of operation for the gaming establishment and what the 'gaming day'** will be for accounting purposes. Each gaming licensee may establish a gaming day for slot machines which is different from its gaming day for table games; provided, however, that no gaming day shall be longer than 24 hours.

138.29: Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include detailed protocols and procedures for the function of the cashiers' cage, satellite cages, master coin bank, and coin vaults, if any.

138.30: Accounting controls within the simulcast counter

RESERVED

138.31: Procedure for accepting cash and coupons at gaming tables

RESERVED

138.32: Table game drop boxes, transport to and from gaming tables; storage boxes

RESERVED

138.33: Removal of slot drop ~~buckets, slot drop boxes and slot cash storage boxes~~ containers;
Unsecured currency; recording of meter readings for slot machine drop

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures and protocols relative to the removal of slot drop ~~boxes, slot cash storage boxes~~ containers, unsecured currency, and the recording of meter readings for slot machine drop that, at a minimum, incorporates the following requirements:

- (1) A gaming licensee shall file with the IEB a **drop** schedule setting forth the specific times at which the ~~slot drop buckets, slot drop boxes and slot cash storage boxes~~ ("slot drop containers") will be brought to or removed from the slot machines **and the routes to be utilized**. The schedule shall include the number of slot drop containers to be removed each day by zone or other designation. **At a minimum, the schedule shall provide for removal at least once per week.**
- (2) All slot drop containers which are not actively in use shall be stored in the count room or other secure area outside the count room as approved by the IEB **to prevent unauthorized access**. In addition, slot drop ~~boxes and slot cash storage boxes~~ containers in use shall be stored in an enclosed storage cabinet or trolley, secured by a key. **The key must have restricted access and may be maintained and controlled by either the security department or by means of an electronic key control system which documents the date, time, and electronic signature of any person signing out/in the aforementioned keys. Such electronic key control system also must have the ability to restrict access and ensure keys are released only when the properly authorized individual(s) are present. An electronic signature shall include a unique employee PIN and key card swipe, or PIN and employee biometric identification.**
- (3) Slot drop containers shall be removed from a slot machine by at least three employees, two of whom shall be members of the ~~casino security department~~ **casino security department** and one of whom shall be a member of the ~~accounting department~~ **accounting department** ("the slot drop team"). **At least one member of the drop team shall be licensed as a key gaming employee in accordance with 205 CMR 134.00.** Other than the security department members, all employees participating in the removal of slot drop containers shall wear as outer garments only a full-length, one-piece pocketless garment with openings only for the hands, feet and neck.
- (4) ~~The slot~~ **A drop team supervisor member** shall notify the surveillance department at the commencement of the slot drop process. Surveillance shall make a continuous video recording, with the time and date inserted thereon, of the entire slot drop ~~container removal~~ process.
- (5) All slot drop containers removed from the slot machines shall be transported directly to, and secured in, the count room by a casino security department member and a member of the accounting department. **The process shall be documented in writing ensuring that the number of slot drop containers brought into the gaming area and the number of slot drop containers removed from the gaming area are reconciled with a drop box verification form.**
- (6) **Emergency drop procedures to remove a A full or inoperable slot drop ~~box~~ container or slot cash storage box that must be replaced or for removal for other legitimate reasons, as approved by the IEB, outside of the slot drop schedule shall require at least three employees (two of whom shall have no incompatible functions, and one of whom shall be licensed as a key gaming employee in accordance with 205 CMR 134.00), be replaced with an empty emergency slot drop ~~box or slot cash storage box~~ by a security department member and a slot**

~~or cage supervisor~~ container of the same type if the slot machine is to remain available for play by patrons, and include at a minimum in the procedures as follows:

- (a) A security department member shall notify the surveillance department which shall monitor and record the transaction. If more than one slot drop ~~box or slot cash storage box~~ container is being removed, such notification shall include the sequence in which the ~~boxes~~ containers will be removed and replaced;
- (b) The security department member shall complete an emergency box form documenting the replacement of the slot drop ~~box or slot cash storage box~~ container. The form shall include at a minimum:
 - (1) The date and time;
 - (2) The asset and location number;
 - (3) The reason for the removal; and
 - (4) The signatures of ~~the security department member and slot or cage supervisor~~ all employees participating in the process;
- (c) The emergency box form shall be distributed by ~~the security department~~ a member of the emergency drop team as follows:
 - (1) The original affixed to the emergency slot drop ~~box or slot cash storage box~~ container;
 - (2) The duplicate placed in a locked accounting box; and
 - (3) The triplicate delivered to the cage to be routed within 24 hours of preparation to the IEB's onsite office;
- (d) A slot department member, in the presence of a ~~casino security department member and the slot or cage supervisor~~ the other members of the emergency drop team, shall remove the ~~full or inoperable~~ slot drop ~~box or slot cash storage box~~ container from the slot machine and replace it with the empty emergency slot drop ~~box or slot cash storage box~~ container if the slot machine is to remain available for play by patrons;
- (e) The slot drop ~~box or slot cash storage box~~ container removed from the slot machine shall be transported by ~~the casino security department member and slot or cage supervisor~~ a minimum of two members of the emergency drop team to the count room where it must be ~~and~~ secured in an emergency drop box cabinet or trolley; and
- (f) For each ~~full or inoperable~~ slot drop ~~box or slot cash storage box~~ container exchanged ~~removed~~, the ~~casino security department member or slot or cage supervisor~~ an emergency drop team participant shall record on an emergency box log, to be maintained with the emergency drop box cabinet or trolley, the following:
 - (1) The date and time the slot drop ~~box or slot cash storage box~~ container was secured in the cabinet or trolley;
 - (2) The slot drop ~~box or slot cash storage box~~ container location and asset number; and
 - (3) The signatures of ~~the casino security department member and cage or slot supervisor~~ at least two members of the emergency drop team participating in the emergency slot drop ~~box or slot cash storage box~~ container process;

- (7) Whenever currency, a gaming voucher, or a coupon is found inside a bill changer but outside of the slot cash storage box ("unsecured drop") during the collection of slot cash storage boxes, a count team member and a member of the casino security department shall complete and sign a form which includes the asset number in which the unsecured drop was found, the date the unsecured drop was found, and the total value of the unsecured drop. The unsecured drop and the original form shall be transported to the count room and counted and recorded with the contents removed from the corresponding slot cash storage box. The duplicate of the form shall be placed in a locked accounting box. Upon completion of the count, the original form shall be placed in a locked accounting box located in the count room. The accounting department will retrieve the original form and reconcile it to the duplicate.
- (8) Whenever unsecured drop is found at times other than the collection of slot cash storage boxes, a slot department member shall notify the surveillance department and complete and sign the form referenced in 205 CMR 138.33(7). The unsecured drop and the original form shall be transported by the slot department member, escorted by a security department member, to the cashiers' cage where a cashier shall sign the form. The unsecured drop and original shall be retained by the cashier, and the slot department member shall place the duplicate form in a locked accounting box. The accounting department shall reconcile the original form to the duplicate.
- (9) Upon receipt of an unsecured gaming voucher or coupon, the cage cashier in the presence of the slot department member shall deface the gaming voucher or coupon, to the extent necessary, so as to prevent subsequent redemption.
- (10) At the end of the gaming day, at a minimum, the original unsecured drop forms and as applicable, gaming vouchers and coupons, shall be forwarded to the accounting department. The accounting department shall reconcile the original and duplicate forms and record the appropriate amount on the Slot Win Report.
- (11) In conjunction with the removal of any slot drop container, a gaming licensee shall manually read, or cause an approved slot monitoring system to record, the in-meter, drop meter, out-meter, attendant paid jackpots meter, attendant paid cancelled credits meter, bill meters and handle pull meter. In addition, the following meters shall be read and recorded:
 - (a) If the slot machine accepts gaming vouchers, the numerical and value cashable gaming voucher meters, and the numerical and value non-cashable gaming voucher meters;
 - (b) If the slot machine accepts coupons enrolled in the gaming voucher system, the numerical and value cashable coupon meters and numerical and value non-cashable coupon meters;
 - (c) If the slot machine accepts promotional credits, the electronic cashable credit meter and the electronic non-cashable credit meter; and
 - (d) If the slot machine accepts funds from an account based wagering system, the wagering account transfer-in meter and the wagering account transfer out meter.
- (12) The slot monitoring system shall provide a report to the accounting department for a comparison of the meter readings to the count room reports and the calculation of each slot machine's payout percentage. Only members of the accounting department shall have the authority to adjust meter readings subsequent to the count.

- (13) Nothing in 205 CMR 138.00 or a gaming licensee's internal controls shall preclude the IEB from requiring a gaming licensee to read a slot machine meter manually as a remedial measure in the event of a malfunction or as it may otherwise deem necessary to ensure the integrity of gaming and the accurate reporting of gross revenue.

138.34: Procedures for acceptance of tips or gratuities from patrons

- (1) In accordance with M.G.L. c.23K, §25(g), no key gaming employee or any other gaming employee who serves in a supervisory position shall solicit or accept a tip or gratuity from a player or patron in the gaming establishment where the employee is employed.
- (2) In accordance with M.G.L. c.23K, §25(g), a dealer may accept tips or gratuities from a patron at the table game where such dealer is conducting play provided, however, that such tips or gratuities shall be placed in a pool for distribution among other dealers. A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures governing the manner in which tips and gratuities shall be set aside for the dealer pool as well as the manner of distribution among dealers, which shall, at a minimum, incorporate the following principles:
- (a) At their election, the dealers shall be responsible for the collection, counting, and distribution of the tips and gratuities;
 - (b) The gaming licensee shall cooperate in the collection, counting, and distribution process undertaken by the dealers, and shall provide surveillance, cashier, payroll and other systems necessary for the administration and security of the process;
 - (c) Tips shall be calculated on a weekly basis unless the dealers specifically elect to calculate the tips on a daily basis, **and shall be distributed based on time spent dealing**;
 - (d) The policies and procedures shall be subject to approval by the dealers in a manner provided by the dealers; and
 - (e) The policies and procedures shall be in accord with M.G.L. c.149, §152A and other applicable law of the commonwealth.
- (3) The policies and procedures required in accordance with 205 CMR 138.34(2) shall, at a minimum, include:
- (a) The method utilized by a dealer for acceptance of the tip or gratuity;
 - (b) The physical characteristics of the transparent locked box utilized for purposes of depositing such tips or gratuities;
 - (c) The method for ensuring that any non-value chips received as a tip at any table game authorized by the commission to utilize non-value chips for play, is expeditiously converted into value chips and deposited in a the locked box reserved for that purpose; and
 - (d) The method of collecting, accounting for and placing such tips and gratuities in a common pool for distribution pro-rata among all dealers in accordance with ~~standards established by the commission~~ **the policies and procedures established in accordance with 205 CMR 138.34.**
- (4) If a gaming licensee offers the game of poker the policies and procedures required in accordance with 205 CMR 138.34(2) may provide for a separate common pool for tips and

gratuities received by poker dealers to be established. **Provided, however, at the dealers' option, if a separate common pool is established for poker dealers, the policies and procedures may provide for distribution from the pool in accordance with the precise amount contributed.** A gaming licensee, **with the dealers' assent,** may also designate a percentage of the prize pool or other such amounts as designated in a poker tournament submission, as approved by the commission, to be withheld for distribution to the tournament dealers on a pro-rata basis.

- (5) A tip or gratuity may be provided electronically to a dealer upon initiation and authorization by a patron. A gaming licensee shall include in its internal controls the method utilized for the distribution of electronic tips or gratuities and ensure that a report listing all electronic tips shall be available from the system where the transaction occurred.

138.35: Table inventory; table inventory container; chip reserve compartment

RESERVED

138.36: Procedures for counting table inventory, opening tables for gaming, shift changes at gaming tables, and closing gaming tables

RESERVED

138.37: Procedure for distributing and removing gaming chips, coins and plaques to gaming tables

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to distributing and removing gaming chips, coins, and plaques to and from gaming tables that must include participation of personnel from at least three departments with incompatible functions.

138.38: ~~Procedures for acceptance, accounting for, withdrawal and refund of patron deposits Reserved for future use~~

RESERVED

138.39: ~~Procedures for accepting, verifying and accounting for wire transfers and electronic fund transfers; wire transfer and electronic fund transfer fees; Procedures for sending funds by wire transfer or electric fund transfer~~ Reserved for future use

RESERVED

138.40: Procedure for acceptance of checks, cash equivalents, wire transfers, and credit/debit cards; issuance of counter checks ~~or slot counter checks~~

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures relative to the acceptance of checks and cash equivalents presented by patrons, and the issuance of counter checks ~~or slot counter checks~~ to patrons for gaming purposes. These policies and procedures shall include, but not be limited to:

- (1) The specific locations in the gaming establishment where patron deposits may be received;
- (2) The specific form of deposits that will be accepted including cash, chips, plaques, slot tokens, jackpots, tournament winnings, casino checks, personal checks, certified checks, traveler's checks, wire transfers, electronic fund transfers, money orders, and cash advances initiated at ATMs outside of the gaming area, and other cash equivalents. Provided, procedures shall be included to ensure that the gaming licensee does not accept or cash government-issued checks, or third party checks, other than bank issued cashier's checks or travelers checks;
- (3) Identification requirements at such time that a patron deposits funds, including controls in place to assure that any cash received on deposit is done so in accordance with required currency transaction reporting and anti-money laundering criteria;
- (4) Specific policies and procedures for patron deposit accounts if they will be utilized by the gaming licensee including tThe permitted uses of funds placed on deposit to include, but not be limited to, in exchange for chips, tokens or other forms of gaming value, to establish a deposit account against which future draws may be made, and as payment towards outstanding counter checks;
- (5) Procedures to refund any balance in a patron's deposit account at such time that it is requested;
- (6) Specific procedures for the issuance of counter checks ~~against the patron's deposit account~~, to include patron identification requirements, and documentation and accountability requirements to request a counter check, issue the counter check (whether at the main cage, gaming table or such other approved location), including disclosures, consistent with disclosures provided at the time the extension of credit was approved, which include the date or time period within which the counter check will be deposited with the patron's bank, and post the counter check transaction to the patron's account and the gaming licensee's books of account;
- ~~(7) Specific procedures for the issuance of slot counter checks, if said procedures differ in any material way from the procedures to issue counter checks for table game purposes, to include the same information set forth in 205 CMR 138.40(6).~~
- (7) Documentation and accountability requirements up to and including the transfer of completed documents to the accounting department Specific procedures for the transfer and storage of documentation involved in all facets of the counter check process;
- (8) Procedures to ensure that any credit card or automated teller machine operating in the gaming establishment does not allow a patron to obtain cash from a government-issued electronic benefits transfer card or to process a credit card cash advance transaction; and,

- (9) Procedures to ensure that ~~credit card cash transactions and~~ debit card cash transactions are not permitted to be initiated within 15 feet of the gaming area;
- (10) Procedures to ensure that no gaming chips, plaques, tokens, and other forms of gaming value may be purchased with a credit card. Provided, patrons may be permitted to pay gaming tournament entry fees with a credit card; and
- (11) Procedures, including the maintenance of a log, for accepting, verifying and accounting for wire transfers and electronic fund transfers, including wire transfer and electronic fund transfer fees, and procedures for sending funds by wire transfer or electric fund transfer.
- (12) Procedures to ensure compliance with all applicable provisions of the Currency and Foreign Transactions Reporting Act of 1970 (commonly referred to as the Bank Secrecy Act) and corresponding FinCEN regulations including 31 C.F.R. 1010: *General Provisions*, as applicable, and 31 C.F.R. 1021: *Rules for Casinos and Card Clubs*.

138.41: ~~Replacement checks and the Redemption, substitution, and consolidation of counter checks or slot counter checks at the cashier's cage; redemption of counter checks at a gaming table~~

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures relative to ~~replacement checks and the redemption, substitution, and consolidation of counter checks and/or slot counter checks~~ that contain, at a minimum, provisions for the following:

- (1) A listing of the locations ~~in the gaming area at which~~ **where** redemptions may occur, and a listing of the types of cash and cash equivalents ~~and third party instruments (subject to the restrictions set forth in 205 CMR 138.40(2))~~ that may be accepted in redemption of a counter check;
- (2) A distinction between full redemptions and partial redemptions;
- (3) Detailed procedures to:
 - (a) Process and complete redemptions, ~~substitutions, and consolidations~~ **and issue replacement checks**;
 - (b) Verify the patron's ~~or agent's~~ identification at the time of completing a redemption;
 - (c) **Maintain a written record and** ~~complete~~ the appropriate forms used to record the redemption, including the specific information contained on said form(s) and the form(s) signature requirements so as to assign responsibility and accountability over the redemption transaction; ~~and~~
 - (d) Transfer the appropriate documents to the accounting department (or such other department) for accounting purposes; ~~and~~
 - (e) **Process payments received through the mail, wire transfer, or electronic fund transfer.**
- (4) A description of permitted redemptions, in full or in part, when made by a third-party other than the gaming patron; and
- (5) A description of the type of checks that may be accepted in substitution of a counter check.

138.42 Acceptance of payments toward outstanding patron checks

- (1) A gaming licensee may, in its discretion, permit the drawer of an outstanding patron check or any person acting for the benefit of such drawer to deposit cash, cash equivalents, casino checks, slot tokens, gaming chips or gaming plaques with a general cashier for the purpose of having such payment applied to the total or partial redemption of the patron check by the drawer.
- (2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures relative to the acceptance of payments pursuant to 205 CMR 138.42(1) which shall, at a minimum, provide for:
 - (a) A method of documenting or recording the receipt of each such payment, which method shall include, without limitation, the following:
 - (1) The names of the drawer and the person making the payment;
 - (2) The signature of the employee accepting the payment; and
 - (3) The issuance of a receipt to the person making the payment;
 - (b) The maintenance of the general cashier's imprest inventory; and
 - (c) The notation in the drawer's credit account of the receipt of the payment.
- (3) If any payments received by a gaming licensee pursuant to the procedure referenced in 205 CMR 138.42(2) entitle the drawer of a patron check to redeem the original patron check in its entirety by virtue of complete payment of the outstanding total, or if any such payments received in conjunction with the submission of a new patron check by the drawer in a lesser amount entitle the drawer of a patron check to redeem the original patron check in part due to such partial payment, the gaming licensee shall return the original patron check to the drawer.
- (4) If the drawer of a patron check fails to redeem it prior to the date on which the patron check must be deposited in accordance with the policy or procedure implemented in accordance with 205 CMR 138.45, the gaming licensee shall deposit the patron check regardless whether any payment has been received. The gaming licensee, after timely depositing the patron check and allowing a commercially reasonable time for the patron check to clear, shall apply any payments received in accordance with priorities established in the system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02.
- ~~(5) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall provide policies and procedures for cash patron deposit accounts if they will be utilized by the gaming licensee.~~
- (6) If a patron check is dishonored by the drawer's bank upon presentation for payment and returned to the gaming licensee, any payments received, including payments that have been transferred to a patron ~~cash~~ deposit account pursuant to 205 CMR 138.42(5), that have not been returned to the drawer shall be used to reduce the amount to be collected from the drawer or to be deemed uncollectible pursuant to the provisions of these regulations.

138.43: Procedures for establishing patron credit accounts, and recording checks exchanged, redeemed or consolidated

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of its policies and procedures governing the issuance of credit to a patron to take part in gaming activity at its gaming establishment. A gaming licensee's policies and procedures governing the issuance of credit shall ensure at a minimum that:
- (a) Prior to issuing credit to a patron the creditworthiness of the patron is established **in a commercially reasonable manner** in the context of their ability to repay the amount of credit requested or to be extended **according to the terms of the credit extension agreement and any disclosures**; ~~and~~
 - (b) Credit is not extended to an individual in an amount beyond that which the information reviewed demonstrates that they have a reasonable ability to repay;
 - (c) Credit will only be extended to patrons who **the gaming licensee determines** qualify for a minimum threshold of \$10,000.00 and will not exceed the amount requested by the patron;
 - (d) Credit will not be offered to any individual who self-identifies as a problem gambler during the credit application process, places themselves on a voluntary credit suspension list in accordance with 205 CMR 138.44, or is on public assistance;
 - (e) Credit requests, including increases, will not be accepted from or granted to patrons who are visibly intoxicated or exhibiting behaviors suggestive of impaired mental competency;
 - (f) Credit applications require patrons to acknowledge that they have reviewed a problem gambling self-assessment and indicate a desire to proceed with the process; and
 - (g) Credit officers will obtain **written or** verbal verification from credit applicants that they are comfortable losing up to the amount of credit requested and granted.
- (2) In addition to the provisions required in accordance with 205 CMR 138.43(1), the policies and procedures governing the issuance of credit shall contain provisions including, but not limited to, the following:
- (a) The creation of a credit file for each patron shall be prepared by a general cage cashier or credit department representative with no incompatible functions prior to the gaming licensee's approval of a patron's credit limit. All patron credit limits and changes thereto shall be supported by the information contained in the credit file. Such file shall contain a credit application form upon which the following minimum information provided by the patron shall be recorded:
 - (1) The patron's name;
 - (2) The address of the patron's residence;
 - (3) **Patron's identification credential, credential number, place of issuance, and expiration date**;
 - (4) The patron's telephone number;
 - (5) Banking information including:
 - (a) The name and location of the patron's bank; and
 - (b) The account number of the patron's personal checking account upon which the patron is individually authorized to draw and upon which all Counter Checks, ~~Slot Counter Checks and all checks used for substitution, redemption or consolidation~~ **and replacement checks** will be drawn. Checking accounts of sole proprietorships shall be considered as personal checking accounts. Partnership or corporate checking accounts shall not be considered personal checking

accounts even if a patron is individually authorized to draw on the account.

