



## REGULATIONS CONCERNING INTERACTIVE GAMING

These Regulations were enacted by the Kahnawà:ke Gaming Commission on 08 Ohiarihkó/July, 1999 and last amended on 13 Onerahtohko:wa/May 2020 pursuant to Section 24.1 of the *Kahnawà:ke Gaming Law*.

### PART I: APPLICATION AND PURPOSE

1. These Regulations apply to all interactive gaming based in and offered from within the Territory, including interactive gaming involving players situated both within and outside the Territory.
2. The Commission may, subject to the provisions of the *Kahnawà:ke Gaming Law* (the “Law”) and these Regulations, issue such licences, authorizations and permits as are necessary to ensure proper and effective regulation of interactive gaming based in and offered from within the Territory.
3. These Regulations may serve as a basis for the harmonization of regulatory schemes concerning interactive gaming in comparable jurisdictions and for co-operation and mutual assistance between the Commission and other regulatory and law enforcement agencies. However, these Regulations are not dependent on the ratification or approval of any other jurisdiction or agency.
4. The purposes of these Regulations are:
  - (a) to provide a lawful basis for the regulation and control of interactive gaming and interactive gaming related activities based in or offered from within the Territory as a means of promoting and preserving economic development, self-sufficiency and peace, order and good government within the Territory;
  - (b) to ensure that interactive gaming and interactive gaming related activities are conducted responsibly, fairly, honestly and in the best interests of Kahnawà:keró:non and all other affected parties;
  - (c) to ensure that adequate safeguards are established and enforced to prevent interactive gaming and interactive gaming related activities from being associated in any way with crime or criminality;
  - (d) to ensure that the operators of interactive games treat players fairly; that they pay winners promptly and that all information related to player accounts is held in the strictest confidence; and

- (e) to protect persons under the approved age and other vulnerable persons from being harmed or exploited by interactive gaming or interactive gaming related activities.
- 5. Except as permitted by these Regulations, interactive gaming and interactive gaming related activities based in or offered from within the Territory are prohibited. For greater certainty, no one may conduct interactive gaming activities within or from the Territory unless approved to do so pursuant to a valid Authorization issued by the Commission.
- 6. Authorized Client Providers are responsible for ensuring that their operations conform to the applicable laws and regulations of comparable jurisdictions, including but not limited to any laws and regulations concerning advertising within the comparable jurisdiction.

## **PART II: DEFINITIONS**

- 7. The definitions provided in the Law have the same meaning in these Regulations.
- 8. Notwithstanding any provision of these Regulations, the Commission may, by amendment to these Regulations or by written directive, provide that a specified activity, or an activity carried on in specified circumstances, is or is not to be treated for the purposes of these Regulations as being “interactive gaming”.
- 9. For the purposes of these Regulations:

“applicant” means any person that has applied for an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Inter-Jurisdictional Authorization, Live Dealer Studio Authorization, Key Person Permit or a renewal of an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Inter-Jurisdictional Authorization, Live Dealer Studio Authorization or Key Person Permit;

“application” includes an application submitted to the Commission for an Interactive Gaming Licence, a Client Provider Authorization, Casino Software Provider Authorization, Inter-Jurisdictional Authorization, a Live Dealer Studio Authorization, a Key Person Permit and an application to renew an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Inter-Jurisdictional Authorization, Live Dealer Studio Authorization or Key Person Permit;

“appropriate resources” means financial resources:

- (a) adequate, in the Commission’s opinion, to ensure the financial viability of operations conducted under an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization; and
- (b) demonstrably available from a source that is not, in the Commission’s opinion, contrary to the purpose of these Regulations or to any law applicable within the Territory;

“appropriate services” means the services of persons who have appropriate experience to ensure the proper and successful conduct of interactive games;

“approved age” means the greater of:

- (a) the full age of eighteen (18) years; or
- (b) the age that is required to participate in a game of chance under the laws of the jurisdiction in which a person is resident.

