

MEMORANDUM OF UNDERSTANDING

BETWEEN:

KAHNAWÁ:KE GAMING COMMISSION

appointed and empowered under the
Kahnawá:ke Gaming Law, MCR #26/1996-97, 10 Ohiari:ha/June 1996
to license and regulate gaming activities within and from
the Mohawk Territory of Kahnawá:ke

and

ANTIGUA AND BARBUDA FINANCIAL SERVICES REGULATORY COMMISSION

a statutory body established under
the *International Business Corporations Act*, Cap. 222, as amended and
the *Interactive Gaming and Interactive Wagering Regulations* No.13 of 2007
and Guidelines

PREAMBLE

WHEREAS in December 29, 2005 the Authorities entered into a Memorandum of Understanding (referred to herein as the "2005 MOU") pursuant to which the Authorities agreed to share certain information for the purpose of ensuring effective regulation between both jurisdictions;

WHEREAS the Authorities acknowledge that they have both respected and benefitted from the provisions of the 2005 MOU;

WHEREAS the Authorities recognize the unique nature of the internet gaming industry and the need for regulators to adapt their methodologies to balance effective regulatory controls with the realities of the industry;

WHEREAS the Authorities recognize that the global nature of the internet gaming industry creates a need and desirability for regulators to collaborate and, wherever possible, harmonize their licensing and regulatory requirements;

WHEREAS the Authorities are satisfied that their respective regulatory regimes are robust, compatible and complimentary and would support either Authority entering into this Memorandum of Understanding or fulfilling its requirements;

WHEREAS the Authorities are satisfied that the terms of this Memorandum of Understanding will create regulatory and supervisory benefits for both Authorities;



NOW THEREFORE the Authorities do hereby enter into this Memorandum of Understanding for the purpose of harmonizing the licensing and regulatory requirements of their respective jurisdictions and agree that, so long as this Memorandum of Understanding remains in effect, the provisions set out hereinafter will govern the relationship between the Authorities.

DEFINITIONS

1. For the purposes of this Memorandum of Understanding, the terms set out below have the assigned meanings unless the context requires otherwise:
 - (a) *Application for an Inter-Jurisdictional Authorization* means the application form attached as Schedule "A" to this Memorandum of Understanding;
 - (b) *Appropriate administrative fee* is a fee that must be paid to the Recognizing Authority and that must accompany an application for an Inter-Jurisdictional Authorization and a renewal of an Inter-Jurisdictional Authorization;
 - (c) *Authority* means:
 - (i) The Kahnawá:ke Gaming Commission for the Mohawk Territory of Kahnawá:ke; and
 - (ii) The Financial Services Regulatory Commission for the State of Antigua and Barbuda;
 - (d) *Authorities* mean the Kahnawá:ke Gaming Commission and the Financial Services Regulatory Commission collectively;
 - (e) *Issuing Authority* means the Authority that issues a Primary Licence;
 - (f) *Laws, regulations and requirements* mean the provision of the laws, or the regulations and requirements promulgated thereunder, of the Mohawk Territory of Kahnawá:ke, including but not limited to the *Kahnawá:ke Gaming Law, 1996* and the *Regulations concerning Interactive Gaming, 1999*, as amended, and the State of Antigua and Barbuda including but not limited to the *International Business Corporations Act, Cap, 222* as amended, and the *Interactive Gaming and Interactive Wagering Regulations, No. 13 of 2007* and *Guidelines*;
 - (g) *2005 MOU* means the Memorandum of Understanding entered into by the Authorities in December, 2005;
 - (h) *Inter-Jurisdictional Authorization* means the Authorization form attached as Schedule "B" to this Memorandum of Understanding, issued by an Recognizing Authority in accordance with the provisions of this Memorandum of Understanding;

- (i) *Primary Licence* means an interactive gaming or wagering licence, Licence or Authorization issued by an Issuing Authority which entitles the holder to conduct interactive gaming or wagering within or from the jurisdiction of the Issuing Authority;
- (j) *Recognizing Authority* means the Authority that has received an application to grant, or that has granted, an Inter-Jurisdictional Authorization;
- (k) *Regulatory regime* means the laws, regulations, technical standards, rules, methodologies and all other matters related to the licensing and control of interactive gaming and wagering.

AFFIRMATION OF MEMORANDUM OF UNDERSTANDING

- 2. The Memorandum of Understanding entered into by the Authorities on December, 2005, is hereby recognized and affirmed and will continue to have effect according to its terms.