- (6) The credit limit requested by the patron;
- (7) The approximate amount of all other outstanding indebtedness including outstanding ~~counter checks or slot counter checks~~ **credit balances** at other casinos or gaming establishments;
- (8) The amount and source of income and assets in support of the requested credit limit; and
- (9) The patron's signature indicating acknowledgement of the following statement, which shall be included at the bottom of every credit application form containing the information required to be submitted by the patron pursuant to 205 CMR 138.43(2)(a): *"I certify that I have reviewed all of the information provided above and that it is true and accurate. I authorize (name of the gaming licensee) to conduct such investigations pertaining to the above information in accordance with applicable federal and state laws and **regulations** as it deems necessary for the approval of my credit limit. Such investigation may include verification of the information ~~you~~ **I** have provided with a **consumer** credit bureau, a casino credit bureau, ~~your~~ **my** bank, and/or a bank verification service. I am aware that this application is required to be prepared in accordance with Massachusetts Gaming Commission regulations and I may be subject to civil or criminal liability if any material information provided by me is willfully false."*
- (10) Prior to processing a gaming patron's credit application, a gaming licensee shall clearly and conspicuously provide the patron with the following disclosures on a piece of paper separate and apart from the credit application and any related documents; provided that each statement shall be separately signed, dated, and acknowledged by said patron. Upon signing said disclosures, a copy shall be provided to the gaming patron.
 - (a) *"You are ~~receiving~~ **applying for** a credit extension from [name of **gaming licensee**], facilitated through a personal check or **counter check (also known as a 'marker')** on your bank account. If you fail to repay [name of **gaming licensee**] by [the date specified in this agreement], [name of **gaming licensee**] will attempt to recover the amount identified on the personal check or 'marker' from your bank account (**by date marker will be deposited with the bank) or thereafter**. If there are insufficient funds in your account, [name of **gaming licensee**] may initiate debt collection proceedings against you. Failure to timely repay your debt to [name of **gaming licensee**] may result in legal consequences, and will likely have a negative effect on your credit."*
 - (b) *"If you are concerned that you may have difficulty managing your gambling, or wish for any reason to exclude yourself from receiving credit from a gaming establishment in Massachusetts, you may add yourself to the gaming credit suspension list. Massachusetts gaming establishments are prohibited from providing credit to individuals appearing on this list. To sign up for the list, please visit www.massgaming.com/selfexclusion or call [toll-free number]."*

- (b) Recording by a general cage cashier or credit department representative of the information required in accordance with 205 CMR 138.43 in the credit file prior to the gaming licensee's approval of a patron's credit limit.
- (c) Prior to the gaming licensee's approval of the patron's credit limit, a general cage cashier or credit department representative with no ability to grant credit or credit limit increases shall **perform the following in a commercially reasonable manner and document the patron's file accordingly**:
- (1) Verify the address of the patron's residence;
 - (2) Verify the patron's outstanding **casino credit** balances which shall include the following:
 - (a) The date the patron's **casino** credit account(s) was established; and
 - (b) The current balance and status of the patron's credit account at each casino and gaming establishment including checks deposited by **a casino or** gaming licensees that have not yet cleared the bank and derogatory information;
 - (3) Verify the patron's outstanding indebtedness;
 - (4) Verify the patron's personal checking account information which shall include, but not be limited to, the following (~~provided, that if any information is unavailable relative to international accounts this shall be noted in the credit file~~):
 - (a) Type of account (personal or sole proprietorship);
 - (b) Account number;
 - (c) Date the account was opened;
 - (d) Average balance of the account for the last ~~twelve~~ **six** months;
 - (e) Current balance in the account;
 - (f) Whether the patron can sign individually on the account; and
 - (g) Name and title of the person supplying the information; and
 - (5) Verify that the patron's name is not designated on the list of individuals who have voluntarily requested suspension of credit privileges pursuant to 205 CMR 138.44 or placed their name on the voluntary self-exclusion list pursuant to 205 CMR 133.00.
- (d) All verifications performed by a general cage cashier or the credit department in accordance with 205 CMR 138.43(2)(c) shall be recorded in the credit file and accompanied by the signature of the general cage cashier or credit department representative who performed the required verifications or filed the relevant information. **If at any time the gaming license has reason to believe a patron's information has changed, it shall re-verify the information in accordance with the following.** The date and time of the signature of the general cage cashier or credit department representative shall be recorded either mechanically or manually contemporaneously with the transaction. **If the employee is unable to obtain certain information despite using commercially reasonable efforts, the credit file shall be documented accordingly.** The general cage cashier or gaming licensee's credit department shall fulfill the requirements of 205 CMR 138.43(2)(c) as follows:
- (1) Verification of the address of the patron's residence, as required by 205 CMR 138.43(2)(c)(1), shall be satisfied by confirming the patron's address with a credit bureau or bank. If neither of these sources has the patron's address on file or will not provide the information, the gaming licensee may use an alternative source

which shall not include any identification credentials required in 205 CMR 138.43(2)(a) or other documentation presented by the patron at the gaming establishment. The gaming licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. Verification of the patron's address may be performed telephonically.

- (2) Verification of the patron's current casino credit limits and outstanding balances, as required by 205 CMR 138.43(2)(c)(2), shall be performed through a casino credit bureau and, if appropriate, through direct contact with other casinos at which the patron indicated on the credit application that they have a credit limit or outstanding balance. The gaming licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. If no casino credit information relating to the patron is available from these sources, this shall be noted in the patron's credit file and shall be deemed to satisfy the verification requirement. The verification may be performed telephonically, via email, or any medium prior to the credit approval provided the gaming licensee requests written documentation of all such information as soon as possible and includes such written documentation in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.
- (3) Verification of the patron's outstanding indebtedness, as required by 205 CMR 138.43(2)(c)(3), shall be performed by contacting a consumer credit bureau or other similar organizations which is reasonably likely to possess information concerning the patron, and a casino credit bureau to determine whether the applicant has any liabilities or if there is any derogatory information concerning the applicant's credit history. Such contact shall be considered a verification of the outstanding indebtedness provided by the patron. The gaming licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. If either one or both of these credit bureaus do not have information relating to a patron's outstanding indebtedness this shall be recorded in the patron's credit file **and the verification requirement shall be deemed satisfied**. The verification may be performed telephonically prior to the credit approval provided the gaming licensee requests written documentation of all information obtained as soon as possible and includes such written documentation in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.
- (4) Verification of the patron's personal checking account information, as required by 205 CMR 138.43(2)(c)(4), shall be performed by the gaming licensee or a bank verification service directly with the patron's bank. A bank verification service utilized by a gaming licensee may make use of another bank verification service to make direct communication with the patron's bank. **If a patron's bank is unwilling to provide information relative to an account** ~~If such information is not available relative to an international account~~, the gaming licensee may use an alternative source or note the unavailability of the information in the file in which case the verification requirement shall be deemed satisfied. The gaming licensee shall record the source of verification and the method by which such verification was performed, **or attempted to be performed**, in the patron's credit file. The

verification may be performed telephonically via email, or any medium prior to the credit approval provided the gaming licensee or bank verification service requests written documentation of all information obtained as soon as possible and such written documentation is included in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.

- (e) A gaming licensee may rely upon information compiled and verified by an affiliate in another jurisdiction relative to the credit application of a patron in satisfaction of a provision of 205 CMR 138.43(1) through (2)(d) if said verification was performed within 60 days of a ~~counter check or slot counter check~~ **credit** being issued **extended** to the same patron at a ~~gaming establishment~~ **casino**.
- (f) ~~Any Massachusetts gaming licensee requesting information from another Massachusetts gaming licensee concerning a credit patron shall represent to the requested gaming licensee that the patron has a credit line or has applied for credit and shall provide the patron's name, address of the patron's residence and the name and location of the patron's bank. Upon receipt of this information, the requested Massachusetts gaming licensee shall be required to furnish to the requesting Massachusetts gaming licensee any information in its possession concerning a patron as required by 205 CMR 138.43(2)(e).~~
- (g) The credit limit, and any changes thereto, must be approved by any one or more of the individuals holding the positions of credit manager, assistant credit manager, credit shift manager, credit executive, or a key gaming employee in a direct reporting line above the gaming manager or credit manager, or a credit committee composed of key gaming employees which may approve credit as a group, but whose members may not approve credit individually unless such person is included in the job positions referenced above. The approval shall be recorded in the credit file and shall include:
 - (1) Any other information used to support the credit limit and any changes thereto, including the source of the information, if such information is not otherwise recorded pursuant to ~~this section~~ **205 CMR 138.43(2)**;
 - (2) A brief summary of the key factors relied upon in approving or reducing the requested credit limit and any changes thereto;
 - (3) The reason credit was approved if derogatory information was obtained during the verification process;
 - (4) The signature, on the manual credit file, of the employee approving the credit limit together with the date and time of such authorization, which signature, date and time shall be recorded before any actual extension of credit; and
 - (5) If a computerized credit file is utilized, the authorization code of the employee approving the credit limit together with the date and time of the activation in the system, which authorization code, date and time shall be recorded by the system before any actual extension of credit.
- (h) Prior to approving a credit limit increase, a representative of the gaming licensee's credit department shall:
 - (1) Obtain a written request from the patron which shall include:
 - (a) Date and time of the patron's request;
 - (b) Amount of credit limit increase requested by the patron; and
 - (c) Signature of the patron.
 - (2) Verify the patron's current casino credit limits and outstanding balances, as

- required by 205 CMR 138.43(2)(c)(2) ~~and 205 CMR 138.43(2)(e)(3)~~, unless such verification has performed earlier that same gaming day;
- (3) Verify the patron's outstanding indebtedness as required by 205 CMR 138.43(2)(c)(3), unless such procedure has been performed within the previous 60 days;
 - (4) Verify the patron's personal checking account information, as required by 205 CMR 138.43(2)(c)(4), unless such procedure has been performed within the previous 60 days;
- (i) Credit limit increases may be approved without performing the requirements of 205 CMR 138.43(2)(g)(2) through (4) if the increases are temporary and are noted as being for this trip only in the credit file. Temporary increases shall be limited to one during any thirty day period provided that the increase is approved during a single trip to the gaming establishment consisting of consecutive gaming days and the amount of the temporary increase does not exceed 25 percent of the currently approved credit limit.
- (j) The gaming licensee's credit department shall:
- (1) ~~Comply with the requirements of either 205 CMR 138.43(2)(h)(2) or (3) whenever any derogatory information is received by a gaming licensee's credit department relating to the patron's continued creditworthiness other than a returned check subject to the provisions of 205 CMR 138.43(2)(i).~~
 - (2) ~~Re-verify the patron's address, current casino credit limits, outstanding balances, outstanding indebtedness, and personal checking account information, as required by 205 CMR 138.43(2)(c)(1) through (4).~~
 - (3) ~~Follow the procedures required by 205 CMR 138.43(2)(e)(1) through (4), before a patron's credit privileges are reinstated if the patron's credit privileges have been suspended.~~
 - (4) ~~Verify the information required by 205 CMR 138.43(2)(a)(2) and (4), in accordance with the procedures in 205 CMR 138.43(2)(d) whenever the gaming licensee has reason to believe that this information has changed.~~
 - (5) ~~V~~verify the patron's address, current casino credit limits and outstanding balances, outstanding indebtedness, ~~personal check cashing~~ **checking account** information, confirm that the patron is not on the list of patrons who have requested suspension of their credit privileges, and confirm that the patron is not on the list of patrons who have placed themselves on the voluntary self-exclusion list, as required by 205 CMR 138.43(2)(c)(1) through (5) prior to the issuance of ~~credit~~ **a counter check** to a patron whose credit file has been inactive for a 6 month period.
- (k) All derogatory information **received by a gaming licensee** concerning a patron's credit account shall be reported by ~~each~~ **the** gaming licensee on a daily basis to a casino credit bureau used by all Massachusetts gaming licensees. Each ~~Massachusetts~~ gaming licensee shall request written documentation of any derogatory information pertaining to its patrons to be reported to that gaming licensee on a daily basis by a casino credit bureau used by all Massachusetts gaming licensees. All documentation obtained from the casino credit bureau relative to a patron account shall be maintained in the patron's credit file. Any gaming licensee desiring to continue the patron's credit privileges on the basis of a satisfactory explanation having been obtained for the ~~returned check~~ **derogatory information** may do so if the gaming licensee records the explanation for its decision in the credit file before ~~accepting~~ **issuing** any further **counter** checks ~~from~~ **to** the patron along

with the signature of the credit department supervisor accepting the explanation.
Provided, the gaming licensee shall comply with the requirements of either 205 CMR 138.43(2)(h)(2) or (3) whenever any derogatory information is received by a gaming licensee's credit department relating to the patron's continued creditworthiness.

- (l) All transactions affecting a patron's outstanding indebtedness to the gaming licensee shall be recorded in chronological order in the patron's credit file and credit transactions shall be segregated from the ~~safekeeping deposit~~ **patron deposit account** transactions. The following information shall be included:
 - (1) The date, amount and check number of each Counter Check ~~or Slot Counter Check~~ initially accepted from the patron;
 - (2) The date, amount and check number of each consolidation check and the check numbers of the checks returned to the patron;
 - (3) The date, method, amount and check number of each redemption transaction and the check number of the check returned to the patron;
 - (4) The date, amount and check number of each substitution transaction and the check number of the check returned to the patron;
 - (5) The date, amount and check number of each check deposited;
 - (6) The date, amount and check number of each check returned to the gaming licensee by the patron's bank and the reason for its return;
 - (7) The outstanding balance after each transaction; and
 - (8) The date, amount and check number of any checks which have been partially or completely written off by the gaming licensee and a brief explanation of the reason for such write off.
- (m) A log of all Counter Checks ~~and Slot Counter Checks exchanged~~ **issued** and of all checks received for redemption, consolidation or substitution shall be prepared, manually or by computer, on a daily basis, by check cashiers and such log shall include, at a minimum, the following:
 - (1) The balance of the checks on hand in the cashiers cage at the beginning of each shift;
 - (2) For checks initially accepted and for checks received for consolidation, redemption, or substitution:
 - (a) The date of the check;
 - (b) The name of the drawer of the check;
 - (c) The amount of the check;
 - (d) The Counter Check ~~and Slot Counter Check~~ serial number(s) for Counter Check(s) ~~and Slot Counter Check(s)~~ received; and
 - (e) An indication as to whether the check was initially accepted or received in a redemption, consolidation or substitution.
 - (3) For checks deposited, redeemed by patrons for cash, cash equivalents, complimentary cash gifts, gaming chips and plaques, or any combination thereof, consolidated or replaced:
 - (a) The date on which the check was deposited, redeemed, consolidated or replaced;
 - (b) The name of the drawer of the check;
 - (c) The amount of the check;
 - (d) The Counter Check ~~and Slot Counter Check~~ serial number(s) for Counter

Check(s) and Slot Counter Check(s) deposited, redeemed, consolidated or replaced; and

(e) An indication as to whether the check was deposited, redeemed, consolidated or replaced.

(4) The balance of the checks on hand in the cashiers' cage at the end of each shift.

(n) A list of all Counter Checks ~~and Slot Counter Checks~~ on hand, and of all checks received for redemption, consolidation or substitution shall be prepared, manually or by computer, on a monthly basis, at a minimum, and shall include the following:

(1) The date of the check;

(2) The name of the drawer of the check;

(3) The amount of the check; and

(4) The Counter Check ~~and Slot Counter Check~~ serial number(s) for Counter Check(s) and ~~Slot Counter Check(s)~~ received.

(o) At the end of each gaming day, at a minimum, the following procedures shall be performed:

(1) The daily total of the amounts of checks initially recorded as described in 205 CMR 138.43(2)(m) shall be agreed to the daily total of Counter Checks ~~and Slot Counter Checks~~ issued;

(2) The daily total of the checks indicated as deposited on a log required by 205 CMR 138.43(2)(m) shall be agreed by employees with no incompatible functions to the bank deposit slips corresponding to such check; and

(3) The balance required by 205 CMR 138.43(2)(m) shall be agreed to the total of the checks on hand in the cashiers' cage.

(p) A patron may not be issued a Counter Check until the operator has established a signature file for the patron.

(3) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions for the maintenance of a patron identification file and the methodology the gaming licensee will utilize for verifying a patron's identity or signature for purposes of establishing a credit account which shall include, at a minimum, the following:

(a) The patron's name;

(b) The patron's address;

(c) The patron's signature;

(d) The type of identification credentials examined;

(e) The date and time that the patron identification file was established; and

(f) The name and signature of the gaming establishment employee who examined the identification credentials of the patron and established the patron identification file.

(4) The gaming licensee shall establish procedures for the organization and maintenance of data relative to the extension of credit, issuance of counter checks, and repayment of counter check for review upon request by the commission or its designee, and the Massachusetts Attorney General's Office. Such data shall include the following aggregated by month:

(a) Total credit applications filed;

(b) Total credit applications approved;

(c) Total credit applications denied;

- (d) The amount of credit extended for each approved credit application;
- (e) The mean amount of credit extended;
- (f) Total credit increases approved;
- (g) Total temporary credit increases approved;
- (h) Total number of counter checks presented to banks;
- (i) The amount of each counter check presented to a bank;
- (j) Total number of uncollectable counter checks including amounts in accordance with 205 CMR 138.46(11); and
- (k) Number of debt collection proceedings commenced, the state and county where the proceedings were commenced, and the zip codes of the patron's residences.