“Approved Agent” means a person or persons approved by the Commission to carry out any of the functions set forth in these Regulations, for and on behalf of the Commission;

“Authorized Client Provider” means the holder of a valid Client Provider Authorization issued by the Commission;

“authorized game” means an interactive game that an Authorized Client Provider is permitted to conduct under the Law and these Regulations;

“bet” means money or something of value put at risk by betting;

“betting” means making or accepting a bet on:

- (a) the outcome of a race, competition or other event or process;
- (b) the likelihood of anything occurring or not occurring; or
- (c) whether anything is or is not true.

For greater certainty:

- (a) a transaction that relates to the outcome of a race, competition or other event or process may be a “bet” within the meaning of this definition despite the facts that:
  - (i) the race, competition, event or process has already occurred or been completed; and
  - (ii) one party to the transaction knows the outcome;
- (b) A transaction that relates to the likelihood of anything occurring or not occurring may be a “bet” within the meaning of this definition despite the facts that:
  - (i) the thing has already occurred or failed to occur; and
  - (ii) one party to the transaction knows that the thing has already occurred or failed to occur.

“Commission” means the Kahnawà:ke Gaming Commission;

“comparable jurisdiction” means any licensing jurisdiction other than

Kahnawà:ke which has laws and regulations comparable to the present Regulations that ensure the integrity of interactive gaming and suitability of the persons and operations related thereto;

“consumable” means any physical item used in a Live Dealer Game that is subject to wear and deterioration over time, including but not limited to cards, dice, balls;

“control system” means a system of internal controls for the conduct of authorized games by an Authorized Client Provider that includes, but is not limited to, information about the following:

- (a) accounting systems and procedures and charts of accounts;
- (b) administrative systems and procedures;
- (c) gaming and accounting software;
- (d) standard forms and terms;
- (e) general procedures to be followed for the conduct of any form of interactive gaming;
- (f) procedures for preventing underage players from participating in any form of interactive gaming;
- (g) procedures for detecting and preventing money-laundering;
- (h) procedures for ensuring fairness, including but not limited to detecting and preventing collusion or other kinds of fraud by or among players;
- (i) procedures and standards for the maintenance, security, storage and transportation of interactive gaming equipment
- (j) procedures for recording gaming transactions and the payment of winnings to players, and
- (k) its auditors;

“decision” includes:

- (a) conduct engaged in to make a decision;
- (b) conduct related to making a decision; and
- (c) failure to make a decision;

"dishonest act" includes fraud, misrepresentation, theft and any other act or omission which the Commission deems to be a dishonest act;

“game of chance” includes:

- (a) a game that involves both an element of chance and an element of skill;

- (b) a game that involves an element of chance that can be eliminated by superlative skill; and
- (c) a game that is presented as involving an element of chance, but does not include a sport.

For greater certainty, a player plays a game of chance if he or she participates in a game of chance:

- (a) whether or not there are other participants in the game; and
- (b) whether or not a computer generates images or data taken to represent the actions of other participants in the game;

“gaming records” means all records directly or indirectly related to the interactive games produced by an Authorized Client Provider, including but not limited to player account information, wagers placed and outcomes of games played;

“Inspector” means:

- (a) a member of the Commission;
- (b) a person holding an appointment as an Inspector under these Regulations (an “internal Inspector”); or
- (c) a person who holds an appointment as an inspector under a law of a comparable jurisdiction and is authorized in writing by the Commission to act as an Inspector under these Regulations (an “external Inspector”);

“interactive gaming” means:

- (a) playing a game of chance for a prize; or
- (b) betting;

by means of:

- (a) the internet;
- (b) telephone;
- (c) television;
- (d) radio; or
- (e) any other kind of electronic or other technology for facilitating communication;