INDEPENDENCE OF AUTHORITIES

- 3. This Memorandum of Understanding does not modify or supersede any laws, regulations or requirements in force in the jurisdictions of Kahnawá:ke or Antigua and Barbuda, or otherwise affect the independence of each Authority to act as a regulatory body within its own jurisdiction. This Memorandum of Understanding does not create directly or indirectly any enforceable rights.
- 4. Notwithstanding any other provision of this Memorandum of Understanding, an Authority may, in its sole discretion, refuse to grant an Inter-Jurisdictional Authorization.

REVIEW OF REGULATORY REGIMES

- 5. The Authorities have each reviewed the other's regulatory regime and are satisfied that although they may differ in some respects, both regimes are robust in their formulation and enforcement and that the two regimes are compatible and complimentary.
- 6. In particular, the Authorities are satisfied that their respective regulatory regimes share the following key regulatory objectives and that both Authorities have implemented methodologies to ensure that these objectives are satisfied:
 - (a) to provide a lawful basis for the regulation and control of interactive gaming and wagering based in or offered from within their jurisdiction as a means of promoting and preserving international standards and best practices, economic development, self-sufficiency and peace, order and good governance within the jurisdiction;

- (b) to ensure that interactive gaming and wagering is conducted responsibly, fairly, honestly and in the best interests of all affected parties;
- (c) to ensure that adequate safeguards are established and enforced to prevent interactive gaming and wagering from being associated in any way with crime or criminality;
- (d) to ensure that the licensed operators of interactive gaming and wagering sites treat players fairly; that they pay winners promptly and that all information related to player accounts is held in the strictest confidence;
- (e) to protect persons under the age of eighteen (18) years and other vulnerable persons from being harmed or exploited by interactive gaming and wagering;
- (f) to ensure that adequate safeguards are established and enforced prevent, detect and mitigate money laundering and terrorist financing, and
- (g) generally, to ensure that regulatory regimes of both Authorities conform to international best practices and standards.

INTER-JURISDICTIONAL AUTHORIZATION

7. Notwithstanding any other provision of this Memorandum of Understanding, only corporate entities that are incorporated and in good standing under the laws of Antigua and Barbuda are eligible to apply for an Inter-Jurisdictional Authorization – whether the application for an Inter-jurisdictional Authorization is made to the Kahnawá:ke Gaming Commission or the Financial Services Regulatory Commission.
8. Subject to section 7 and the other conditions set out in this Memorandum of Understanding, the Authorities are of the mutual understanding that:
 - (a) the Kahnawá:ke Gaming Commission, upon being presented with an application for an Inter-Jurisdictional Authorization, a certified true copy of a Primary Licence issued by the Financial Services Regulatory Commission and the appropriate administrative fee, the amount of which will be determined by the Kahnawá:ke Gaming Commission, will issue to the applicant an Inter-Jurisdictional Authorization;
 - (b) the Financial Services Regulatory Commission, upon being presented with an application for an Inter-Jurisdictional Authorization, a certified true copy of a Primary Licence by the Kahnawá:ke Gaming Commission and the appropriate administrative fee, the amount of which will be determined by the Financial Services Regulatory Commission, will issue to the applicant an Inter-Jurisdictional Authorization.

9. The holder of an Inter-Jurisdictional Authorization will be:
- (a) entitled to carry on interactive gaming or wagering activities within or from the jurisdiction of the Recognizing Authority, provided that those activities are carried out at a facility that has been approved by the Recognizing and Issuing Authorities;
 - (b) subject to all of the requirements of the regulatory regime of the Issuing Authority;
 - (c) required to display the logo of the Issuing Authority on its website;
 - (d) subject to the requirements of the Recognizing Authority only as they relate to granting, renewing, suspending or revoking an Inter-Jurisdictional Authorization.

CONDITIONS

10. The mutual understandings set out in the foregoing clause 7, are subject to the following conditions:
- (a) when presented with an application for an Inter-Jurisdictional Authorization, a certified true copy of a Primary Licence issued by an Issuing Authority and the appropriate administrative fee, a Recognizing Authority will:
 - (i) immediately notify the Issuing Authority, in writing, of the said presentation with a full description of the Primary Licence that has been presented;
 - (ii) request that the Issuing Authority confirm, in writing, that the Primary Licence is valid and in good standing and request that the Issuing Authority provide such other information as the Recognizing Authority deems appropriate;
 - (iii) upon receipt of confirmation from the Issuing Authority that the Primary Licence is valid and in good standing, and the receipt of such other information that has been requested, grant the applicant an Inter-Jurisdictional Authorization, a copy of which will be provided to the Issuing Authority;
 - (b) upon receipt of a request from a Recognizing Authority under the foregoing clause 10(a)(ii), an Issuing Authority will reply to Recognizing Authority in a timely manner and will provide to the Recognizing Authority such information and documentation concerning the Primary Licence and related matters as the Recognizing Authority has requested;