138.44: Patron request for suspension of credit privileges

- (1) Any person may voluntarily suspend his or her credit privileges at all gaming establishments by submitting a written request to the commission in accordance with 205 CMR 138.44. Such requests shall be submitted to a designated agent as described in accordance with 205 CMR 138.44(3) or mailed to a designated address with a notarized signature in accordance with 205 CMR 138.44(2)(h). An individual requesting suspension of credit privileges shall present a valid government issued photo identification.
- (2) A request for suspension of credit privileges shall be submitted on a form prescribed by the commission, which shall include the following:
 - (a) The name of the person requesting suspension of credit privileges;
 - (b) The address of the person's residence;
 - (c) The person's date of birth;
 - (d) The name of each gaming establishment where the person currently has an approved line of credit;
 - (e) The duration for which they wish to have their credit privileges suspended. An individual may select any of the following time periods as a minimum length of suspension:
 - (1) Six months;
 - (2) One year;
 - (3) Three years;
 - (4) Five years; or
 - (5) Lifetime.
 - (f) The signature of the person requesting suspension of credit privileges acknowledging the following statement: "I certify that the information which I have provided above is true and accurate. I am aware that my signature below authorizes the Massachusetts Gaming Commission to direct all Massachusetts gaming licensees to suspend my credit privileges for a minimum period of six months from the date of this request and indefinitely thereafter, until such time as I submit a written request to the Commission for the reinstatement of any such credit privileges."; ~~and~~
 - (g) If the request for suspension of credit privileges is made in person:
 - (1) The type of government issued photo identification examined; and
 - (2) The signature of ~~a commission employee authorized to accept such request~~, the **designated agent** indicating that the signature of the person requesting suspension of credit privileges appears to agree with that contained on his or her government issued photo identification and that the photograph of the person appears to agree

with his or her actual appearance- and

- (3) **If the request for suspension of credit privileges is made by mail, a certificate of acknowledgement executed by a notary public or other person empowered by law to take oaths attesting to the identity of the person who is making the request for suspension of credit privileges.**
 - (a) An application for suspension of credit privileges **made in person** may only be accepted by a designated agent. An individual may only become a designated agent by successfully completing a course of training approved and administered by the commission or its designee. The course of training shall include, at a minimum, instruction on completion of the application, information relative to problem gambling and available resources, and an understanding of 205 CMR 138.40-46. A designated agent must be a licensed, certified, or registered health or mental health professional or employee thereof, or an employee of a gaming licensee, the commission, ~~a gaming licensee~~, or other government entity. The commission may refuse to offer training to any individual whose service as a designated agent it determines would be contrary to the aims of 205 CMR 138.40-46.
 - (b) Upon submission of an application, a designated agent shall review the application with the applicant. If the application is complete, the designated agent shall sign the application indicating that the review has been performed and the application has been accepted.
 - (c) A designated agent may not sign an application if any required information is not provided.
 - (d) The designated agent shall forward the signed application for suspension of credit to the commission within ~~48~~ **24** hours of completion in a manner directed by the commission.
 - (e) Upon receipt of an application, the commission, or its designee, shall review it for completeness. If the application meets all requirements of 205 CMR 138.40-46 the application shall be approved, and the individual's name shall be added to the credit suspension list. If the application is incomplete, the commission, or its designee, may deny the application and make efforts to contact the applicant advising them of such.
 - (f) ~~If the gaming licensee utilizes an internal management system to track individuals on the credit suspension list, they shall update that system at least every 72 hours with names of individuals being added or removed from the list.~~ **In addition to 205 CMR 138.44(3)(d), if an application is made in person at a gaming establishment, the designated agent shall promptly transmit a completed application to the gaming licensee's credit department such that any existing credit line for that individual may be immediately suspended and that no new credit may be extended.**
- (4) The commission shall maintain an updated master list of all persons who have requested suspension of credit privileges pursuant to 205 CMR 138.44, and shall update the master list in the database.
 - (a) Each gaming licensee shall suspend the credit privileges of any listed individual, promptly upon receipt of notice that such individual's name has been added to the list.
 - (b) Each gaming licensee shall note any suspension or reinstatement of credit privileges pursuant to 205 CMR 138.44 in any existing credit file for the affected patron, including the following:
 - (1) A copy of any applicable commission notice of the suspension or reinstatement of credit privileges;

- (2) The date, time and signature of the credit department representative making the suspension or reinstatement entry in the credit file.
- (5) Any person whose credit privileges have been suspended pursuant to 205 CMR 138.44 may, no sooner than six months after the request for suspension of credit privileges, request reinstatement of his or her credit privileges by submitting a written request to the commission in accordance with the procedures specified in 205 CMR 138.44(1).
 - (a) Such request shall be in a form prescribed by the commission, which shall include the following:
 - (1) The information specified in 205 CMR 138.44; and
 - (2) The signature of the person requesting reinstatement of credit privileges, indicating acknowledgement of the following statement: "I certify that the information which I have provided above is true and accurate. I am aware that my signature below constitutes a revocation of my previous request for suspension of credit privileges, and authorizes the Massachusetts Gaming Commission to permit any Massachusetts gaming licensee to reinstate my credit privileges."
 - (b) The commission shall remove such individual's name from the list established pursuant to 205 CMR 138.44, and update the master list in the **database within 7 days of receipt of the request.**
 - (c) Upon receipt of notice that such individual's name has been removed from the list, a gaming licensee may reinstate such person's credit upon re-verification of the information required by 205 CMR 138.43(2)(c)(1) through (4), or may extend credit to such person in accordance with the procedures set forth in 205 CMR 138.43.
- (6) Information furnished to or obtained by the commission pursuant to 205 CMR 138.44 shall be securely maintained. No gaming licensee shall divulge any information relative to the placement of an individual's name on the master list other than to authorized credit department employees at the gaming establishment ~~or an affiliate or other Massachusetts gaming establishment personnel whose duties and functions require access to such information~~ **or to an authorized commission employee.**

138.45: Procedure for depositing checks received from gaming patrons

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of its policies and procedures governing the depositing of checks received from gaming patrons which incorporate, at a minimum, the following:

- (1) Unless redeemed or consolidated sooner, all checks received from gaming patrons shall be deposited in the gaming licensee's bank account or presented directly to the patron's bank no later than:
 - (a) The banking day after the date of the check for a non-gaming check; or
 - (b) A timeframe prescribed by the gaming licensee as part of its policy, submitted in accordance with 205 CMR 138.02, not to exceed 90 days from the date of the initial check.
- (2) ~~All checks received for purposes of consolidating outstanding counter checks or redeeming counter checks shall be deposited in the gaming licensee's bank account or presented directly to the patron's bank within a timeframe prescribed by the gaming licensee as~~

~~part of its policy submitted in accordance with 205 CMR 138.02 not to exceed 90 days from the date of the initial check.~~

- (3) In computing a time period prescribed by 205 CMR 138.45, a gaming licensee shall reference 205 CMR 102.05.
- (4) In the event of a series of consolidation or redemption transactions with a patron, the initial check shall be the earliest dated check returned to the patron in the first of the series of consolidation or redemption transactions.
- (5) Any check deposited into a bank will not be considered clear until a **commercially** reasonable time, as identified by the gaming licensee in its written protocol, has been allowed for such check to clear the bank.
- (6) ~~A gaming licensee may present a patron check directly to the patron's bank for payment. A patron check presented in this manner shall be considered paid in full when honored and paid by the patron's bank. If a gaming licensee intends to do so, it shall include a procedure for:~~
 - (a) ~~Documenting the release of the patron check from the cashiers' cage to a key gaming employee of the gaming licensee or to an attorney, for the purpose of presentment to the patron's bank.~~
 - (b) ~~Prompt deposit of the proceeds of the check to the gaming licensee's bank account via a wire transfer or a check drawn by the patron's bank and made payable only to the gaming licensee, if the patron's check is honored and paid;~~
 - (c) ~~Notice to the gaming licensee that the check has been paid in full by the patron's bank.~~
- (7) If a gaming licensee determines, prior to the deposit or presentment of a Counter Check ~~or Slot Counter Check~~ that the bank name, the bank routing number, the patron's bank account number or the micro-encoding number contained on the check are incorrect due to a data entry error (e.g., a misspelling, a wrong number or a transposition of numbers), a check bank cashier may correct the erroneous entry. Such procedure shall include:
 - (a) A description of the manner in which the error will be corrected by the check bank cashier;
 - (b) The creation of documentation that will permit both the check bank cashier and the casino accounting department to identify and compare a copy of the uncorrected check that was originally issued and the corresponding corrected check that was deposited or redeemed;
 - (c) The written approval of a cage supervisor prior to the alteration of any check by a check bank cashier; and
 - (d) A prohibition against using 205 CMR 138.45(8) to change the verified bank account on which the Counter Check or Slot Counter Check was originally drawn.
- (8) A gaming licensee may include in its policy and procedure provisions in accordance with 205 CMR 138.13 for the discretionary discounting of the amount of an outstanding Counter Check ~~or Slot Counter Check~~ to be redeemed by a patron for any marketing related reasons.

138.46 Procedure for collecting and recording checks returned to the gaming establishment licensee after deposit

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of its policies and procedures governing the collection and recording of checks returned to the gaming establishment after deposit which incorporate, at a

minimum, the following:

- (1) All dishonored checks returned by a bank after deposit shall be returned directly to, ~~and controlled by,~~ the accounting department employees ~~and shall be maintained by check bank cashiers~~ which shall notify the collections department and provide copies of the returned item(s). The original check will be given the check bank cashier who will control the item. Such employees shall have no incompatible functions.
- (2) All debt collection practices must be conducted in accordance with all applicable state and federal laws including 940 CMR 7.00: *Debt Collection Regulations*, M.G.L. c.93A, §2, and M.G.L. c.93, §49. Provided, further, that a gaming licensee's debt collection policy shall:
 - (1) not allow for placement of a lien on a patron's primary residence and
 - (2) shall also prohibit the commencement of criminal proceedings or other use of criminal process unless the gaming licensee can show that there were insufficient funds in the patron's account at the time the patron issued signed the counter check to the licensee. Gaming licensees are prohibited from selling or pledging as collateral any debt owed to the gaming licensee as a result of a gaming loss, including the failure to pay off a counter check issued under an extension of credit, provided however, a gaming licensee may pledge such gaming debt as collateral for a commercial loan to finance the licensee's gaming operations or may sell such gaming debt in connection with the sale of all of its assets in connection with a change of ownership and/or control of the gaming establishment.
- (3) Debt collection shall be limited to key gaming employees or an attorney acting directly on behalf of a gaming licensee; provided, however, that a key gaming employee shall not make any such collections if that employee serves as a junket representative for the gaming licensee. Such procedure shall ensure that any key gaming employee engaged in debt collections does not have any incompatible functions. Any verbal or written communication with patrons regarding collection efforts shall be made with the full knowledge of the collection employees and shall be documented. ~~Provided, 205 CMR 138.46(3) shall not be construed to prohibit marketing personnel licensed to the level of a key gaming employee from discussing with a patron the status of the patron's outstanding counter checks provided that any such communication is with full knowledge of the collection employees and is documented.~~
- (4) Continuous records of all returned checks shall be maintained by accounting department employees with no incompatible functions. Such records shall include, at a minimum, the following:
 - (a) The date of the check;
 - (b) The name and address of the drawer of the check;
 - (c) The amount of the check;
 - (d) The date(s) the check was dishonored;
 - (e) The Counter Check ~~or Slot Counter Check~~ serial number for Counter Checks ~~or Slot Counter Checks~~; and
 - (f) The date(s) and amount(s) of any collections received on the check after being returned by a bank, including the date(s) and amount(s) of any complimentary cash gifts applied as payment on the check after being returned by a bank.
- (5) If a gaming licensee determines that a Counter Check ~~or Slot Counter Check~~ was returned by a bank because the bank name, the bank routing number, the patron's bank account number or the micro-encoding number contained on the check was incorrect due to a data entry error (e.g., a misspelling, a wrong number or a transposition of numbers), a check bank cashier

may correct the erroneous entry and cause the check to be re-deposited. Any such procedure shall, at a minimum, include:

- (a) A description of the manner in which the error will be corrected by the check bank cashier;
 - (b) The creation of documentation and control procedures that will permit both the check bank cashier and the casino accounting department to identify and compare a copy of the uncorrected check that was originally deposited and the corresponding corrected check that was re-deposited;
 - (c) The written approval of a cage supervisor prior to the alteration of any check by a check bank cashier; and
 - (d) A prohibition against using 205 CMR 138.46(5) as a basis to change the verified bank account on which the Counter Check or ~~Slot Counter Check~~ was originally drawn.
- (6) Statements shall be sent to patrons and the collections department at the gaming establishment, by accounting department employees with no incompatible functions, in a reasonably prompt manner upon initial receipt of a returned check or immediately upon receipt of a check returned for a second time if the check was immediately re-deposited pursuant to 205 CMR 138.46(5), and such statements shall include, but not be limited to, the following:
- (1) The name and address of the drawer;
 - (2) The date of the check;
 - (3) The amount of the check; and
 - (4) The date(s) and amount(s) of any collections received on the check after being returned by the bank.
- (7) Patrons to whom statements are sent shall be advised of a **contact telephone number**, a return address and **the** department to which replies shall be sent.
- (8) Employees with no incompatible functions shall receive directly and shall initially record all collections.
- (9) Copies of statements and other documents supporting collection efforts shall be maintained and controlled by accounting department employees.
- (10) A record of all collection efforts shall be recorded and maintained by the collection area within the accounting department.
- (11) Listings of uncollectible checks shall be approved in writing by, at a minimum, the chief executive officer or the chief gaming executive, a key gaming employee identified and approved by the commission as part of the gaming licensee's system of internal controls, and the controller or the person to whom the controller directly reports; provided that, with the exception of the chief executive officer and chief gaming executive, none of the foregoing persons shall also have the authority to approve credit. All such uncollectible checks and listings shall be maintained and controlled by accounting department employees. A continuous trial balance of all uncollectible checks shall be maintained by employees of the accounting department. The continuous trial balance shall be adjusted for any subsequent collections.

138.47 Automated Teller Machines (ATM)

- (1) Use and operation of an Automated Teller Machine ("ATM") or electronic branch, as defined

by G.L. c.167B, §1, **within a gaming establishment** is governed by M.G.L. c.167B and 209 CMR.

- (2) No ATM or electronic branch, as defined by G.L. c.167B, §1, shall be located closer than 15 feet from the gaming area in a gaming establishment.
- (3) **No ATM or electronic branch shall initiate or process a cash advance transaction on a credit card.**
- (4) **No data relative to an individual patron that is collected by an ATM or electronic branch may be sold, transmitted, or otherwise used for marketing purposes by a gaming licensee or provider of such device.**

138.48: Procedure for opening, counting and recording contents of table drop boxes and slot cash storage boxes

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to opening, counting, and recording contents of table drop boxes and slot cash storage boxes that include, at a minimum, the following provisions:

- (1) Immediately prior to the commencement of the count process, a count room supervisor shall:
 - (a) Obtain a preliminary master game report which shall list forms and documents related to the table drop box count that were entered into the computer system at the time of preparation;
 - (b) Reconcile the number of boxes recorded on the drop box verification form to the number of boxes secured in the trolley;
 - (c) Remove the emergency drop box log and reconcile the log to the boxes removed from the emergency drop box cabinet or trolley; and
 - (d) Document any unresolved discrepancies on a two-part Drop Variance Report, the original of which shall be delivered to the ~~Division~~ **IEB** and the duplicate placed in the locked accounting box.
- (2) A gaming licensee shall open, count and record the contents of each drop box in the soft count room except that an emergency slot cash storage box may be held and counted on the regularly scheduled count for the slot machine from which it originated. For currency, gaming vouchers, and coupons, a gaming licensee shall perform a second count to obtain the aggregate total of each denomination of currency and coupon, and the total number of gaming vouchers counted. The counts shall be independent of each other and access to the result of the first count shall not be available to the employee performing the second count until completion of the second count. At the completion of the second count, a comparison of the two counts shall be made and any discrepancies resolved by the count team supervisor.
- (3) A gaming licensee shall use a counting machine, to be identified in the internal controls, to count currency, gaming vouchers, and coupons. An alternative procedure shall be provided in the event that a counting machine cannot be used due to mechanical failure or other emergent situation.
 - (a) A gaming licensee may use one counting machine that automatically provides the counts required in 205 CMR 138.48(2) of the items at different stages of the counting process.

If the counts are not in agreement, the machine shall document the discrepancy and cease operation until the discrepancy is resolved by a count team member.

- (b) If a gaming licensee does not use a counting machine described in 205 CMR 138.48(3)(a), two different counting machines shall be used. Upon completion of the count using the first machine, the cash storage bins or cassettes shall be emptied and displayed to the full view of a closed circuit television camera to assure that the contents have been emptied. The second machine count shall be performed to verify the totals of the first machine. If the counts are not in agreement, the count team shall resolve the discrepancy before continuing the second count.
- (c) Each machine shall generate a report at the completion of its count documenting the following:
 - (1) The total of each denomination of currency;
 - (2) The total of all currency;
 - (3) The total number of gaming vouchers;
 - (4) The total number and amount of coupons for which the count machine can determine the value of the coupon ("machine count coupons"); and
 - (5) The total number of coupons for which the count machine cannot determine the value of the coupon ("manual count coupons").
- (4) A test count shall be conducted prior to the start of the first use of each counting machine, each gaming day, and prior to each count. The count room supervisor shall:
 - (a) Verify that the counting machine has a zero balance on its display and cause a receipt to be printed which denotes 0 cash, gaming vouchers or coupons on hand, and 0 notes, gaming vouchers or coupons in the machine, or other approved means to indicate that the machine has been cleared of all currency, gaming vouchers and coupons;
 - (b) Visually check the counting machine to be sure there are no bills, gaming vouchers or coupons remaining in the various compartments of the machine;
 - (c) Supervise a count team member who shall select a drop box or slot cash storage box. If slot storage boxes are being counted that day, a slot cash storage box must be selected and it must contain currency, and if issued by the gaming licensee, gaming vouchers and coupons. The count team member shall place the entire contents of the table drop box or slot cash storage box into the first counting machine, which shall count the currency by denomination as well as any gaming vouchers and coupons. Any soiled or off-sorted bills, gaming vouchers or coupons shall be re-fed into the machine. Any items which the counting machine is not able to count automatically, such as coins, tokens, gaming chips or mutilated or torn currency, gaming vouchers, and coupons shall be manually counted, recorded either manually or entered into the counting machine, and segregated from items which the counting machine was able to count automatically. The count team member shall cause the counting machine, in conjunction with the gaming voucher system, to produce one or more test receipts of the count, and the count shall not be shown to anyone until completion of the final verification process;
 - (d) Supervise a second count team member, independent of the team member performing the initial count, who shall manually count or use a second counting machine to count and summarize the items on test receipts;
 - (e) Compare the totals on the test receipts for agreement. If the totals are in agreement, the count room supervisor shall sign and date the test receipts and place them in the locked

accounting box to be forwarded to the casino accounting department at the end of the count process. If the totals do not agree, the test count procedures shall be repeated. The test count procedures shall be repeated until the totals are in agreement or a determination is made that the count machine cannot be used. The count room supervisor shall not permit a counting machine to be used until these totals are in agreement;

- (f) Supervise a count team member who, at the conclusion of the test procedure shall display the cash bin or storage cassettes to the full view of a closed circuit television camera to assure that the contents have been emptied prior to replacing cassettes into the counting machine; and
- (g) Verify that the counting machine has a zero balance in accordance with 205 CMR 138.48(4)(a).

(5) Procedures for the count of boxes shall be as follows:

(a) The contents shall be segregated and counted so as to permit the contents to be recorded for the box from which it was removed. Each box shall be individually:

- (1) placed on the count table at which time one count team member shall verbalize, in a tone of voice to be heard by all persons present and to be recorded by the surveillance audio recording device, the game and table number marked thereon for table drop boxes, or the asset or unique identification number marked thereon for slot cash storage boxes; and
- (2) unlocked and the contents emptied on the count table. The inside of the box shall be held up to the full view of a closed circuit television camera to assure all contents of the drop box or slot cash storage box have been removed, after which the drop box or slot cash storage box shall be locked and placed in the storage area for drop boxes and slot cash storage boxes;

(b) A count team member shall segregate:

- (1) Currency, machine count coupons, and gaming vouchers;
- (2) Coin, tokens, gaming chips, manual count coupons and any mutilated or torn items; and
- (3) Forms and documents;

(c) A count team member shall attempt to match pieces of mutilated or torn items which shall be processed as follows:

- (1) Mutilated or torn currency shall be recorded as revenue if the bill includes one entire serial number and one letter and number of the serial number from the other half of the bill;
- (2) Mutilated or torn currency that is not recorded as revenue shall be placed in a sealed transparent envelope or container and transferred to the main bank by the main bank cashier or cage supervisor at the end of the count; and
- (3) All mutilated or torn coupons and gaming vouchers shall be recorded as revenue regardless of condition;

(d) The value and number of coin, tokens, gaming chips, manual count coupons (by denomination) and any mutilated or torn items shall be manually entered into the counting machine for each drop box or slot cash storage box;

(e) Currency, machine count coupons and gaming vouchers shall be placed in a counting machine. The counting machine shall count and calculate the value of the currency. The value of each gaming voucher or coupon shall be obtained from the counting machine or an approved gaming voucher system, as applicable;

(f) Upon completion of the machine count:

- (1) For each drop box, the counting machine shall generate the report required by 205 CMR138.48(3)(c);
- (2) The currency, table game coupons, coin, tokens, and gaming chips counted shall be placed on the banking table; and
- (3) Any drop box coupon which has not already been cancelled upon acceptance or during the count shall be cancelled prior to the conclusion of the count;

(g) The forms and documents shall be compared to the preliminary master game report for accuracy by a count team member who shall not simultaneously have access to currency. Any discrepancies shall be recorded on the preliminary master game report to be resolved by the casino accounting department. The forms and documents and preliminary master game report shall be placed in the locked accounting box to be forwarded to the accounting department at the end of the count process; and

(h) The count team supervisor shall prepare a detailed written report describing all count room incidents that may have negatively impacted the opening, counting and recording of the drop boxes (for example, a computer interface problem, dropped basket). The report shall include a description of any corrective action taken and shall be electronically filed with the IEB at the conclusion of the count.