“interactive gaming related activities” means any activity that the Commission considers reasonably related to interactive gaming or to the operation of interactive gaming, including but not limited to interacting with or offering assistance to players by or on behalf of an entity that

conducts interactive gaming;

“Kahnawà:keró:non” means a person identified as a Mohawk and a member of the community of Kahnawà:ke pursuant to the Kahnawà:ke Membership Law, as it may be amended from time to time;

“key person” means a person identified as a key person in these Regulations;

“key relationship” means a relationship between a licence holder or an Authorized Client Provider and another person as a result of which the other person is a key person;

“licence” means an Interactive Gaming Licence;

“licence holder” means the holder of a valid Interactive Gaming Licence issued by the Commission;

“Live Dealer Game” or within Part VII, “game”, means an authorized game conducted by a real dealer using real gaming equipment with video and audio sent to all remote players and instructions received from each player using streaming, narrowcast, broadcast or other technology;

“Live Dealer Studio” means the physical location within which Live Dealer Games are conducted;

“material change” means a change that affects an applicant, licence holder or Authorized Client Provider, including but not limited to:

- (a) the appointment of a new Director;
- (b) the addition of a new Shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant, licence holder or Authorized Client Provider;
- (c) the addition, termination or change in functions of a key person;
- (d) a change to a control system that affects, or may affect, the functionality of an authorized game, or
- (e) a change to the contact information previously provided to the Commission;

“Official” means:

- (a) a person acting in an official capacity under the Law or these Regulations, other than a member of the Commission;
- (b) an Inspector; or
- (c) a person acting under the direction of an Inspector;

“person” includes an individual, corporation, partnership, limited liability company and any other business entity recognized under the laws applicable within the Territory;

“personal information” means information about an identifiable individual that is recorded in any form including, without restricting the generality of the foregoing:

- (a) information relating to the race, national or ethnic origin, colour, religion, age or marital status of the individual;
- (b) information relating to the education or the medical, criminal or employment history of the individual or information relating to financial transactions in which the individual has been involved;
- (c) any identifying number, symbol or other particular assigned to the individual;
- (d) the address, fingerprints or blood type of the individual;
- (e) the personal opinions or views of the individual except where they are about another individual;
- (f) correspondence sent to the Commission by the individual that is implicitly or explicitly of a private or confidential nature, and replies to such correspondence that would reveal the contents of the original correspondence;
- (g) the views or opinions of another individual about the individual; and
- (h) the name of the individual where it appears with other personal information relating to the individual or where the disclosure of the name itself would reveal information about the individual.

“player” means a person who has is of the approved age and who participates in an interactive game;

“player’s account” means an account:

- (a) in the name of the player:
  - (i) at a financial institution, or
  - (ii) with a body approved by the Commission, and
- (b) against which the Authorized Client Provider has a right to debit the amount of a bet or wager;
- (c) that is established on a basis under which the player may only have direct recourse to the account:
  - (i) to ascertain the balance of funds in the account or to close the account;
  - (ii) to obtain the whole or part of an amount paid into the account as a prize in authorized game, or
  - (iii) as authorized by the licence holder, Authorized Client Provider or the Commission;

“primary jurisdiction” means a country, state, province or other territory that the Commission, in its sole discretion, determines to have an

interactive gaming licensing and regulatory regime that is comparable to the Commission's regime. The Commission may promulgate a list of countries, states, provinces and other territories that it considers to be primary jurisdictions for the purposes of these Regulations;

"prize":

- (a) means money or money's worth; and
- (b) includes both a prize provided by a person offering a game of chance and winnings of money staked;

"proxy player" means a player that participates in a Live Dealer Game from the Live Dealer Studio on behalf of a remote player;

"remote player", or within Part VII, "player" means a player that is participating in a Live Dealer Game from a location outside of the Live Dealer Studio;

"Show Cause Notice" means the notice provided by the Commission to the licence holder or Authorized Client Provider, as set forth in these Regulations;