- (c) the Issuing Authority will immediately notify the Recognizing Authority if the Primacy Licence is suspended or revoked. Upon receipt of such notification from the Issuing Authority, the Recognizing Authority will suspend or revoke the Inter-Jurisdictional Authorization to which the Primary Licence is associated and will immediately direct the hosting facility to take whatever actions the Issuing Authority deem appropriate;
- (d) to facilitate the enforcement of its regulatory regime, representatives, officers and/or agents of the Issuing Authority are entitled to attend within the jurisdiction of the Recognizing Authority for the purpose of conducting a review, examination, audit or test and/or to obtain any other information it may require concerning the holder of an Inter-Jurisdictional Authorization or its operations;
- (e) when requested to do so, the Recognizing Authority will permit the Issuing Authority to obtain access to the facilities and/or information the Issuing Authority require for the purposes of clause 10(d);
- (f) all questions, concerns or complaints related to the holder of an Inter-Jurisdictional Authorization or its operations, will be directed to the Issuing Authority which will have the responsibility of responding to such questions, concerns or complaints;
- (g) the Issuing Authority will immediately notify the Recognizing Authority of any significant concerns or complaints related to the holder of Inter-Jurisdictional Authorization or its operations of which the Issuing Authority may become aware.

AMENDMENTS TO LEGISLATION

11. The Authorities acknowledge that to effectively implement the terms of this Memorandum of Understanding it may be necessary to amend certain provisions of their regulations or other affected legislation and the Authorities undertake to use their best efforts to ensure that such amendments are made within ninety days of the date on which this Memorandum of Understanding is signed.

REPRESENTATIVES

12. The Authorities will each designate a representative who will be the primary contact person for the designating Authority for the purposes of this Memorandum of Understanding.

CONFIDENTIALITY

- 13. To the extent permitted by law, each Authority will keep confidential any information exchanged under this Memorandum of Understanding and any matters arising in the course of the implementation of this Memorandum of Understanding unless prior the appropriate written consent has been given by the both Authorities.

CONTINUOUS REVIEW

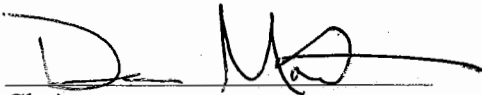
- 14. The Authorities shall keep the operation of this Memorandum of Understanding under continuous review and will consult with each other with a view to improving its operation and resolving any matters.
- 15. If it is deemed necessary and desirable to do so, this Memorandum of Understanding may be amended with the written consent of both Authorities.
- 16. The Authorities will use their best efforts to discuss and resolve any disputes or disagreements that may arise between them regarding the interpretation or implementation of this Memorandum of Understanding.

TERMINATION

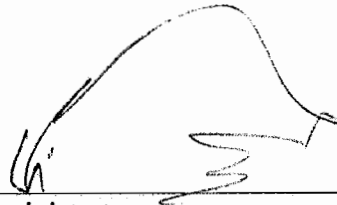
- 17. This Memorandum of Understanding will continue to have effect unless terminated by one of the Authorities by giving one hundred twenty (120) days advance written notice to the other Authority that the mutual understandings set out herein are no longer to have effect.

EFFECTIVE DATE

- 18. This Memorandum of Understanding will be effective ninety days from the date of its signature by the Kahnawá:ke Gaming Commission and the Financial Services Regulatory Commission of Antigua and Barbuda.



Chairman,
Kahnawá:ke Gaming Commission
Mohawk Territory of Kahnawá:ke



Administrator
Financial Services Regulatory Commission
Antigua and Barbuda

Signed this 14TH day of JUNE 2010

ANNEX

TO THE

MEMORANDUM OF UNDERSTANDING

BETWEEN

KAHNAWÁ:KE GAMING COMMISSION

AND

ANTIGUA AND BARBUDA
FINANCIAL SERVICES REGULATORY COMMISSION

Contact Points

Antigua and Barbuda Financial Services Regulatory Commission

1. Administrator, Financial Services Regulatory Commission
2. Director of Gaming, Financial Services Regulatory Commission
3. Deputy Director of Gaming, Financial Services Regulatory Commission
4. Licensing Administrator, Gaming Department, Financial Services Regulatory Commission

Kahnawá:ke Gaming Commission

1. Chairperson, Kahnawá:ke Gaming Commission
2. General Counsel, Kahnawá:ke Gaming Commission