(6) As the contents of each table drop box are counted, if not already recorded in the computer system used to create the Master Game Report and supporting documentation, a count team member shall manually record or cause a computer system to record, the following information by game and table number:

- (a) The value of each denomination of currency counted;
- (b) The value of coin, tokens and/or gaming chips counted;
- (c) The total value of currency, coin, tokens and gaming chips counted;
- (d) The value of each denomination and total value of coupons other than match play coupons;
- (e) The value of each denomination and total value of match play coupons and table game wager coupons;
- (f) Fifty percent of the total value of match play coupons and table game wager coupons;
- (g) ~~The amount recorded on each document and the total of all documents evidencing a credit card chip transaction;~~
- (h) The amount recorded on each document and the total of all documents evidencing a debit card chip transaction;

- (i) The amount of the Opener;
 - (j) The amount of the Closer;
 - (k) The serial number and amount of each Counter Check and the total amount of all Counter Checks;
 - (l) The serial number and amount of each Pit Redemption Form and the total of all Pit Redemption Forms;
 - (m) The serial number and amount of each Fill and the total amount of all Fills;
 - (n) The serial number and amount of each Credit and the total amount of all Credits;
 - (o) The amount recorded on each Complimentary Vigorish Form and the total amount of all Complimentary Vigorish Forms;
 - (p) The table game win or loss or, for poker, the poker revenue; and
 - (q) The table game win or loss percentage.
- (a) In addition to the requirements of 205 CMR 138.48(6), the Master Game Report shall include:
- (a) The gaming date of the items recorded;
 - (b) The grand total for items in 205 CMR 138.46(6)(c) through (q);
 - (c) The total number of drop boxes opened and counted; and
 - (d) The date and time prepared.
- (8) If the gaming licensee offers the game of poker, the count room supervisor shall review the Master Game Report to ensure that negative poker revenue has not been reported for any poker table. If negative poker revenue has been reported for a poker table, the count room supervisor shall initial the Master Game Report for each such poker table and immediately notify the surveillance department of the poker table(s) and corresponding negative poker revenue reported thereon.
- (9) As the contents of each slot cash storage box are counted, if not already recorded in the computer system used to create the Slot Cash Storage Box Report and supporting documentation, a count team member shall manually record or cause a computer system to record, the following information by asset number:
- (a) The asset number of the bill changer to which the slot cash storage box contents correspond;
 - (b) The value of each denomination and total value of currency counted;
 - (c) The number and value of each cashable coupon counted, and if a gaming voucher system is used to redeem coupons, the validation number and value of each coupon counted, and total number and value of all cashable coupons;
 - (d) The number and value of each non-cashable coupon counted, and if a gaming voucher system is used to redeem such coupons, the validation number and value of each coupon counted, and total number and value of all non-cashable coupons;
 - (e) A listing of the validation number and value of each gaming voucher counted, and total number and value of all gaming vouchers; and
 - (f) Any additional information on the Slot Cash Storage Box Report as may be required by the IEB.

- (10) In addition to the requirements of 205 CMR 138.46(9), the Slot Cash Storage Box Report shall include:
 - (a) The gaming date of the items recorded;
 - (b) The grand total for items in 205 CMR 138.46(9)(b) through (e);
 - (c) The total number of drop boxes opened and counted;
 - (d) The date and time prepared.

- (11) After preparation of the Master Game Report or the Slot Cash Storage Box Report, the count room supervisor shall compare the total number of boxes counted to the number of boxes, including any emergency boxes, collected and recorded on the box reconciliation form. Any unresolved discrepancy shall be documented on the Drop Variance Report which shall be filed with the ~~Division~~ IEB.

- (12) All suspected counterfeit currency shall be counted and recorded as drop on the Master Game Report or Slot Cash Storage Box Report. The counterfeit currency shall be segregated from all other currency and placed in a transparent container. A count room supervisor shall complete a Department of Treasury Counterfeit Note Report and place the container and report on the banking table.

- (13) A count team member designated as the banker shall count each denomination of currency, table game coupons, tokens, and gaming chips, and verbalize the amounts. The count room supervisor shall verify the amount verbalized to the amount recorded on the Master Game Report or Slot Cash Storage Box Report. The banker and count team supervisor shall sign the report(s) attesting to the accuracy of the information recorded thereon. The information recorded thereon shall not be accessible to any person outside the count room until after the main bank cashier or cage supervisor ("cashier") has verified and accepted the drop unless otherwise authorized by the IEB.

- (14) All other count team members shall sign the Master Game Report and/or the Slot Cash Storage Box Report as evidence of their participation in the counting of the drop boxes and/or slot cash storage boxes.

- (15) After the contents of the boxes have been counted and recorded on the Master Game Report and/or Slot Cash Storage Box Report, the count room supervisor shall notify the main cage. A cashier shall enter the count room and not have any access to the information recorded on the Master Game Report or the Slot Cash Storage Box Report. The cashier, in the presence of the banker, shall count the currency, table game coupons, coins, tokens, gaming chips, and mutilated or torn items.
 - (a) Currency, table game coupons, coin, tokens, and gaming chips shall be presented in the count room by the banker to a main bank cashier or cage supervisor (cashier). Prior to having access to the information recorded on the Master Game Report or the Slot Cash Storage Box Report, the cashier, in the presence of the banker, shall count the items in accordance with the following requirements:
 - (1) The cashier shall have physical access to all items presented for counting and no currency or table game coupons presented for counting shall be wrapped or placed in

- any sealed bag or container until the entire count has been completed and the Master Game Report or the Slot Cash Storage Box Report has been signed by the cashier;
- (2) The cashier shall bulk count all strapped currency and table game coupons. The cashier shall count all partial straps, loose currency and table game coupons, mutilated or torn currency and coupons, coin, tokens, and gaming chips either by hand or with an approved counting machine. If a discrepancy in an individual denomination is discovered during the initial count, the cashier shall recount the currency of that denomination either by hand or with an approved counting machine;
 - (3) The cashier shall randomly count the currency within at least 10 percent of the total number of straps. The count shall be by hand or with an approved counting device; and
 - (4) The cashier shall randomly sample the table game coupons for intermixed denominations and proper cancellation.
- (b) If the total currency or total coupons counted by the cashier do not agree with a total on the Master Game Report or Slot Cash Storage Box Report and the discrepancy cannot be resolved, a Drop Variance Report shall be completed by the count room supervisor. The original shall be delivered to the IEB and the duplicate placed in the locked accounting box in the count room. The report shall include, at a minimum, the following:
- (1) The date of preparation;
 - (2) The source of the variance (currency and/or coupon);
 - (3) The denomination(s) of the source of the variance;
 - (4) The amount of the variance;
 - (5) The measures taken to detect the source of the variance;
 - (6) The name and signature of the count room supervisor; and
 - (7) The name and signature of the cashier.
- (c) Upon completion of the cashier's count, the cashier shall attest by signature on the Master Game Report and/or Slot Cash Storage Box Report, that the amount of cash from drop boxes counted, and the amount of coupons from table drop boxes counted as recorded on these documents, and if applicable, the Drop Variance Report, agree with the total amounts of cash and coupons counted by the count team. Upon attestation, all items other than coupons and vouchers shall be under the exclusive control of the cashier and shall not be handled by a count team member.
- (16) Once all required signatures have been obtained, a copy of the totals page of the original Master Game Report, Slot Cash Storage Box Report and disc(s) detailing all gaming vouchers and coupons counted, shall be delivered to the IEB. In addition, an electronic copy of the Master Game Report and/or Slot Cash Storage Box Report shall be filed with the IEB within 48 hours of the completion of the drop.
 - (17) Each copy of an original Master Game Report or Slot Cash Storage Box Report which is not part of a multi-part form shall be stamped with the word "copy" by the count room supervisor prior to its distribution.
 - (18) Any coupons and gaming vouchers for which the value could not be determined by the count machine or the gaming voucher system shall be segregated and placed in the locked accounting box for review.

- (19) The original Master Game Report and Slot Cash Storage Box Report, after signing, and any other supporting documentation shall be placed in the locked accounting box located in the count room. A member of the casino accounting department with no incompatible functions shall retrieve the contents of the locked accounting box and the gaming vouchers and coupons which were processed during the count immediately after the cashier verifies, accepts, and removes the drop from the count room.
- (20) For each trolley scheduled for the next drop, the count team supervisor shall determine that the number of empty boxes on the trolley is correct. The count team supervisor shall prepare and sign a drop box verification form as required by these regulations, with the following:
 - (a) The trolley number;
 - (b) The pit number and number of empty boxes by pit, if applicable;
 - (c) The slot zone and number of empty boxes by zone, if applicable; and
 - (d) The total boxes in the trolley.
- (21) A count room employee shall conduct a thorough inspection of the entire count room and all counting equipment located therein to verify that no cash, tokens, gaming chips, gaming vouchers, or coupons remain in the room and shall certify the foregoing in a writing which shall be filed with the IEB.

138.49: Procedure for opening, counting and recording the contents of bill validator boxes, gaming voucher redemption machines, determination of gross revenue deduction

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to opening, counting, and recording contents of bill validator boxes, gaming voucher redemption machines, and determination of gross revenue deduction that include, at a minimum, the following provisions:

- (1) At least once every seven days, a gaming licensee shall coordinate the removal of the bill validator boxes from all gaming voucher redemption machines and the insertion of empty, replacement bill validator boxes into the machines (the "bill validator drop").
- (2) Prior to the bill validator drop, a gaming accounting supervisor shall count the number of empty bill validator boxes to be exchanged as part of the bill validator drop and confirm, in writing on a bill validator drop form, that the count equals the number of boxes scheduled to be collected. Prior to the drop, the form shall include at a minimum:
 - (a) The date;
 - (b) The gaming voucher redemption machine number(s) or location(s);
 - (c) The number of boxes to be dropped; and
 - (d) The signature of the accounting supervisor.
- (3) A casino security department member and an accounting department member shall obtain the keys necessary to perform the bill validator drop from their respective departments.
- (4) In the presence of the casino security department member, the accounting department member shall:

- (a) Place the appropriate number of empty bill validator boxes required for the bill validator drop into a secure cart;
 - (b) Transport the cart and the boxes to the gaming area;
 - (c) Unlock the cabinet(s) housing the bill validator boxes;
 - (d) Exchange the bill validator boxes; and
 - (e) Place the boxes removed in the secure cart.
- (5) Immediately upon removal of each bill validator box, the gaming voucher redemption machine shall generate a receipt (Bill Validator Receipt) that documents the total value of each item (gaming vouchers, coupons and/or currency) in the bill validator box. Such receipt shall be placed into a locked accounting box by the accounting department member.
- (6) Prior to the movement of the collected boxes, the accounting department member shall verify and confirm in writing by signing the bill validator drop form, that the number of boxes being transported from the gaming area equals the number of boxes in 205 CMR 138.49(2)(c). Any discrepancies shall be immediately reported to the surveillance department and in writing to the IEB in-house office.
- (7) Accompanied by an accounting department member and a casino security department member, the locked cart containing the bill validator boxes shall be transported to:
- (a) The cashiers' cage for counting or a secure area approved by the IEB under the control of the main bank or master coin bank and stored there until counted; or
 - (b) The count room for counting only when the count of table game drop boxes or slot machine drop containers is not in progress.
- (8) The contents of the bill validator boxes shall be counted as follows:
- (a) If the boxes are counted in the cashiers' cage, a main bank or master coin bank cashier shall document their contents, by item and amount, on a two-part Balance Receipt.
 - (1) The cashier who documents the contents of boxes shall retain the original Balance Receipt as an inventory document until forwarded directly to the casino accounting department with the main bank or master coin bank end-of-day paperwork.
 - (2) The cashier shall place the duplicate Balance Receipt in a locked accounting box.
 - (b) If the boxes are counted in the count room, the casino accounting department member(s) performing the count shall document the count for each individual bill validator box on a Balance Receipt. If the counting equipment documents the count of each individual bill validator box, the gaming vouchers, coupons and currency need only be documented for the entire bill validator drop and not for each individual bill validator box. At the completion of the count, a main bank or master coin bank cashier shall verify the contents on the Balance Receipt.
 - (1) The accounting department member(s) shall transport the gaming vouchers and coupons directly to the accounting department together with the original Balance Receipt and the supporting documentation for each bill validator box.

- (2) The main bank or master coin bank cashier shall transport the currency directly to the main bank or master coin bank together with the duplicate Balance Receipt.

(9) A gaming licensee shall generate reports necessary to reconcile the funds placed into and dispensed by the gaming voucher redemption machines.

138.50: Temporary amendments for pit and slot zone configurations or reconstitutions **Reserved**
for future use

~~A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to the temporary configurations, reconfigurations, or reconstitutions for pit and slot zones that include, at a minimum, the provisions contained in 205 CMR 138.07, and the following:~~

~~(1) A gaming licensee may temporarily reconfigure one or more pits or slot zones by filing a notice with the commission at the IEB office in the gaming establishment to temporarily reconfigure for each pit or slot zone specified in the notice, which shall be filed at least 24 hours prior to implementing such alternate configuration. If the gaming licensee does not receive a response to the petition within that 24 hour period, the gaming licensee may proceed with the reconfiguration or reconstitution.~~

~~(2) Each such reconfigured pit shall not:~~

- ~~(a) Exceed the dimensions approved for the pit that existed immediately prior to the reconfiguration; nor~~
- ~~(b) Include any change requiring the approval of a building official without having first obtained that approval and the approval of the commission.~~

~~(3) Each pit operating under an approved configuration shall have an alarm system, approved by the commission, which enables a pit clerk or a pit supervisor to transmit a signal that is audibly and visually reproduced in each of the following locations whenever there is an emergency in the pit:~~

- ~~(a) The surveillance monitoring rooms; and~~
- ~~(b) The casino security department.~~

RESERVED

138.51: Accounting controls for gaming voucher redemption machines

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing a computerized gaming voucher system for the redemption of gaming vouchers that comports with 205 CMR 143.00 and for the reconciliation of the contents of the redemption machines.

138.52: Slot Machines and bill changers; coin and token containers; slot cash storage boxes;

entry authorization logs

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to slot machines and bill changers that include, at a minimum, the following provisions: **provisions to ensure that all gaming devices and electronic gaming equipment in the gaming establishment comport with 205 CMR 143.00.**

- (1) Each slot machine which accepts coin or tokens shall have:
 - (a) A container, to be known as a payout reserve container ("hopper"), in which coins or slot tokens are retained by the slot machine to automatically dispense coins or slot tokens to pay jackpots or credits remaining on a slot machine, or to automatically replenish another hopper in the slot machine with coins or slot tokens. The slot machine shall be designed to divert accepted coins or slot tokens that exceed the amount of the initial hopper fill from the hopper to the slot drop bucket or, if applicable, the slot drop box;
 - (b) A container, known as a slot drop bucket or slot drop box, to collect coins or slot tokens that are retained by the slot machine and are not used to make change or automatic jackpot payouts. Each slot drop bucket or slot drop box shall be identified by a number which corresponds to the asset number of the slot machine, and which is permanently imprinted on or affixed to the outside of the slot drop bucket or slot drop box in numerals. The number shall be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the gaming licensee's CCTV system. In addition to bearing an asset number, each slot drop bucket or slot drop box may also be identified by a bar code label that is securely affixed thereto. Each bar code label affixed to a slot drop bucket or slot drop box shall:
 - (1) Be encoded, at a minimum, with the asset number of the slot machine in which the slot drop bucket or slot drop box is housed; and
 - (2) Require the completion of a Bar Code Label Request Form that is signed by the requester and the preparer; provided, however, that a bar code label prepared by a member of the count team shall be tested and verified by a count room supervisor or representative of the accounting department other than a member of the count team, prior to the label being attached to the slot drop bucket or slot drop box; and
 - (c) On those slot machines which include a bill changer, a secure, tamper-resistant container known as a slot cash storage box, in which shall be deposited all currency, gaming vouchers and coupons inserted into the bill changer. If the slot machine does not contain a hopper, the slot cash storage box shall be accessible only by a dedicated bill changer drop door that can be opened without opening the slot machine's main door or any other compartment of the slot machine.
- (2) A slot drop bucket shall be housed in a secure compartment separate from any other compartment of the slot machine. Access to the compartment shall be by two keys, both of which are different from each other and different from the keys utilized to secure all other compartments of the slot machine. One key shall be maintained and controlled by the casino

security department and the other key shall be maintained by the accounting department in a secure area within that department. Access to the key may be gained only by a supervisor of the department and shall require the use of a sign in and sign out procedure.

- (3) Any slot machine equipped to accept slot tokens in denominations of \$25.00 or more shall utilize a slot drop box, rather than a slot drop bucket.
- (4) A slot drop box shall have:
 - (a) A slotted opening through which coins and slot tokens can be deposited;
 - (b) A device that will automatically close and lock the slotted opening upon removal of the slot drop box from the slot machine; and
 - (c) A key securing the contents of the slot drop box which is different from the keys utilized to secure all other compartments of the slot machine. The key shall be maintained and controlled by the accounting department in a secure area within that department. Access to the key may be gained only by a supervisor in that department and shall require the use of a sign in and sign out procedure.
- (5) A slot drop box shall be housed in a locked compartment separate from any other compartment of the slot machine. The compartment in which the slot drop box is located shall be secured by a key, which shall be different from the key securing the contents of the slot drop box and any other compartment of the slot machine. The compartment key shall be maintained and controlled by the casino security department in a secure area within that department. Access to the key may be gained only by a supervisor in that department and shall require the use of a sign in and sign out procedure.
- (6) Each slot cash storage box shall:
 - (a) Have a key securing the contents of the slot cash storage box which is different from the keys utilized to secure all other compartments of the slot machine. The key shall be maintained and controlled by the accounting department in a secure area within that department. Access to the key may be gained only by a supervisor in that department and shall require the use of a sign in and sign out procedure;
 - (b) Have a slot opening through which currency, gaming vouchers and coupons can be inserted into the slot cash storage box;
 - (c) Have a mechanical arrangement or device that prohibits removal of currency, gaming vouchers and coupons from the slot opening whenever the slot cash storage box is removed from the bill changer;
 - (d) Be fully enclosed, except for such openings as may be required for the operation of the bill changer or the slot cash storage box; provided, however, that the location and size of such openings shall not affect the security of the slot cash storage box, its contents or the bill changer; and
 - (e) Have an asset number that is permanently imprinted, affixed or impressed on the outside of the slot cash storage box which corresponds to the asset number of the slot machine to which the bill changer has been attached. In lieu of the asset number, a gaming licensee may develop and maintain a system for assigning a unique identification number to its slot cash storage boxes. The asset number or unique identification number must be conspicuous and clearly visible to persons involved in removing or replacing the slot cash storage box in the bill changer and through the gaming licensee's CCTV system. In addition to bearing an asset number or unique identification number, each slot cash

storage box may also be identified by a bar code label that is securely affixed thereto. Each bar code label affixed to a slot cash storage box shall be:

- (1) Encoded, at a minimum, with the asset number of the slot machine in which the slot cash storage box is housed; and
 - (2) Prepared in accordance with a gaming licensee's internal controls, which controls shall require, without limitation, the completion of a Bar Code Label Request Form that is signed by the requester and the preparer; provided, however, that a bar code label prepared by a member of the count team shall be tested and verified by a count room supervisor or representative of the accounting department other than a member of the count team, prior to the label being attached to the slot cash storage box.
- (7) The area in which the slot cash storage box is located shall be secured by a key and separate from and accessible independently of any other compartment of the slot machine, the slot drop bucket or the slot drop box. The key to the lock securing the area where the slot cash storage box is located shall be different from the key securing the contents of the slot cash storage box. The compartment key shall be maintained and controlled by the casino security department or the slot department in a secure area within that department. Access to the key may be gained only by a supervisor in that department; provided, however, if the slot department controls the key, the slot department supervisor may issue the key to a casino security department supervisor, who may give it to appropriate casino security department personnel only for the purpose of participating in the transportation of slot cash storage boxes. Access to the key shall require the use of a sign in and sign out procedure.
- (8) Except as otherwise provided, keys to each slot machine, or any device connected thereto which may affect the operation of the slot machine, including, without limitation, keys that activate a jackpot to credit meter switch, shall be maintained in a secure place and controlled by the slot department. Access to the keys shall require the use of a sign in and sign out procedure.
- (9) Any key removed from a department's secure area pursuant to 205 CMR 138.52(2), (4), (5), (6), or (7), shall be returned no later than the end of the shift of the department member to whom the key was issued, and the department shall establish a sign out and sign in procedure for all such keys removed.
- (10) The following entry authorization logs shall be maintained by the gaming licensee unless the information is recorded electronically:
- (a) Whenever a slot machine, or any device connected thereto which may affect the operation of the slot machine, is opened, with the exception of a bill changer, certain information shall be recorded on a "Machine Entry Authorization Log." The information shall include, at a minimum, the date, time, purpose of opening the machine or device, and the signature of the authorized employee opening the machine or device. The Machine Entry Authorization Log shall be maintained in the slot machine and shall have recorded thereon a sequential number and a manufacturer's serial number or the asset number of that slot machine;
 - (b) Whenever a progressive controller not housed within the cabinet of a slot machine is opened, the information specified in 205 CMR 138.52(10)(a) shall be recorded on a "Progressive Entry Authorization Log." The Progressive Entry Authorization Log shall

- be maintained in the progressive unit and shall have recorded thereon a sequential number and serial number of the progressive controller;
- (e) ~~With the exception of the transportation of slot cash storage boxes, whenever a bill changer, other than a separate slot cash storage box compartment, is opened, certain information shall be recorded on a "Bill Changer Log." The information shall include, at a minimum, the date, time, purpose of opening the bill changer, and the signature of the authorized employee opening the bill changer. The Bill Changer Log shall be maintained in the bill changer and shall have recorded thereon a sequential number and the serial number or asset number of the bill changer. If the bill changer is contained completely within the cabinet of a slot machine and there is no separate access to the bill changer unit, the information may be recorded on the Machine Entry Authorization Log required by 205 CMR 138.52(10)(a), provided that any information that concerns the opening of the bill changer may be distinguished from any information that concerns the opening of the slot machine or any other device connected thereto; and~~
 - (d) Whenever a printer for an approved gaming voucher system is accessed, the date, time, purpose of such access, and the signature of the authorized employee shall be recorded in the log required by either ~~205 CMR 138.52(10)(a) or (c)~~, or a separate log.

138.53: Progressive slot machines

If a gaming licensee offers one or more progressive jackpots that increase in value as the machine is played based upon a set rate of progression and awarded when a player achieves a specific game outcome, the system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and protocols as provided by 205 CMR 143.02.

138.54: Linked slot machines interconnected in more than one gaming establishment; slot system operator; computer monitor

Prior to participation by a gaming licensee in a multi-casino progressive slot system the gaming license shall submit a system of internal controls in accordance with 205 CMR 138.02 specifying the manner in which the participating gaming licensees and slot system operators will satisfy the provisions of 205 CMR 143.02.

138.55: Inspection of slot machine jackpots

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures governing the inspection of slot machines and electronic gaming devices including, at a minimum, the following provisions:

- (1) For all slot machine and other electronic gaming device jackpots over \$75,000 in cash, merchandise, or cash equivalent value, or any jackpot where there is evidence of a

- malfunction, the gaming licensee shall notify the IEB that a jackpot has been registered and permit the IEB to inspect any slot machine, progressive equipment or related equipment; and
- (2) Policies with respect to the payment of jackpots if an inspection is pending, but not yet completed, or an inspection is performed and the results are such that the jackpot may have been the result of an impropriety.

138.56: Attendant paid jackpots and credit meter payouts

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures governing the payment of jackpots and credit meter ~~redemptions~~ **payouts** if and when the payment is not automatically disbursed from a slot machine or electronic gaming device in the form of a gaming voucher ~~if these practices will be utilized at the gaming establishment.~~

138.57: **Reserved for future use**

RESERVED

138.58: Alternate forms of jackpot payments

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing the offer and payment of alternate forms of jackpots to include, but not be limited to:

- (1) If the jackpot is in the form of an annuity or other non-cash instrument, the terms and conditions on which that jackpot will be authorized, awarded and accounted for, **including for any annuity jackpot a provision ensuring that, except as otherwise directed by the recipient, any remaining payments will be paid to the recipient's estate after the recipient's death;**
- (2) If the jackpot is in the form of merchandise, the terms and conditions on which that jackpot will be authorized, awarded and accounted for; and
- (3) That appropriate tax forms are completed.

138.59: Procedure for filling payout reserve containers of slot machines and hopper storage areas

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures for filling payout reserve containers of slot machines and hopper storage areas, if utilized.

138.60: Procedure governing the removal of coin, slot tokens and slugs from a slot machine hopper

If a gaming licensee uses slot machines at the gaming establishment that accept coins, the system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures governing the removal of coin, slot tokens, and slugs from a slot machine hopper.

138.61: Slot accounting requirements; electronic table games which accept gaming vouchers or coupons redeemed by gaming voucher system

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include slot accounting procedures designed to ensure that the gaming licensee's slot activities are accurately and timely recorded and reported. Specifically, the policies and procedures, **which shall comport with 205 CMR 143.03**, shall include, but not be limited to:

- (1) Identification of the specific types of gaming devices from which the revenue is considered slot revenue for reporting purposes.
- (2) The specific reports, by content and frequency, generated by the licensee's automated slot monitoring system, including the distribution thereof and the controls in place to maintain the integrity of the information contained therein.
- (3) The specific procedures utilized by the accounting department to review reports generated by the slot monitoring system and compare the information contained therein to supporting documents to include, but not be limited to:
 - (a) Records of currency, coupons and gaming vouchers inserted for credit.
 - (b) Records of wagering activities from account based wagering reports.
 - (c) Records of wagering activities from electronic fund sources.
 - (d) Records of fills.
 - (e) Records of jackpot and credit meter payouts.
 - (f) Records of voucher payouts.
 - (g) The contents, as counted, of slot cash storage boxes.
 - (h) Variances reported in the slot cash storage box count process.
 - (i) Such other documents that support the reported activity of a slot machine or other electronic gaming device.
- (4) Its detailed procedures to investigate and resolve differences, identified by the accounting department, resulting from the comparisons identified in 205 CMR 138.61(3), including supervisory approval thereof.
- (5) Its detailed procedures to audit and account for the activities of its slot machines on a manual basis, in the event that the automated slot monitoring system is not functional.

- (6) The form and frequency of its completed slot revenue reports to include the specific information contained therein (for example, revenue by machine, revenue by denomination, etc.), in a manner that is consistent with other reporting requirements.

138.62: Payment of table game progressive payout wagers; supplemental wagers not paid from the table inventory

RESERVED

138.63: Slot machines and bill changers; authorized locations; movements

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing the movement and placement of slot machines and bill changers that, at a minimum, comport with 205 CMR 145.00.

138.64: Accounting controls for chip persons and chips

RESERVED

138.65: Cashless wagering systems

RESERVED

138.66: Master lists of approved table games, movements of gaming equipment; amendments of operation certificates upon filing updated master list

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions relative to the movements of gaming equipment that incorporate, at a minimum, the following provisions:

- (1) Prior to the issuance of an operation certificate and the commencement of gaming or simulcast wagering, each gaming licensee shall file with the IEB office in the gaming establishment comprehensive lists of the table games in its gaming establishment (the Table Games Master List), if any.
 - (2) At a minimum, each Table Game Master List shall contain the following information:
 - (a) The date on which the list was prepared;
 - (b) A description of each table by:
 - (1) Type of authorized game;
 - (2) Location number; and
 - (3) Serial and table number;
- and

- (c) Such other information as the commission may require.
- (3) Whenever a gaming licensee proposes that gaming tables be brought into, removed from or moved within a gaming establishment, as applicable, the gaming licensee shall first:
 - (a) Obtain any amendment to its operation certificate; and
 - (b) Provide an authorized agent of the IEB with written notice at least 72 hours prior to the actual movement of each gaming table, slot machine and bill changer.
- (4) The gaming manager or his or her designee shall notify in writing the accounting department, the security department and the IEB, 72 hours in advance of all movements and removals of gaming tables. The notification shall include at a minimum:
 - (a) The date and time of movement or removal;
 - (b) The gaming table(s) or asset number(s) of slot machines, as applicable;
 - (c) Whether a movement or removal;
 - (d) The location from which gaming table or slot machine will be moved;
 - (e) The location to which the gaming table or slot machine will be moved; and
 - (f) The signature of a gaming manager or designee.
- (5) Prior to moving or removing a gaming table:
 - (a) The table inventory shall be credited from the table; and
 - (b) The table drop box shall be removed during a scheduled drop box pick-up and a replacement box not placed on the table.
- (6) Immediately after each gaming table is brought into, removed from or moved within a gaming establishment, the gaming licensee completing the move shall file and serve, in accordance with 205 CMR 138.66(1), updated master lists of its table games to the extent that the move causes a change in the information contained on the most recent version of the applicable list on file with the IEB.
- (7) The number of each type of authorized game included in the gaming licensee's operation certificate or any approved amendments thereto shall be amended, upon the filing of an updated Table Games Master List to conform to the correct number of each type of authorized game that is specified in the applicable list.

138.67: Employee Signatures

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions relative to signatures required in accordance with the internal controls and 205 CMR in general that incorporate the following provisions:

- (1) Signatures shall, at a minimum, comply with either of the following requirements:
 - (a) If written, they shall be, at a minimum, the signer's first initial, last name, and legible credential number, written by the signer, and be immediately adjacent to or above the title of the signer; or
 - (b) If electronic, they shall be the employee's name and identification number or other computer identification code issued to the employee by the gaming licensee, if the document to be signed is authorized to be generated by computer; and

- (c) They shall signify that the signer has personally prepared forms, records, and documents, and/or authorized, observed, and/or participated in a transaction to a sufficient extent to attest to the accuracy of the information recorded thereon, in conformity with the internal controls.
- (2) Written signature records shall be prepared for each employee required to sign records and documents and shall include specimens of signatures, titles of signers and the date the signature was obtained. Such signature records shall be maintained alphabetically by last name either on a company-wide or departmental basis. The signature records shall be adjusted on a timely basis to reflect changes of personnel.
- (3) Signature records shall either be:
 - (a) Securely stored in the accounting department; or
 - (b) Stored in electronic form and maintained by the IT Department in a secure format so that such signature records can be promptly retrieved in the event of a computer failure.

138.68: Expiration of gaming-related obligations owed to patrons; payment to the Massachusetts Gaming Control Fund

- (1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing the expiration of gaming-related obligations that provide, at a minimum, that:
 - (a) Any money that is owed to a patron by a gaming licensee as a result of a gaming transaction must be claimed within one year of the date of the gaming transaction or the obligation of the gaming licensee to pay the patron will expire. Upon expiration of the obligation, the involved funds must be transferred to ~~Massachusetts Gaming Control~~ **Gaming Revenue** Fund in accordance with M.G.L. c.23K, §§~~5753~~ **and 59**.
 - (b) A gaming licensee shall maintain a record of all gaming-related obligations that have expired.
- (2) Before the end of each calendar month the gaming licensee shall report the total value of gaming debts owed to its patrons that expired during the preceding calendar month in a format prescribed by the commission.
- (3) Each gaming licensee shall submit a check with its monthly report payable to the ~~Massachusetts Gaming Control~~ **Gaming Revenue** Fund in accordance with M.G.L. c.23K, §~~5759~~ in the amount of the gaming debts owed to its patrons that expired during the preceding month as stated in the report.
- (4) Upon the payment of the expired debt, the gaming licensee shall post the payment and remove the amount from its records as an outstanding debt.
- (5) Failure to make the payment to the ~~Massachusetts Gaming Control~~ **Gaming Revenue** Fund by the due date shall result in the imposition of penalties and interest as prescribed by 205 CMR.
- (6) Nothing in 205 CMR 138.68 shall preclude the gaming licensee from, in its discretion, issuing cash or other form of complimentary to a patron to compensate the patron for a gaming debt that has expired.

138.69: Entertainment, filming or photography within the gaming establishment area

- (1) No entertainment, filming or photography shall be offered or conducted within the gaming establishment area, or shall be significantly visible or audible from or in the gaming establishment area, unless the gaming licensee files a written notice with the IEB, at least 24 hours prior to the commencement of such entertainment, filming or photography, which notice shall include, at a minimum, the following information:
 - (a) The date and time of the scheduled entertainment, filming or photography;
 - (b) A detailed description of the type of entertainment, filming or photography to be offered;
 - (c) The number of persons involved in the entertainment, filming or photography;
 - (d) The exact location of the entertainment, filming or photography in the gaming establishment;
 - (e) A description of any additional security measures that will be implemented as a result of the entertainment, filming or photography; and
 - (f) A certification from the supervisors of the gaming licensee's security, gaming operations, and surveillance departments that the proposed entertainment, filming or photography will not adversely affect the security and integrity of gaming operations.
- (2) The IEB may at any time require the gaming licensee to immediately cease any entertainment, filming or photography offered within the gaming establishment, if the entertainment, filming or photography provided is in any material manner different from the description contained in the submission filed pursuant to 205 CMR 138.69(1) or in any way compromises the security or integrity of gaming operations.
- (3) In reviewing the initial or continued suitability of an entertainment, filming or photography proposal, the IEB shall consider the extent to which the entertainment, filming or photography proposal may unduly disrupt or interfere with:
 - (a) Efficient gaming operations;
 - (b) The security of the gaming establishment or any portion thereof;
 - (c) Surveillance operations; or
 - (d) The security or integrity of gaming operations or any authorized game.

138.70: Technical standards for count room equipment

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall identify all equipment used in the counting process of the contents of drop boxes, slot cash storage boxes, slot drop buckets, and slot drop boxes that include, at a minimum, the following provisions:

- (1) A detailed description of the design and use of the computer equipment and any communication interfaces related to the counting process;
- (2) Names of all revenue files and who has access and what type of access they have to these files; and
- (3) Procedures for controlling changes to computer equipment, communication interfaces, configuration, and software which provide for, at a minimum, written or electronic notification in accordance with 205 CMR.

205 CMR 138: M.G.L. c. 23K, §§4(28), 4(28), 5, ~~and~~ 25(d), 27, and 28.

DRAFT

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APRIL 13, 2015

VIA EMAIL

Massachusetts Gaming Commission
84 State Street
Boston, MA 02109

RE: Blue Tarp reDevelopment Comments on 205 CMR 138.00

To Whom It May Concern:

In response to the Massachusetts Gaming Commission's (Commission) release of a revised draft of 205 CMR 138.00, *Uniform Standards of Accounting Procedures and Internal Controls*, reviewed at the Commission's April 2, 2015, Public Meeting, Blue Tarp reDevelopment LLC ("MGM Springfield"), submits the following comments on the revised proposed Regulation to the Commission. These comments supplement Blue Tarp's October 23, 2014, November 11, 2014, January 16, 2015 and February 23, 2015 comments. As is the case with all the recommended changes to the regulations pertaining to internal controls, the plans, once developed by the licensee, must be approved by the Commission therefore ensuring that the purpose and intent of the Regulation will be accomplished.

Comments on 205 CMR 138.00: Uniform Standards of Accounting Procedures and Internal Controls

205 CMR 138.04(2)(g):

This section requires licensees to have a compliance committee of at least 3 members, one of whom shall be independent of the licensee. MGM has had a compliance plan and compliance committee consisting entirely of independent members in place for many years and generally supports this requirement. This section also contains an enumerated minimum list of specific policies and procedures that the compliance committee must have. The enumerated list is consistent with requirements in other jurisdictions and acceptable to MGM, with the understanding that licensees not be required to review every payment or activity listed and with the understanding that compliance plans vary depending upon the circumstances of each licensee. For example, in another jurisdiction, the review of gifts to public officials contains an exception for items offered to the general public. We suggest this section be amended to require that the compliance committee *establish* standards and procedures for the review, monitoring and reporting of these matters. *See* N.J.A.C. 13:69C-8.8(c). The last sentence of the first paragraph of section 138(2)(g) should be amended as follows:

The compliance committee shall provide its policies and procedures to the commission which shall, at a minimum, establish standards and procedures for the following:

205 CMR 138.04(2)(g)(2):

This section requires the compliance committee have standards and procedures for review of payments to individuals and entities with business associations and the provision of services, gifts or anything of value to

or on behalf of any public official. This section does not distinguish between domestic and foreign public officials. The review of the provision of services, gifts or anything of value to or on behalf of any foreign public official is a highly specialized matter that takes specific expertise in the Foreign Corrupt Practices Act and other applicable federal and foreign laws. For MGM Resorts International, with operations outside of the United States, this compliance function is under the auspices of the Office of the General Counsel which relies on expert inside and outside counsel for review of these matters. The expertise required for foreign transactions is generally outside the scope of that contained by members of a compliance committee. We therefore request that this section be amended to allow this compliance function to be performed by the licensee's General Counsel as follows:

The review of payments to individuals and entities with business associations and the provision of services, gifts or anything of value to or on behalf of any domestic public official; provided that the review of such conduct involving a foreign public official may be performed by the licensee's general counsel or their designee;

As an alternative, MGM Springfield requests that the Commission recognize that MGM may seek a variance to the compliance committee requirement consistent with the above pursuant to 205 CMR 138.06. In addition, the meaning of the phrase "with business associations" is broad and unclear. Is it intended to preclude a licensee from doing business with a local vendor that employs a member of the local school committee, or to preclude a licensee from doing business with a local business owned by a local official? Rather, we believe the intent is to preclude a licensee from entering into a joint venture or similar ownership relationship with a public official and request that the meaning be clarified.

205 CMR 138.04(2)(g)(7) and 205 CMR 138.04(2)(h):

Under both of these sections, licensees are under an obligation to provide copies of the compliance committee meetings and audit committee meetings within 45 days of the conduct of these meetings. In some instances, meeting minutes may not be finalized, which typically requires review and vote of the committee, within the 45 day filing deadline. Both these sections should be amended to allow the filing of draft minutes within the proscribed timeframe with a supplemental filing upon the minutes being finalized. Each section should be amended by adding:

Minutes in draft form may be submitted in compliance with this section followed by final minutes when approved.

205 CMR 138.11.

This section sets forth in detail minimum staffing levels that must be included in the licensee's job compendium for the conduct of gaming. Overall, MGM Springfield requests that the Commission recognize that staffing levels for the conduct of gaming will continue to evolve and be influenced by advances in technology in surveillance, and in some instances, in the games themselves. Further, this portion of the regulation as it pertains to games other than slots seeks to establish minimum standards for the Category 1 licensee table games approximately two (2) years in advance of commencing gaming operations and well in advance of finalizing the gaming area offerings and layout.

Nevertheless, please consider the following clarifications and amendments to the requirements for personnel assigned to the operation and conduct of gaming. First, throughout section 138.11 the Commission should clarify that "pai gow" refers to "pai gow tiles" and not "pai gow poker" or a similar game played with a 52 card deck. Second, the Commission should create exceptions from the minimum staffing supervision for all automated games. Automated games are monitored and have controls similar to slot machines that do not require the same staffing levels as equivalent live versions of these games (*see e.g.*, reference to automated craps (138.11(4)(e)(1)) to ensure the integrity of the game and protect revenue. Third, in section 138.11(4)(e)(1), the floor person to table game supervision ratio should be no more than 8 tables per supervisor rather than the proposed 6 tables per supervisor requirement. Finally, the proposed one person to one baccarat table ratio contained in section 138.11(4)(e)(1) should be change to one person per 3 baccarat tables.

Thank you for your attention to this matter.

Sincerely,

BLUE TARP REDEVELOPMENT LLC

by its Attorney,

BROWN RUDNICK LLP



Jed M. Nosal

cc: Catherine Blue, General Counsel
Todd Grossman, Deputy General Counsel
John Ziemba, Ombudsman

No Documents



Amended Small Business Impact Statement

The Massachusetts Gaming Commission (“Commission”) hereby files this amended small business impact statement in accordance with G.L. c.30A, §5 relative to the proposed new regulations in 205 CMR 139.00: Continuing Disclosure and Reporting Obligations of Gaming Licensees, for which a public hearing was held on April 23, 2015. These regulations were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. These regulations govern the requirements and procedures for continuing disclosure and reporting of financial and governing documents by the gaming licensees. The proposed regulations are largely directed by G.L. c.23K, §§ 5, 21, 23, 28, 29, and 65.

These new regulations apply directly to the gaming licensees. Accordingly, these regulations are unlikely to have an impact on small businesses. In accordance with G.L. c. 30A, §5, the Commission offers the following responses on whether any of the following methods of reducing the impact of the proposed regulation on small businesses would hinder achievement of the purpose of the proposed regulation:

1. Establishing less stringent compliance or reporting requirements for small businesses:

As a general matter, no small businesses will be impacted by these regulations. Accordingly, there are no less stringent compliance or reporting requirements for small businesses.

2. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:

There are no schedules or deadlines for compliance or reporting requirements for small businesses created by these regulations.

3. Consolidating or simplifying compliance or reporting requirements for small businesses:

There are no compliance or reporting requirements for small businesses.

4. Establishing performance standards for small businesses to replace design or operational standards required in the proposed legislation:

There are no performance standards for small businesses to replace design or operational standards required in the proposed regulations.



Massachusetts Gaming Commission

5. An analysis of whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:

M.G.L. c.23K was enacted to create a new industry in the Commonwealth and to promote and grow local small businesses and the tourism industry, including the development of new small businesses. The proposed regulations are designed to effectuate those intentions and growth. Furthermore, regulations of this sort are mandated by statute and common in the gaming industry.

6. Minimizing adverse impact on small businesses by using alternative regulatory methods:

There are no alternative regulatory methods to minimize adverse impacts on small businesses.

Massachusetts Gaming Commission
By:

Cecelia M. Porché
Paralegal/Legal Division

Dated:



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION
205 CMR 139.00: CONTINUING DISCLOSURE AND REPORTING OBLIGATIONS OF
GAMING LICENSEES

Section

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139.01: Records regarding company ownership

A gaming licensee and its holding companies shall maintain up to date records regarding the equity structure and ownership of the gaming licensee, including, at a minimum:

- (1) Certified copies of incorporation and formation documents and any amendments thereto.
- (2) By-laws, shareholders agreements, operating agreements, partnership agreement, intercompany transactions, joint venture agreements, merger and acquisition agreements, and other relevant corporate documents.
- (3) Current listing of officers, directors, members, partners.
- (4) Minutes of all meetings of shareholders, directors or members.
- (5) Current list of all equity owners, stockholders and stockholders of affiliates.
- (6) Detailed records regarding all capital contributions.
- (7) Detailed records regarding distributions to all equity holders.
- (8) Detailed records regarding all remuneration paid to officers, directors, partners and members.

- (9) Detailed records regarding any equity transfers.
- (10) Detailed records regarding all record holders of any or all classes of publicly traded securities issued by any holding company or by any other affiliated entity which is required to qualify as a financial source in connection with the gaming licensee's gaming license.
- (11) Any other records as the commission deems appropriate.

139.02: Accounting system

- (1) Each gaming licensee shall maintain and submit to the commission for approval, in accordance with 205 CMR 138.02, a system of financial accounting that results in the licensee accurately reporting its assets, liabilities, equity, income and expenses.
- (2) The system of financial accounting shall comply with generally accepted accounting principles and shall provide adequate detail so as to allow the commission to fully understand the gaming licensee's statement of condition and results of operations. To this extent, the gaming licensee shall submit a proposed full chart of accounts which shall be maintained and updated with the commission within 30 days of any changes.
- (3) The gaming licensee's system of financial accounting shall provide a level of detail so as to allow it to accurately compute gross gaming revenue in accordance with 205 CMR 140.02 and to report the gaming licensee's drop, win, and hold percentage for each form of gaming activity, the value of complimentary goods or services and promotional play issued during the accounting period, and any other information necessary to allow the commission to understand the licensee's results of operations.
- (4) The gaming licensee shall maintain detailed information and documentation to support all amounts reported to the commission as being the gaming licensee's assets, liabilities, equity, income and expenses.

139.03: Financial and statistical reports

- (1) Each gaming licensee shall file the following reports electronically, on a set of standard reporting forms to be prescribed by the commission, or in any other manner prescribed by the commission:
 - (a) Pursuant to M.G.L. c. 23K, § 21(a)(12), a detailed annual report on the number, job titles, benefits and salaries of employees hired and retained in employment at the gaming establishment.
 - (b) Pursuant to M.G.L. c. 23K, § 21(a)(24), a detailed annual statistical report on the total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises in:
 - (1) Design contracts;
 - (2) Construction contracts; and

(3) Contracts for every good and service procured by the gaming establishment.

The annual statistical report shall also identify the amounts so contracted as a percentage of the total dollar amounts contracted with and actually paid to all firms.

- (c) Pursuant to M.G.L. c. 23K, § 21(a)(23), on a quarterly basis, a detailed statistical report, on the number, gender and race of individuals hired to perform labor as part of the construction of the gaming establishment.
- (d) Pursuant to M.G.L. c. 23K, § 21(a)(15), on an annual basis, and at other times as directed by the commission, aggregate demographic information with respect to the gaming licensee's customers in a format provided by the commission.
- (e) Pursuant to M.G.L. c. 23K, § 23(a), on an annual basis, and at other times as directed by the commission, a report explicitly stating the gaming licensee's progress on meeting each of the stated goals and stipulations put forth in its RFA-2 application.
- (f) Pursuant to M.G.L. c.23K, §28(b), on a quarterly basis, and at other times as directed by the commission, a report covering all complimentary services offered or engaged in by the gaming licensee during the immediately preceding quarter. The reports shall identify regulated complimentary services and the costs of those services, the number of people who received each service or item and such other information as the commission may require. The report shall also document any services or items valued in excess of \$2,000 that were provided to patrons, including detailed reasons as to why they were provided. Valuation shall be performed in accordance with M.G.L. c.23K, §28(c).
- (g) Pursuant to M.G.L. c.23K, §29, a gaming licensee who has implemented a player card/rewards card program in accordance with 205 CMR 138.13, or cashless wagering system, shall annually report to the commission the amount of money spent and lost by patrons who have been issued a player card or rewards card or who participated in a cashless wagering system, aggregated by zip code.
- ~~(g)~~ (h) Reports prescribed in accordance with 205 CMR 138.05(2) relative to registered and licensed employees;
- ~~(h)~~ (i) The Disbursement Report relative to vendors in accordance with 205 CMR 138.06(2);
- ~~(i)~~ (j) Counter check and slot counter check information maintained in accordance with 205 CMR 138.43(2)(l)-(n).
- ~~(j)~~ (k) Pursuant to St. 2011, c. 194, §97, as directed by the commission, customer tracking data collected or generated by loyalty programs, player tracking software, player card systems, online gambling transactions or any other information system.
- ~~(k)~~ (l) Daily remittance report required in accordance with 205 CMR 140.03.

~~(4)~~ (m) Quarterly and annual gross gaming revenue reports required in accordance with 205 CMR 140.04.

~~(m)~~ (n) Any other report or information requested by the commission or IEB.

(2) The reports shall be attested to by any of the following: the Chief Executive Officer, Chief Gaming Executive, Chief Financial Officer, Treasurer, Financial Director, Controller, or their functional equivalent.

(3) Annual reports to the commission shall be based on a calendar year, beginning January 1, and ending December 31; Quarterly reports shall be based on calendar quarters ending March 31, June 30, September 30, and December 31 and Monthly reports shall be based on calendar months.

(4) Each report to the commission shall be made in a format acceptable to the commission and electronically filed not later than the following applicable filing date unless the gaming licensee makes a written request for an extension and the extension is granted to the gaming licensee in writing by the commission. The commission may request that any report be provided at any time notwithstanding any specific timing requirement. Any filing date that falls on a Saturday, Sunday, or Federal or State holiday shall be extended until the next business day. The filing dates shall be as follows:

- (a) Monthly gross gaming revenue tax reports shall be due not later than 9:00 a.m. on the 10th calendar day following the end of the month.
- (b) All quarterly reports for the quarters ended March 31, June 30, and September 30 shall be due not later than the 15th calendar day of the second month following the end of the quarter.
- (c) All quarterly reports for the quarter ended December 31 shall be due not later than March 31 of the following year.
- (d) All annual reports shall be due not later than March 31 of the following year.

(5) To the extent possible, any adjustments resulting from the annual audit required in accordance with 205 CMR 139.06 shall be recorded in the accounting records of the year to which the adjustment relates. In the event the adjustments were not reflected in the licensees' quarterly report for the quarter ended December 31 and the commission concludes the adjustments are significant, a revised quarterly report for the quarter ended December 31 may be required from the gaming licensee. The revised filing shall be due within 30 calendar days after notification to the licensee, unless an extension is granted by the commission.

139.04: Monthly and quarterly financial statements

(1) Each gaming licensee shall submit monthly internal financial statements that at a minimum provide detailed income and expense statements within five days of completion and in no event later than the end of the subsequent month.

(2) Each gaming licensee shall submit quarterly financial reports of the gaming licensee when

prepared and in no event later than the 15th calendar day of the second month following the end of the quarter.

(3) Each gaming licensee shall submit annual internal budgeting documents and monthly updates.

139.05: Financial stability filings by a gaming licensee

(1) Each gaming licensee shall file with the commission a statement that the gaming licensee is in compliance with 205 CMR 139.05(1)(a) through (e); which statement shall accompany each quarterly financial report filed pursuant to 139.04(2):

- (a) Maintenance of a gaming bankroll or equivalent provisions adequate to pay winning wagers to gaming patrons when due. A gaming licensee shall be deemed to have met this standard if it maintains, on a daily basis, a gaming bankroll, or a gaming bankroll and equivalent provisions, in an amount which is at least equal to the average daily minimum gaming bankroll or equivalent provisions, calculated on a monthly basis, for the corresponding month in the previous year. For any gaming licensee which has been in operation for less than a year, such amount shall be determined by the commission based upon the gaming licensee's projections, which may take into consideration levels maintained by gaming licensee in comparable properties in other jurisdictions.
- (b) Ability to achieve positive Earnings Before Interest, Taxes and Amortization (EBITA), measured on an annual basis.
- (c) The ability to pay, as and when due, all local, state and federal taxes, including the tax on gross gaming revenues imposed by M.G.L. c.23K, §55 and any fees imposed under M.G.L. c.23K or 205 CMR.
- (d) The ability to make annual capital expenditures to its gaming establishment in a minimum aggregate amount equal to 3.5 per cent of the net gaming revenues derived from the establishment or in accordance with a multi-year capital expenditure plan approved by the commission pursuant to 205 CMR 138.27.
- (e) The ability to pay, exchange, refinance or extend debts, including long-term and short-term principal and interest and capital lease obligations, which will mature or otherwise come due and payable during the license term, or to otherwise manage such debts and any default with respect to such debts.

(2) Prior to the end of each calendar year, a gaming licensee shall file with the commission financial projections for the upcoming calendar year in a format acceptable to the commission which will, at a minimum, provide a statement of income, balance sheet, and statement of cash flows.

(3) At the end of each calendar year, each gaming licensee shall file with the commission a detailed analysis with respect to its compliance with subsection 205 CMR 139.05(1) (a) through (e) and provide such other information as the commission shall deem material to a showing of financial stability.

(4) A gaming licensee shall file with the commission copies of any compliance certificates when provided to lenders pursuant to any loans or debt instruments of each gaming licensee, affiliate, or holding company thereof.

(5) A gaming licensee shall file with the commission essential details of any loans, covenants, borrowings, installment contracts, guarantees, leases, capital contributions, or any other debt no later than 10 days after the end of the month in which the transaction or event occurs.

(6) Any event of default, or potential default event, related to any debt obligation maintained by the gaming licensee, affiliate, or holding company thereof shall be immediately reported to the commission, in writing, along with any plans to address or cure such default.

(7) In the event that the commission determines that a gaming licensee has failed to demonstrate financial stability, the commission may take such action as is necessary to protect the public interest, including, but not limited to:

- (a) establishing an appropriate cure period;
- (b) imposing reporting requirements in excess of those otherwise mandated by M.G.L. c.23K and 205 CMR;
- (c) placing such restrictions on the transfer of cash or the assumption of liabilities as is necessary to insure future compliance with the standards set forth in subsections 205 CMR 139.05(a)(1) through (5);
- (d) requiring the maintenance of reasonable reserves or the establishment of dedicated or trust accounts to insure future compliance with financial stability standards;
- (e) impose additional license conditions; and/or
- (f) revoking the gaming licensee's gaming license.

139.06: Annual audit and other reports

(1) A gaming licensee shall submit to the commission, at its own expense, an annual audit of its fiscal year prepared in accordance with generally accepted auditing standards within the United State by an independent certified public accountant attesting to the financial condition of the gaming licensee and disclosing whether the accounts, records and control procedures examined are maintained by the gaming licensee as required M.G.L. c.23K and 205 CMR. To ensure the independence of the annual audit, a gaming licensee shall rotate accounting firms/partners at least every five years.

(2) The annual financial statements shall be prepared on a comparative basis for the current and prior calendar year, and present the financial position and results of operations in conformity with generally accepted accounting principles in the United States.

(3) The annual financial statements shall include footnotes reconciling and explaining any differences between the financial statements included in the gaming licensee's quarterly financial report for the quarter ended December 31 and the audited financial statements, with such footnote, at a minimum, disclosing the effect of such adjustments on:

- (a) Gaming revenues.
- (b) Revenues net of complimentary services.
- (c) Total costs and expenses.
- (d) Income before extraordinary items.
- (e) Net income.
- (f) Large book to tax differences or reconciliations.

(4) The annual financial statements shall include a study of the gaming licensee's system of internal accounting control, as designed, conducted by the independent certified public accountant, for the purpose of expressing an opinion as to the adequacy of said internal controls, and for the purpose of conducting compliance tests to determine whether material aspects of the system of internal control are in place and being followed. The gaming licensee's independent certified public accountant shall issue a written report, or opinion, as to the adequacy of the licensee's system of internal accounting control, and as to the gaming licensee's level of compliance therewith. In the event that the gaming licensee's independent certified public accountant makes recommendations to improve the system of internal accounting control, or to increase the gaming licensee's level of compliance, the gaming licensee's Chief Financial Officer shall respond, in writing, to the recommendations of the independent certified public accountant and provide the commission with a copy of its response.

(5) One copy of the audited financial statements, together with the management letter or report prepared thereon by the gaming licensee's independent certified public accountant, shall be filed with the commission by April 30 following the end of the calendar year or the end of the quarter following the end of a fiscal year.

(6) In the event the gaming licensee's independent certified public accountant shall resign or be removed as the gaming licensee's principal accountant or auditor, the gaming licensee shall submit a written report to the commission within 20 days of such resignation or removal, signed by its Chief Financial Officer and Chairman of its Audit Committee, outlining the cause or nature of the resignation or removal, stating whether the resignation or removal was related to material differences between the parties as to financial statement presentation issues, disclosures, or the adequacy of the gaming licensee's system of internal accounting control and, if so, a complete and detailed description of the differences for consideration by the commission. The gaming licensee shall submit as an exhibit to this report a letter from the former independent certified public accountant stating whether he or she agrees with the statements made by the gaming licensee in the report submitted to the commission.

139.07: Tax return filings

If requested by the commission, a gaming licensee, holding company, intermediary company, qualifying subsidiary or entity qualifier thereof, shall provide the commission with copies of its Federal and/or State Tax Returns and any related forms.

139.08: Minutes of meetings of board and committees

(1) A gaming licensee or holding company thereof shall file with the commission copies of the minutes of all board of directors or equivalent governing authority meetings and committee meetings including, without limitation, the audit and compliance committee, by no later than 45 days of the meeting regardless of formal adoption and that upon formal adoption of previously-submitted board and committee minutes, a copy of such final minutes shall be filed with the commission.

(2) A gaming licensee or holding company thereof shall file, with the commission, the schedule for its board and committee meetings on an annual basis.

139.09: Governing documents

A gaming licensee or holding company thereof shall file with the commission copies of any amendments to, restatements of, or superseding versions of the governing documents of the gaming licensee or holding company within seven days of formal adoption.

139.10: Compliance plan

A gaming licensee or holding company thereof shall file with the commission copies of any amendments to its written compliance plan within seven days of formal adoption.

139.11: Securities filings

If requested by the commission, a gaming licensee, holding company, intermediary company, qualifying subsidiary and entity qualifier thereof, shall file with the commission copies of any securities filings submitted to Federal, State, or other domestic or foreign securities regulatory authorities, regarding any of the securities, either in existence or proposed, including, but not limited to, forms S-1, 8-K, 10-Q and 10-K, proxy or information statements and all registration statements filed at the time of filing with such authority.

139.12: Audit of gaming licensee operations by Commission

In accordance with M.G.L. c.23K, §65 the commission shall audit on an annual basis, and at other times the commission determines necessary the accounts, programs, activities, and functions of a gaming licensee and/or any aspect of the gaming establishment. To conduct the audit, authorized officers and employees of the commission shall be given access by the gaming licensee to such accounts at reasonable times and may require the production of books, documents, vouchers and other records relating to any matter within the scope of the audit; provided however, that a gaming licensee's tax returns will not be audited by the commission. All audits shall be conducted in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants and the standards established by the Public Company Accounting Oversight Board. In any audit report of the accounts, funds, programs, activities and functions of a gaming licensee issued by the commission containing adverse or critical audit results, the commission may require a response, in writing, to the audit results. The response shall be forwarded to the commission within 15 days

of notification by the commission.

1389.13: Capital expenditure plan

A gaming licensee shall make, or cause to be made, capital expenditures to its gaming establishment in a minimum aggregate amount equal to 3.5 per cent of the net gaming revenues derived from the gaming establishment; provided, however, that a gaming licensee may make capital expenditures in an amount less than 3.5 per cent per year as part of a multi-year capital expenditure plan approved by the commission. For purposes of 205 CMR 138.13, net gaming revenue means gross gaming revenue as calculated in accordance with 205 CMR 140.02 minus taxes remitted to the commonwealth in accordance with 205 CMR 140.03. If the gaming licensee intends to make capital expenditures as part of a multi-year capital plan, the plan shall be submitted to the commission as part of its system of internal controls in accordance with 205 CMR 138.02. Provided, however, such plan shall provide for the establishment of and contribution to a capital reserve account.

1389.14: Access to premises and production of records

- (1) No gaming licensee shall neglect or refuse to produce records or evidence or to give information relative to the gaming establishment upon proper and lawful demand by the commission, the IEB, or a designee, or shall otherwise interfere, or attempt to interfere, with any proper and lawful efforts by the commission, the IEB, or any designee to procure such information.
- (2) A gaming licensee shall immediately make available for inspection by the commission, IEB, or a designee all papers, books and records produced or maintained by the gaming licensee and all portions of the gaming establishment and its systems. The commission, IEB, or designee shall be given immediate access to any portion of the gaming establishment for the purpose of inspecting or examining any records or documents required to be kept by such licensee in accordance with 205 CMR.
- (3) Access to the gaming establishment shall be granted to the commission, IEB, or a designee who displays proper commission issued credentials.

REGULATORY AUTHORITY

205 CMR 1389: M.G.L. c. 23K, §§4(28), 4(37), 5

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April 24, 2015

VIA EMAIL

Massachusetts Gaming Commission
84 State Street
Boston, MA 02109

RE: Blue Tarp reDevelopment Comments on 205 CMR 139.00

To Whom It May Concern:

In response to the Massachusetts Gaming Commission's (the "Commission") publication and notice of Public Hearing in connection with 205 CMR 139.00, *Continuing Disclosure and Reporting Obligations of Gaming Licensees*, Blue Tarp reDevelopment LLC ("MGM Springfield"), submits the following comments on the proposed Regulation to the Commission.

Comments on 205 CMR 139.00: Continuing Disclosure and Reporting Obligations of Gaming Licensees

Confidentiality of Certain Reports

205 CMR 139 requires the filings of materials and reports with the Commission that will contain highly sensitive, competitive and proprietary information including but not limited to: a system of financial accounting (section 139.02(1)); standard financial and statistical reports (sections 139.03(d), (f)-(k)); monthly internal financial statements and budgets (section 139.04); financial projection and stability filings (sections 139.05(2-6)); annual audits (section 139.06); tax returns (section 139.07); minutes of board and committee meetings (section 139.08); governing documents (section 139.09); a compliance plan and updates (section 139.10); audits and audit responses (section 139.12); and a capital expenditure plan (section 139.13). Despite the nature of these highly sensitive, competitive and proprietary materials, 205 CMR 139.00 contains no provision for ensuring the confidentiality of these records and information.

Like many other jurisdictions where casino gaming has been authorized, the Commission seeks these records in connection with its general supervisory responsibilities. But, unlike such other jurisdictions, the Commission has not provided the related protections that traditionally come with such requested access to these highly sensitive materials, i.e., a regulatory framework that establishes appropriate safeguards and confidentiality protections to ensure that such materials are not subject to public disclosure. Absent the ability to provide assurances of confidentiality and specific provisions and procedures for treating these materials as confidential, MGM Springfield respectfully opposes the required production of the reports and information that are the subject of proposed section 139.

Section 139 and the Commission's Confidential Records Regulation, 205 CMR 103, do not expressly recognize the confidentiality of the subject reports and information submitted to the Commission as part of ongoing compliance obligations. Consequently, compliance with section 139 would arguably subject highly sensitive, commercial and proprietary information to potential public disclosure, put licensees at a competitive disadvantage and subject publicly traded holding companies to unacceptable and unprecedented exposure. For example, the release of board and committee minutes (which might include information regarding potential material transactions, business plans and other nonpublic financial information) of a publicly traded holding company could potentially create havoc in the financial markets and potentially expose the company to unnecessary litigation. Release of compliance and audit committee meeting minutes will potentially result in the release of otherwise confidential information regarding the status of internal investigations and reviews, some of which may involve outside law enforcement and other regulators (and would certainly undermine those investigations which are still in process).

Until such time as the Commission provides for appropriate policies and procedures to ensure the confidentiality of these records, it should not require such filings. At most, the Commission can require that the information and reports be maintained by the Massachusetts licensee or its holding company, as the case may be, for inspection and review. Section 138.14 contemplates such an approach and makes clear that records must be maintained and produced for inspection by the Commission and IEB. If after such inspection, the Commission or IEB requires records for further review or investigation, these records can thereafter be produced to the Commission and protected from public disclosure pursuant to a nondisclosure agreement between the Licensee and the Commission pursuant to G.L. c. 23K, sec. 21(a)(7). As such, MGM Springfield requests that sections 139.02(1); 139.03(d), (f)-(k), 139.04, 139.05(2-6), 139.07, 139.08, 139.09, 139.10; 139.12; and 139.13 be amended to remove the obligation to "file" or "provide" these reports and records and substitute in its place an affirmative obligation to "maintain these records and reports for inspection". In addition, Section 139 should be further amended by incorporating a procedure for disclosing certain confidential records upon request consistent with the provisions of G.L. c. 23K, sec. 21(a)(7).

205 CMR 139.01

This section requires a licensee to keep up to date records regarding the equity structure and ownership of the gaming licensee. Subsections (5), (7) and (9) should be amended to limit the record maintenance obligations for publicly traded companies to record owners, stockholders and stockholders of affiliates, record equity holders and only require the maintenance of records for equity transfers by such record equity holders. Under federal securities law, only persons who beneficially own 5% or more of a publicly traded company's equity securities are required to disclose their ownership to the issuer thereof.

205 CMR 139.02(1)

This section requires the licensee to maintain and submit to the Commission for approval, a system of financial accounting that results in the licensee accurately reporting its assets, liabilities, equity, income and expenses. Such records are commercially sensitive and proprietary, the disclosure of which will place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section. MGM Springfield will maintain these records and make them available for inspection.

205 CMR 139.03(d), (f)-(k)

This section requires the filing of various financial and statistical reports including reports on patron demographics, complementary services, player/reward/loyalty card programs, licensed and registered employees, vendor disbursements, issuance of counter checks, daily remittance reports and quarterly and gross gaming revenue reports. Such records are commercially sensitive and proprietary, the disclosure of

which will place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section. MGM Springfield will maintain these records and make them available for inspection.

205 CMR 139.03(g)¹

This section requires a report of “the amount of money spent and lost by patrons who have been issued a player card or rewards card or who participated in a cashless wagering system”. Although required by statute, the Commission should clarify the following in connection with this requirement: Does the inclusion of “money spent and lost” relate to only a patron’s gaming activity or does it include non-gaming activities as well (e.g., on room, food and beverage and other incidentals)? In other words are two, separate and distinct reports required, i.e., (1) money spent and lost in the casino and (2) money spent on room, food and beverage and other incidentals? If the latter, and money spent on room, food and beverage and other incidentals is required to be reported, such a requirement would be impossible to comply with from a practical point of view given that such patron expenditures are not generally tracked with the same precision as a patron’s gaming activity. For that matter, there are even limits to the tracking of gaming activity.

With respect to slot activity, such tracking wholly depends on whether the patron inserts his or her loyalty card in the machine each time he or she games. If not, there would be no record of such gaming activity. For table game play, the patron would need to present his or her card to table games staff to be tracked. However, unlike the precision present in the electronic tracking of slot machine play, table game play relies on human observation and thus errors naturally and unavoidably occur.

A separate but related issue is whether, in determining the amount of money lost by a patron while gaming, are licensees expected to deduct from that number any allowances provided to the customer? For example, it is not unusual for a customer who has a marker limit to be given an allowance (usually 10%-15%) against the amount that they lost to retain their patronage.

All of the foregoing issues should be further clarified in determining the scope of the report(s) required by section 139.03(g).

205 CMR 139.04

This section requires that a licensee submit unaudited, monthly internal financial statements that at a minimum provide detailed income and expense statements within five days of completion and in no event later than the end of the subsequent month. Such records are commercially sensitive and proprietary, the disclosure of which will place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section. MGM Springfield will maintain these records and make them available for inspection.

205 CMR 139.05(2-6)

This section requires that certain reports be filed to establish that a licensee is financially stable including: (i) financial projections for the upcoming calendar year (ii) information material to a showing of financial stability (iii) compliance certificates when provided to lenders pursuant to any loans or debt instruments; (iv) details of any loans, covenants, borrowings, installment contracts, guarantees, leases, capital contributions, or any other debt; and (v) any event of default, or potential default event, related to any debt obligation

¹ Please note that there are two (2) subsection (g)’s in the current draft.

maintained by the gaming licensee, affiliate, or holding company. Such records are commercially sensitive and proprietary, the disclosure of which will place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section. MGM Springfield or its publicly traded holding company, as applicable, will maintain these records and make them available for inspection.

205 CMR 139.06(1)

This section requires a gaming licensee to submit to the Commission, at its own expense, an independent annual audit of its fiscal year. The audit requirement itself is duplicitous and redundant given that the Commission will separately perform an audit under proposed 205 CMR 139.10; presumably at the gaming licensee's expense.

This section also requires that a gaming licensee rotate accounting firms/partners at least every five years. There is no objection to a requirement that the audit partner within a particular accounting firm, who is assigned to the company's audit, be rotated at least every five years. However, a requirement that a publicly traded holding company periodically rotate accounting firms is unprecedented as a gaming regulatory requirement or otherwise. Independent audits of publicly traded companies are regulated by the Security and Exchange Commission (SEC) including specific auditor independence requirements. *See* 17 CFR Parts 210 and 240. Replacing a publicly trading company's accounting firm is no small matter. It requires, among other things, notice to the SEC and the company's shareholders. An arbitrary requirement to rotate an accounting firm does not enhance independence under the federal rules and may introduce inefficiencies into the audit process by compelling a change in auditors where there are no issues or concerns with independence. Moreover, for a large publicly traded company that must prepare consolidated audited financial statements, the Massachusetts mandate may require a change at the holding company level impacting all company operations. In fact, when a similar rotation requirement was proposed by the Public Company Accounting Oversight Board (PCAOB), the U.S. House of Representatives, in 2013, passed a bill to amend the Sarbane-Oxley Act prohibiting the PCAOB from requiring companies to "use specific auditors or require the use of different auditors on a rotating basis."²

In addition, these records are commercially sensitive and proprietary, the disclosure of which will place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section. MGM Springfield will maintain these records and make them available for inspection.

205 CMR 139.07

If requested by the Commission, this section requires a gaming licensee, holding company, intermediary company, qualifying subsidiary or entity qualifier thereof, to provide the Commission with copies of its Federal and/or State Tax Returns and any related forms. These records are confidential under respective federal and state laws. *See generally*, 26 U.S. Code § 6103 and 830 CMR 62C.21.1. As such, this section should be revised to explicitly state that tax records, if requested and disclosed shall be confidential pursuant to applicable federal and state law.

² See "PCAOB Abandons Auditor Rotation," <http://ww2.cfo.com/auditing/2014/02/pcaob-abandons-auditor-rotation/>, last accessed April 21, 2015.

205 CMR 139.08(1)

This section requires the licensee to submit copies of meeting minutes of its board of director meetings as well as compliance and audit committees within 45 days of a meeting. MGM Springfield does not contest the Commission's interest in access to these records. As set forth above, minutes of the board of directors and those of the audit and compliance committee are some of the most sensitive records maintained by a publicly traded company, the disclosure of which may compromise internal investigations and place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section. MGM Springfield or its publicly traded holding company, as applicable, will maintain these records and make them available for inspection.

This section also allows a licensee to file meeting minutes in draft form with the final version submitted after its adoption. MGM Springfield previously requested certain provisions in the Internal Control Regulations be amended including 205 CMR 138.04(2)(g)(7) and 205 CMR 138.04(2)(h) to allow the filing of draft minutes within the proscribed timeframe with a supplemental filing upon the minutes being finalized. MGM Springfield requests that the Internal Controls Regulations conform to section 139's reporting process that affirmatively recognizes the filings of drafts.

205 CMR 139.08(2)

This section requires a gaming licensee to file a schedule for its board and committee meetings on an annual basis. Board of director meetings and meetings of the audit and compliance committee can change throughout the year making any such schedule obsolete. Section (1) above requires that minutes of these meetings be filed within 45 days of the meeting to ensure timely reporting of the substance of the meeting regardless of the calendar date of the meeting. MGM Springfield requests that this requirement be removed from the regulation as it is unnecessary.

205 CMR 139.09

This section requires a licensee to submit copies of any amendments to, restatements of, or superseding versions of the governing documents of the gaming licensee or holding company within seven days of formal adoption. Governing documents and amendments are commercially sensitive and proprietary, the disclosure of which will place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section. MGM Springfield or its publicly traded holding company, as applicable, will maintain these records and make them available for inspection.

205 CMR 139.10

This section requires a gaming licensee to file with the Commission copies of any amendments to its written compliance plan within seven days of formal adoption. The policies and procedures developed by the Compliance Committee are governed by section 138.04(2)(g) of the Commission's Internal Controls Regulations. The requirement for filing amendments to the plan should be incorporated into section 138.04(2)(g). MGM Springfield therefore requests that this section be eliminated and incorporated into section 138.04(2)(g). Further, a licensee's compliance plan and amendments are commercially sensitive and proprietary, the disclosure of which will place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section and/or under the Internal Controls Regulations. MGM Springfield or its public traded holding company, as applicable, will maintain these records and make them available for inspection.

205 CMR 139.12

This section implements G.L. c. 23K, section 65 and requires the Commission audit on an annual basis, the accounts, programs, activities, and functions of a gaming licensee and/or any aspect of the gaming establishment. Although a statutory requirement, the Commission should provide the licensees additional direction on the form and the substance of these audits and how they will be considered in the context of the annual audits submitted by the licensees to avoid redundancy. *See* 205 CMR 139.06. In addition, the Commission should clarify if these additional audits will be done internally or externally and who will bear the cost for the Commission's audits.

Further these audits, the scope of which is still undefined, are likely to contain commercially sensitive and proprietary information the disclosure of which will place the licensee at a competitive disadvantage. MGM Springfield opposes these audits as proposed without adequate policies and procedures to ensure that records produced in connection with these audits and the audit findings and responses will be treated as confidential.

205 CMR 129.13

This section requires licensees to submit a capital investment plan to the Commission for the gaming establishment. Such plans are commercially sensitive and proprietary, the disclosure of which will place the licensee at a competitive disadvantage. Without adequate policies and procedures to ensure that these records will be treated as confidential, MGM Springfield opposes producing these materials as proposed under this section. MGM Springfield will maintain these records and make them available for inspection

Thank you for your attention to this matter.

Sincerely,

BLUE TARP REDEVELOPMENT LLC

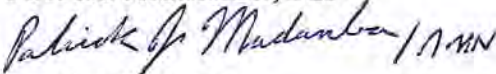
by its Attorneys,

BROWN RUDNICK LLP



Jed M. Nosal

FOX ROTHSCHILD, LLP



Patrick J. Madamba

cc: Karen Wells, Director, IEB
Catherine Blue, General Counsel
Loretta Lillios, Chief Enforcement Counsel
Todd Grossman, Deputy General Counsel
John Ziemba, Ombudsman



Amended Small Business Impact Statement

The Massachusetts Gaming Commission (“Commission”) hereby files this amended small business impact statement in accordance with G.L. c.30A, §5 relative to the proposed new regulations in 205 CMR 140.00: Gross Gaming Revenue Tax Remittance and Reporting, for which a public hearing was held on April 23, 2015. These regulations were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. These regulations govern the requirements for tax computation, remittance, reports, and examination by a gaming licensee. The proposed regulations are largely directed by G.L. c.23K, §§ 2, 55, 59, and 60.

These new regulations apply directly to the gaming licensees. Accordingly, these regulations are unlikely to have an impact on small businesses. In accordance with G.L. c. 30A, §5, the Commission offers the following responses on whether any of the following methods of reducing the impact of the proposed regulation on small businesses would hinder achievement of the purpose of the proposed regulation:

1. Establishing less stringent compliance or reporting requirements for small businesses:

As a general matter, no small businesses will be impacted by these regulations. Accordingly, there are no less stringent compliance or reporting requirements for small businesses.

2. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:

There are no schedules or deadlines for compliance or reporting requirements for small businesses created by these regulations.

3. Consolidating or simplifying compliance or reporting requirements for small businesses:

There are no compliance or reporting requirements for small businesses.

4. Establishing performance standards for small businesses to replace design or operational standards required in the proposed legislation:

There are no performance standards for small businesses to replace design or operational standards required in the proposed regulations.



Massachusetts Gaming Commission

5. An analysis of whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:

M.G.L. c.23K was enacted to create a new industry in the Commonwealth and to promote and grow local small businesses and the tourism industry, including the development of new small businesses. The proposed regulations are designed to effectuate those intentions and growth. Furthermore, regulations of this sort are mandated by statute and common in the gaming industry.

6. Minimizing adverse impact on small businesses by using alternative regulatory methods:

There are no alternative regulatory methods to minimize adverse impacts on small businesses.

Massachusetts Gaming Commission

By:

Cecelia M. Porché
Paralegal/Legal Division

Dated:



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION
205 CMR 140.00: GROSS GAMING REVENUE TAX REMITTANCE AND REPORTING

Sections

- 140.01: Description of Tax and Assessment
- 140.02: Computation of gross gaming revenue
- 140.03: Remittance
- 140.04: Reports and reconciliation regarding gross gaming revenue tax
- 140.05: Examination of accounts and records for Certification of Gross Gaming Revenues

140.01: Description of Tax and Assessment

Pursuant to M.G.L. c.23K, §55 the following taxes and assessment shall be calculated and remitted to the commission on a daily basis:

- (1) A category 1 licensee shall pay a daily tax of 25 per cent on gross gaming revenue computed in accordance with 205 CMR 140.02.
- (2) A category 2 licensee shall pay:
 - (a) A daily tax of 40 per cent on gross gaming revenue computed in accordance with 205 CMR 140.02; and
 - (b) A daily assessment of 9 per cent of its gross gaming revenue computed in accordance with 205 CMR 140.02 which shall be credited by the commission to the Race Horse Development Fund.

140.02: Computation of gross gaming revenue

- (1) In accordance with M.G.L. c.23K, §2, gross gaming revenue shall be the total of all sums actually received by a gaming licensee from gaming operations less the total of all sums paid out as winnings to patrons. Gross gaming revenue shall be calculated as follows:
 - (a) Gross gaming revenue shall include the gross gaming revenue from table games, calculated in accordance with 205 CMR 140.02(2), plus the gross gaming revenue from slot machines and other electronic gaming devices, calculated in accordance with 205 CMR 140.02(3).
 - (b) Gross gaming revenue shall be calculated by *gaming day* as the term is set forth in the gaming licensee's approved system of internal controls in accordance with 205 CMR 138.28.
 - (c) In calculating gross gaming revenue, no adjustments shall be allowed for any amounts that a gaming licensee is unable to collect pursuant to any credit issued to a patron to take part in gaming activity in accordance with 205 CMR 138.40-138.46.

- (d) Gross gaming revenue shall not include any amount received by a gaming licensee from simulcast wagering or from credit extended or collected by the gaming licensee for purposes other than gaming.
 - (e) Treatment of promotional gaming credit For purposes of calculating gross gaming revenue, the total of all sums actually received shall not include amounts that the gaming licensee can demonstrate were issued to or wagered by patrons of a gaming establishment of any promotional gaming credit as defined by M.G.L. c.23K, §2. No such credit shall be reported as a promotional gaming credit by a gaming licensee unless the licensee can establish that the credit was issued by the licensee and received from a patron as a wager at a slot machine or table game in the gaming establishment.
- (2) Table Games Gross gaming revenue from table games shall be the sum of that for each banked table game, poker and other non-banked table game, and contest or tournament calculated as follows:
- (a) Banked table games Gross gaming revenue for banked table games equals the closing table inventory including chips, plaques, and coin, plus chip credits, plus *drop*, minus the opening table inventory, any chip fills, complimentary vigorish forms, and table game payout slips. For purposes of 205 CMR 140.02(2), *drop* means the total value of currency, coin, and counter checks in the table drop box.
 - (b) Poker and other non-banked table games Gross gaming revenue for each table game in which the gaming licensee is not a party to a wager equals all money received by the gaming licensee as compensation for conducting the game including the total value of *rake* charged to patrons at a poker table pursuant to 205 CMR.
 - (c) Contests and tournaments Gross gaming revenue for a contest or tournament equals the sum of all entry fees, buy-ins, re-buy-ins and administrative fees imposed by the gaming licensee on the contest or tournament participants, minus the money paid by the gaming licensee to a contest or tournament winner(s) as prizes. A gaming licensee shall not include the cash equivalent value of any merchandise or thing of value as part of the sum paid to a contest or tournament winner(s) as prizes. If the gross gaming revenue from a contest or tournament results in a loss to the gaming licensee, that loss may only be recognized to the extent it offsets the sum of all entry fees, buy-ins, re-buy-ins and administrative fees imposed by the gaming licensee on the contest or tournament participants for the particular contest or tournament and in no way shall negatively impact gross gaming revenue.
- (3) Slot machines and other electronic gaming devices For purposes of complying with 205 CMR 140.01 relative to the gross gaming revenue payment for slot machine and other electronic gaming device gross gaming revenue, a gaming licensee shall pay the amount calculated by the commission's Central Monitoring System vendor. Disputed amounts shall be reconciled on a monthly basis as described in 205 CMR 140.04(1). Gross gaming revenue

equals *drop*, minus jackpot payouts, including vouchers issued by the gaming device, and any hopper fills to the machine, subject to the following:

- (a) For purposes of 205 CMR 140.02(3), *drop* means the total value of coins, slot tokens, and foreign slot tokens in a slot drop bucket or a slot drop box, plus the value currency, and gaming vouchers in a slot cash storage box.
- (b) The initial hopper load, if any, shall not be considered a fill.
- (c) A gaming licensee shall not include the cash equivalent value of any merchandise or thing of value as part of the sum paid out as winnings or a jackpot.

140.03: Remittance

- (1) A gaming licensee shall make daily deposits of the tax and assessment in accordance with 205 CMR 140.01 by 5 p.m. the day following each day of wagering, under such conditions, and in such depositories as shall be prescribed by the commission. If the day following a day of wagering is a legal holiday, the deposit shall be made on the next business day.
- (2) Pursuant to M.G.L. c 23K, §§55, 59, and 60 collected tax revenues and assessments will be deposited or made payable to the Commonwealth of MA, Gaming Revenue Fund and Racehorse Development Fund, as applicable. Collected taxes will be transferred to the Gaming Revenue Fund. Collected assessments will be transferred to the Racehorse Development Fund. Once funds are available in the Gaming Revenue Fund, the Office of the Comptroller will perform operating transfers to the funds as required under M.G.L. c.23K, §59. A daily remittance report in a format prescribed by the commission setting forth the amount of gross gaming revenue upon which the daily tax payment and assessment is based shall be filed with the commission concurrently with the remittance to the Gaming Revenue Fund and Racehorse Development Fund.
- (3) Gaming licensees shall estimate slot machine drop provided that such estimates are calculated through a system of reading and recording slot machine meters, which methodology has been submitted by the gaming licensee and approved by the commission. Gaming licensees shall submit to the commission a daily slot machine drop estimate, calculated in accordance with such approved methodology, with each daily required tax deposit.
- (4) In the absence of use of a central monitoring system by the commission, a gaming licensee may use the estimated slot machine drop outlined in 205 CMR 140.03(3) provided that the approved methodology is utilized for purposes of all daily remittances.
- (5) If a gaming licensee estimates slot drop in accordance with 205 CMR 140.03(3), a gaming licensee shall perform a monthly reconciliation with respect to slot machine gross gaming revenues actually received during the preceding month.

140.04: Reports and reconciliation regarding gross gaming revenue tax

- (1) On or before the 15th calendar day of each month, the gaming licensee shall file a monthly gross gaming revenue report with the commission, in a format acceptable to the commission, which shall reflect the amount of gross gaming revenue actually derived on a daily basis during the preceding month, the amount of daily tax deposits required for that month, the amount of gross gaming revenue derived during the year to the end of the preceding month, and the tax liability for the year calculated to the end of the preceding month. In the event that the total amount of gross gaming revenue tax deposits made for the month is determined to be less than the daily gaming revenue tax liability for that month, the gaming licensee shall remit the requisite additional payment to the commission at the time of submission of the monthly report. In the event that the total amount of the deposit made by the gaming licensee for the month is determined to be greater than the gross revenue tax liability due, the gaming licensee may reduce the amount of its daily deposits in the succeeding month by the amount of the overpayment, which adjustment must be reflected on the daily remittance reports. Nothing in 205 CMR 140.04(1) shall limit any authority of the commission to determine the insufficiency of any gross revenue tax deposit or deposits, to require payments of penalties and interest, or to allow or disallow any claim for refund due to overpayment as may be determined by the commission pursuant to any audits performed for the certification of gross gaming revenues.
- (2) Each gaming licensee shall file with the commission an annual report relative to its gross gaming revenues and the taxation and assessments due and remitted in accordance with 205 CMR 140.00. The report shall be filed no later than March 15 following the tax year. The annual gaming revenue tax report shall be in a format acceptable to the commission.

140.05: Examination of accounts and records for Certification of Gross Gaming Revenues

- (1) The commission or its designee may perform audits of the books and records of a gaming licensee, at such times and intervals as it deems appropriate, in order to certify gross gaming revenues.
- (2) The gaming licensee shall permit duly authorized representatives of the commission to examine the gaming licensee's accounts and records for the purpose of certifying gross gaming revenues. In the event that any records or documents deemed pertinent by a commission examiner are in the possession of another person or entity, the gaming licensee shall be responsible for making those records or documents available to the commission examiner within the time period provided by the commission.

(3) The gross gaming revenue certification process may incorporate audit work performed by a gaming licensee's internal audit department or its independent accountant or auditor provided that:

- (a) Such audit work is conducted in accordance with minimum standard internal audit procedures which have been submitted to and approved by the commission, including, at a minimum, a detailed description of the audit tests to be performed;
- (b) The gaming licensee submits to the commission by January 31 of each year a gross gaming revenue audit plan specifying the scheduled audit dates for that upcoming calendar year; and
- (c) The gaming licensee submits to the commission no later than March 15 of each year, copies of all internal audit reports and any other reports directly relating to the reporting of gross revenue for the preceding tax year.

(4) The commission shall notify the gaming licensee of any gross gaming revenue tax deficiencies disclosed during the gross revenue certification process. Any additional amounts due by the gaming licensee shall be remitted within 15 days of completion of the audit, except that in the event the gaming licensee disagrees with the commission's audit results, the time for payment shall be extended for an additional 30 days during which time the gaming licensee shall be provided an opportunity to respond to the commission's audit results.

205 CMR: MASSACHUSETTS GAMING COMMISSION
205 CMR 102.00: CONSTRUCTION AND APPLICATION

102.03: Construction and Amendments

(4) Waivers and Variances.

(a) General. The commission may in its discretion waive or grant a variance from any provision or requirement contained in 205 CMR ~~101.00 through 131.00~~, not specifically required by law, where the commission finds that:

1. Granting the waiver or variance is consistent with the purposes of M.G.L. c. 23K;
2. Granting the waiver or variance will not interfere with the ability of the commission or the bureau to fulfill its duties;
3. Granting the waiver or variance will not adversely affect the public interest; and
4. Not granting the waiver or variance would cause a substantial hardship to the person requesting the waiver or variance.



Investigations & Enforcement Bureau

April 6, 2015

INVESTIGATION REPORT- INDIVIDUAL QUALIFIER

Qualifier Name: **Jeremy Gene Howland (GKE000004)**
Qualifier Position: **Vice President of Finance/CFO-Plainridge Park Casino**
Qualifier Entity: **Plainville Gaming and Redevelopment, LLC (category 2 licensee)**

Primary Investigator: Trooper Dean Cerullo Financial Investigator: Monica Chang

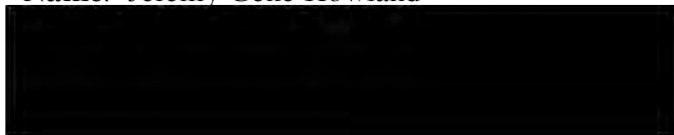
The Investigations and Enforcement Bureau (IEB) of the Massachusetts Gaming Commission (MGC) has completed a probity background investigation for Jeremy Howland. In December of 2014, Mr. Howland was promoted to Vice President of Finance/Chief Financial Officer for Plainridge Park Casino in Plainville, MA. Prior to this promotion, Mr. Howland was the Director of Finance at Hollywood Casino located in Columbus, OH. As a result of his promotion in December of 2014, Mr. Howland was determined to be an individual qualifier for the Massachusetts Category “2” gaming license, which was awarded in February of 2014 to Springfield Gaming and Redevelopment, LLC, now re-named Plainville Gaming and Redevelopment, LLC.

On March 26, 2015, an in-person interview of Mr. Howland was conducted by Trooper Dean Cerullo and Financial Investigator Monica Chang relative to his background investigation. This interview was conducted at Plainridge Park Casino. This interview was voice recorded with Mr. Howland’s approval.

1. Qualifier’s Name and Verified Information

The investigation, including documents and information provided by Mr. Howland, has verified the following information:

Name: Jeremy Gene Howland



Massachusetts Gaming Commission

The investigation confirmed that this social security number was issued in the state of Missouri in the year [REDACTED]. It is listed and has been verified. Pursuant to a supplemental document request, Mr. Howland provided a birth certificate in the name of Jeremy Gene Howland indicating that he was born in Joplin, MO. Mr. Howland's passport, a copy of which was obtained by investigators, also bears the name of Jeremy Gene Howland.

Mr. Howland disclosed in his MJPHD (Question #3), and the investigation has confirmed, the following residential addresses since October 1978 with the most recent address listed first.

- [REDACTED]
- 8110 Cliffrose Ct., Plain City, OH 43064 (January 2014 to December 2014)
- Various Extended Stay America (Temp Living) (November 2013 to January 2014)
- 15256 Pine Ridge Road, Basehor, KS 66012 (August 2010 to November 2013)
- 5130 NW 44th St, Topeka, KS 66618 (April 2010 to August 2010)
- 9674 HWY NN, Neosho, MO 64850 (January 2003 to April 2010)
- 222 W. Maverick St. Goodman, MO 64843 (October 1978 to January 2003)

Note: During Mr. Howland's in person interview on March 26, 2015, he informed investigators that he had closed on the sale of 8110 Cliffrose Ct., Plain City, OH 43064 on March 17, 2015, and will forward all related documents of the sale to the IEB.

Mr. Howland disclosed in his MJPHD (Question #38), and the investigation has confirmed, that he currently holds an active driver's license [REDACTED] which expires on [REDACTED]. At the time of this report, a driver's history was obtained which listed no suspensions/revocations or any criminal or civil motor vehicle violations. During Mr. Howland's in person interview on March 26, 2015, he provided investigators with a valid Massachusetts Drivers' license [REDACTED] which will expire on [REDACTED].

2. Employment History

Mr. Howland disclosed, and the investigation has confirmed, that Mr. Howland is currently the Vice President of Finance/Chief Financial Officer at Plainridge Park Casino located in Plainville, MA. Prior to this position, Mr. Howland held several positions/titles which are listed below:

Company Name	Address	Dates		Title/ Position	Supervisor	Reason for Leaving
		From Mo/Yr	To Mo/Yr			
Penn National Gaming	200 Georgesville Road Columbus, OH 43228	11/2013	12/2014	Director of Finance	Chris Riley	Promotion
Penn National Gaming	777 NW Argosy Parkway Riverside, MO 64150	04/2010	11/2013	Financial Controller	Chris Bruno	Promotion
Downstream Casino & Resort	69300 E. Nee Road Quapaw, OK 74363	06/2008	04/2010	Accounting Manager	Kent Jones	Better opportunity
Sitton Motor Lines, Inc	4586 HWY 43 Joplin, MO 64804	07/1994	06/2008	Controller	Lonnie Crow	Industry Change



3. Criminal Record



4. Education

Mr. Howland disclosed in his MJPHD (Question #11), and the investigation has confirmed, that he attended Missouri Southern State University where he was awarded a B.A. in Business Administration (Accounting); Minor in Computer Information, graduating in 2001. Mr. Howland also disclosed that he attended Crowder College where he was awarded an Associates of Arts Degree (Business Administration), graduating in 1999.

5. Gaming Licenses

Mr. Howland disclosed in his MJPHD (Question #24) that he has been licensed or registered to participate in some form of gaming in 3 jurisdictions in the United States. A check with Kansas, Ohio and Missouri confirmed the following licenses/certifications and their status:

Licensing Agency	Type	Date of License		Status	License or Permit Number
		Issued	expires		
Ohio Casino Control Commission	Gaming License	11/18/13	11/18/16	Active	6049
Missouri Gaming Commission	Gaming License	4/19/10	4/30/15	Active	307580
Quapaw Tribal Gaming Agency	Gaming License	6/2/08	5/26/10	Inactive	00296

All of Mr. Howland's licenses were in good standing and all jurisdictions contacted reported no derogatory information relating to Mr. Howland's licensure.

NOTE:

On June 14, 2014, after a hearing held at the request of Mr. Howland, the Missouri Gaming Commission adopted its preliminary order dated September 20, 2013 to impose a one calendar day suspension from conducting casino business against Mr. Howland. The discipline stemmed from the actions of Mr. Howland when he was the Financial Controller at the Argosy Riverside Casino in Riverside, Missouri, which is owned and operated by Penn National Gaming, Inc. According to the Commission's order, Mr. Howland, in conjunction with the slot machine manufacturer, timely investigated several variances between slot machine meters and the computer management system that occurred over the course of two gaming days in December, 2012. Mr. Howland concluded that an adjustment should be made to the game meter and that the correction resulted in a difference of \$250 in adjusted gross revenue and \$52.50 in gaming tax. Later, the investigator from the Missouri Gaming Commission determined that the variances were attributable not to incorrect meter readings (as Mr. Howland had concluded), but rather to incorrect postings to the system. As a result, the Missouri Gaming Commission determined that Mr. Howland had not met his burden of proving by clear and convincing evidence that his investigation of the variances was sufficient. Ultimately, Mr. Howland did not serve the one day



suspension because by the time of the Commission's order, he had been promoted to the position of Director of Finance at Hollywood Casino located in Columbus, Ohio, also owned and operated by Penn National Gaming, Inc. He remains licensed in good standing in Missouri.

6. Directorships

None reported or found during the investigation.

7. Civil Litigation Records

Research of available online civil records, judgments, liens, and UCC filings in the United States has revealed no records naming Mr. Howland.

8. Bankruptcy

Mr. Howland disclosed in his MJPHD (Question #40), and the investigation has confirmed, that he has never been adjudicated bankrupt or filed a petition for any type of bankruptcy.

9. Property Ownership

Mr. Howland has disclosed, and the investigation has confirmed, ownership of the following property:

- 8110 Cliffrose Ct, Plain City, OH 43064. A .43 acre/3696 Sq. Ft. 5 bedroom residential, 5 bathroom single family home with an estimated value of [REDACTED]. The investigation, including mortgage documentation provided by Mr. Howland, confirmed this ownership.
- 5 acres of bare land adjacent to [REDACTED] estimated value of [REDACTED]

Mr. Howland has disclosed ownership of the following vehicles:

- [REDACTED] Toyota 4 RNR (Owned) with a current value of [REDACTED]
- [REDACTED] Toyota Camry (Owned) with a current value of [REDACTED]
- [REDACTED] Ford Mustang (Owned) with a current value of [REDACTED]

The investigation has confirmed that all the vehicles are currently registered in Ohio under the names of [REDACTED] Jeremy Howland. Copies of current active registrations were obtained during the investigation. During Mr. Howland's in person interview, he informed investigators that his three vehicles will be re-registered in the Commonwealth of Massachusetts on Monday March 30, 2015 and copies of all new Massachusetts registrations will be forwarded to IEB. Mr. Howland has since provided those copies of the registrations.

10. Qualifier References

Name	Address	Telephone
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[REDACTED]	[REDACTED]	[REDACTED]
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Massachusetts Gaming Commission

The above-named references were contacted and queried regarding the character and integrity of Mr. Howland. All three references advised that Mr. Howland was of good character and integrity. All references stated Mr. Howland has no known issues with alcohol, narcotics, gambling or any issues that would reflect negatively on the Commonwealth of Massachusetts or the Massachusetts Gaming Commission. References did not provide any derogatory information pertaining to Mr. Howland.

11. Media Coverage

Research of available online and print media did not reveal any derogatory or adverse items relative to Mr. Howland.

12. Financial Suitability Evaluation

We conducted an evaluation of Jeremy Howland’s financial integrity, responsibility and stability by focusing on two areas, namely, his net worth statement as disclosed in his application filed with the Massachusetts Gaming Commission, and through a review of his sources of income as reported in the application and his income tax returns filed for the years 2009 through 2013.

Income Analysis

Below is a summary of key income and deductions reported on tax returns submitted for the years 2009 – 2013.

		2013	2012	2011	2010	2009
Wages	A					
Taxable Interest	B					
Tax Exempt Interest	C					
Ordinary Dividends	D					
Qualified Dividends	D					
Taxable Refunds						
Alimony	E					
Business Income/(Loss)	F					
Capital gain/loss	G					
Other gains/losses	H					
IRA distributions	I					
Pensions & Annuities (Non Taxable)	J					
Rents, Royalties, P'ships	K					
Other Income	L					
Total Income						
Total Adjustments	M	-	-	-	-	-
AGI						
Total Itemized Deductions	N					
Exemption						
Taxable Income						
Federal Income Tax	O					

Discussion:



Massachusetts Gaming Commission



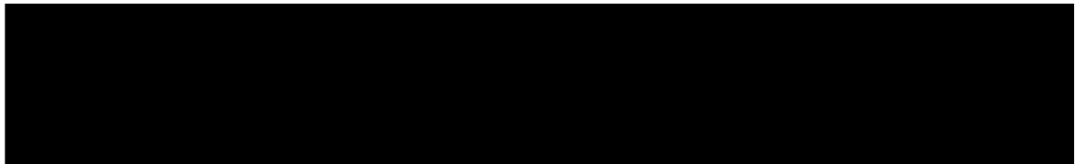
A. Salaries and Wages

Sources of income for Mr. Howland were wages received from his employment at two gaming establishments owned and operated by Penn National Gaming, Inc. From April 2010 through November 2013, Mr. Howland was employed at the Argosy Casino Riverside in Missouri. From November 2013 through December 2014, Mr. Howland was employed at the Hollywood Casino Columbus in Ohio. We received W-2 information to support these wages.



	2013	2012	2011	2010	2009

B. Taxable Interest Income



C. Tax Exempt Interest Income



D. Dividend Income



E. Alimony



F. Business Income/Loss



G. Capital Gain/Loss



H. Other Gains/Losses



I. IRA Distributions



J. Pensions & Annuities



[REDACTED]

K. Rents, Royalties, and Partnerships –

[REDACTED]

[REDACTED]

L. Other Income

[REDACTED]

M. Total Itemized Deductions

[REDACTED] S

N. Federal Income Taxes

[REDACTED]

Net Worth Analysis

[REDACTED]



Net Worth Analysis		
Cash on Hand	A	
Cash in Bank	A	
Notes Receivable	B	
Loans and Other	C	
Securities	D	
Real Estate Interests	E	
Cash Value Life Insurance	F	
Cash Value Pension	G	
Furniture and Clothing	H	
Vehicles	H	
Other Assets	I	
Total Assets		
Notes Payable	J	
Loans and Other Payable	K	
Taxes Payable	L	
Mortgages of liens on Real Estate	M	
Loans Against Insurance/Pension	N	
Other Indebtedness	O	
Total Liabilities		
Net Worth		

Discussion of Net Worth:

A review of the individual components of Mr. Howland’s net worth statement was conducted

[REDACTED]

Assets

A. Cash on hand/in bank

Mr. Howland claimed a total of [REDACTED] across [REDACTED] bank accounts [REDACTED] either individually or jointly [REDACTED]. The bank accounts are with [REDACTED].

As of December 10, 2014, a balance of [REDACTED] was held in the [REDACTED] account [REDACTED] a balance of \$ [REDACTED] was held in a [REDACTED] account [REDACTED] and [REDACTED] was held in a [REDACTED] account [REDACTED]. The remaining balance of [REDACTED] is held in [REDACTED]. Balances were verified by [REDACTED] bank statements.

B. Notes Receivable – [REDACTED]

C. Loans and Other Receivable – [REDACTED]



D. Securities

[REDACTED]

E. Real Estate Interests

Mr. Howland disclosed having ownership interests in two properties. The first property is a ten-acre lot of land located adjacent to [REDACTED]. This property was originally purchased on January 2003 for [REDACTED] which also included a house on the land. The land was split off after the sale of the house and thus as of the date of Mr. Howland’s application, about five acres of land remain, with a current market value he estimated at [REDACTED]. He explained that he estimated [REDACTED] per acre, which is similar to the rate of adjacent acres being sold to him previously. This estimate does not appear to be unreasonable and thus accepted. Mr. Howland provided documents to verify his ownership of the land.

The second property is a multi-family house located at 8110 Cliffrose Court, Plain City, Ohio. This property was purchased in January 2014 for [REDACTED], with a down payment of [REDACTED]. Mortgage documents were provided to verify the ownership of this property. Mr. Howland valued the property at cost and explained that he valued the property based on the price it is expected to sell at. We researched the value of the property on the internet and noted that it is estimated at [REDACTED] per Zillow Zestimate tool. The estimate used by the Howlands does not appear to be unreasonable, and will be accepted. Furthermore, Mr. Howland explained that he accepted an offer on the property and expected the transaction to close on March 17, 2015 for [REDACTED].

F. Cash Value Life Insurance

Mr. Howland did not list any life insurance policy on his application. [REDACTED]

G. Pension/Retirement Funds

Mr. Howland reported [REDACTED] accounts on his application, [REDACTED] of which are under [REDACTED]. A balance of [REDACTED] is held under his [REDACTED] account [REDACTED] held under his [REDACTED] account [REDACTED] and [REDACTED] held under his [REDACTED] account [REDACTED]

[REDACTED] Mr. Howland submitted statements for all of the [REDACTED] accounts, confirming year end and vested balances. We noted small differences between



the application and statement balances due to timing differences of when the reports were pulled.

H. Furniture, Clothing, and Vehicles

Mr. Howland has reported that he currently owns an estimated value of [REDACTED] in furniture and clothing. Additionally, Mr. Howland has reported on his application that he currently owns three vehicles, a [REDACTED] Toyota Camry, a [REDACTED] Toyota 4Runner, and a [REDACTED] Ford Mustang. Per Kelly Blue Book Used Car Valuations, the vehicles valued by Mr. Howland of [REDACTED] respectively, are reasonable. [REDACTED]

I. Other Assets

Based on our review [REDACTED]

Additionally, Mr. Howland explained he also owns a motorboat that was not included in his application. The 1992 EBBTI Campione 182 was purchased for approximately [REDACTED] and he now estimates its value at [REDACTED]. Mr. Howland did not provide appraisal documents for the boat but based on our research through the National Automobile Dealers Association Services Corporation, the average retail value is [REDACTED]. Mr. Howland provided the registration document to verify his ownership of the boat.

Liabilities

J. Notes Payable – [REDACTED]

K. Loans and other Payables

Mr. Howland listed an auto loan on the 4Runner with the original liability at [REDACTED] and has a remaining balance of [REDACTED]. An online statement was provided to verify these balances. Note that there are small differences between the application and statement balances due to timing difference of when the report was pulled.

Mr. Howland also listed [REDACTED] credit card accounts, one owned by himself and [REDACTED]. The two accounts have outstanding balances due as of the date of the application.

L. Taxes Payable – [REDACTED]



M. Mortgages of Liens on Real Estate

Mr. Howland reported a home mortgage loan on the Cliffrose Ct property co-owned with his wife. The mortgage, held by [REDACTED] was taken out on [REDACTED] in the amount of [REDACTED]. Mr. Howland makes monthly payments on the loan for [REDACTED] and has an outstanding balance of [REDACTED]. The mortgage bank statement submitted verified the loan amount, and the outstanding balance of [REDACTED] as of December 31, 2014.

N. Loans Against Insurance/Pensions

[REDACTED]

O. Other Indebtedness [REDACTED]

13. Income Tax Examinations

[REDACTED]

14. Qualifier’s Financial Condition

[REDACTED]

Mr. Howland is a qualifier due to his position as Vice President of Finance/Chief Financial Officer of Plainridge Park Casino. The investigation substantially corroborated what was reported on his application, based on review of his tax returns and other documents submitted.

15. Credit

Through a national credit bureau, we surfaced a credit report in the applicant’s name, Jeremy G. Howland which dates back to [REDACTED] and consists of [REDACTED] lines of credit, all of which are in good standing.

No bankruptcies, civil lawsuits, or judgments were surfaced.



The total outstanding liability as reflected on this report is [REDACTED]. The credit breakdown is listed as follows:

[REDACTED]

Mr. Howland's social security number is listed and verified. A current address is listed as [REDACTED] [REDACTED] which was reported December 2014. Two former addresses reported January 2014 are listed as 8110 Cliffrose Ct., Plain City, OH and 15256 Pine Ridge, Basehor, KS.

16. Conclusion as to Qualifier's Financial Stability and Integrity

Mr. Howland is a qualifier for Plainville Gaming and Redevelopment due to his management position. As such, he is not expected to make any capital contribution to Plainville Gaming and Redevelopment. The financial investigation did not uncover any derogatory information that indicates that Mr. Howland does not possess the requisite financial integrity, responsibility and financial stability to be found suitable to participate in the project.

17. Significant Investigative Issues

There are no significant investigative issues pertaining to Mr. Howland and his status as a qualifier.

18. Conclusion

Based on the IEB's investigation, there are no known facts that would disqualify Mr. Howland for licensure based on any of the criteria listed in the gaming laws or regulations of the Commonwealth of Massachusetts. See M.G.L. c. 23K, §§ 12-14; 205 CMR 115.



Massachusetts Gaming Commission

No Documents



Investigations & Enforcement Bureau

To: Chairman Crosby, Commissioner Zuniga, Commissioner Stebbins, Commissioner Cameron and Commissioner McHugh

From: Karen Wells, Director, Investigations and Enforcement Bureau

Re: Temporary Key Gaming Employee License Issued

Date: April 30, 2015

Pursuant to the authority the Commission delegated to the IEB on March 19, 2015, the IEB has granted a temporary license to the following individual.

Key Gaming Employee

1. Jason Gittle, IT Director, Plainville Gaming and Redevelopment (4/27/15)

The application was deemed complete by the Division of Licensing. The petitioner has certified and the IEB has found, after reviewing the proposed operational plan for the facility, that the temporary license is necessary for the operation of the gaming establishment given the planned June 24, 2015 opening date, and is not designed to circumvent normal licensing procedures.

The IEB has found that the license is reasonably likely to be issued upon completion of the investigation.



Massachusetts Gaming Commission