"Show Cause Period" means the period set forth in these Regulations;

"Show Cause Procedure" means the procedure set forth in these Regulations;

"Territory" means the lands held by and under the jurisdiction of the Mohawks of Kahnawà:ke, referred to by the government of Canada as "Kahnawà:ke Indian Reserve No. 14";

### **PART III: LICENSING – MANDATORY PROVISIONS**

- 10. The Commission may issue the following types of licences, authorizations and permits:
  - (a) an Interactive Gaming Licence;
  - (b) Client Provider Authorizations;
  - (c) Casino Software Provider Authorizations;
  - (d) Live Dealer Studio Authorizations;
  - (e) Inter-Jurisdictional Authorizations, and
  - (f) Key Person Permits.
- 11. All Client Provider Authorizations, Casino Software Provider Authorizations and Inter-Jurisdictional Authorizations issued by the Commission must be appended to a valid Interactive Gaming Licence.
- 12. A Client Provider Authorization, Casino Software Provider Authorization or Inter-Jurisdictional Authorization is only valid and enforceable for so



long as the Interactive Gaming Licence to which it is appended is in good standing.

13. A licence holder is jointly responsible for the acts or omissions of an Authorized Client Provider that are in breach of the Law or these Regulations, provided that the licence holder:
  - (a) was aware, or should reasonably have been aware, of the act or omission; and
  - (b) failed:
    - (i) to take steps to prevent the breach; or
    - (ii) to notify the Commission of the breach.
14. Any breach of the Law or these Regulations by a licence holder may result in the suspension or revocation of its Interactive Gaming Licence and the Client Provider Authorizations, Casino Software Provider Authorizations and Inter-Jurisdictional Authorizations appended thereto, and/or the imposition of such fines as are prescribed in these Regulations.
15. Any breach of the Law or these Regulations by an Authorized Client Provider may result in the suspension or revocation of its Client Provider Authorization, and of the Interactive Gaming Licence to which the Client Provider Authorization is appended, and/or the imposition of such fines as are prescribed in these Regulations.
16. All applicants are responsible to the Commission for all costs incurred by the Commission related to the processing of an application. In the event these costs exceed the amount of the application fee, the Commission will notify the applicant in writing to provide a further fee in such amount as the Commission may determine. In the event the Commission does not receive payment of the further fee within ten (10) days of the date of the Commission's notice to the applicant, processing of the application will be suspended until the further fee is received or, if a licence, authorization or permit has already been granted, it may be suspended or revoked.
17. The Commission, in its sole discretion, may deny any application even if the requirements set out in these Regulations have been met.
18. An Interactive Gaming Licence, Authorizations and Permits will be in the form prescribed by the Commission and may, in addition to any other matter which the Commission deems to be appropriate, specify:
  - (a) the name, address, telephone number, fax number and email address of the licence holder, Authorization or Permit holder;
  - (b) the address of the premises from which the Authorization holder will conduct interactive gaming and interactive gaming related activities;

- (c) the authorized games the Authorized Client Provider is permitted to conduct;
  - (d) commencement and termination dates of the licence, authorization or permit;
  - (e) any other terms and conditions that are in the public interest and that the Commission, in its sole discretion, considers necessary or desirable for the proper conduct of interactive games;
  - (f) a clause stating that the Commission and its members, employees and agents are not liable for any damages, losses, costs or liabilities incurred by a licence holder, Authorization or Permit holder; and
  - (g) a clause stating that the licence, Authorization or Permit holder has agreed to indemnify the Commission against any claims, demands or actions and any resulting damages, awards or costs (including legal costs) brought by any third party against the Commission in relation to the acts or omissions of a licence Authorization or Permit holder.
19. An Interactive Gaming Licence and any Authorization or Permit issued by the Commission under these Regulations:
- (a) subject to the provisions of these Regulations, may be amended, suspended or revoked for any breach of the Law, these Regulations, the terms and conditions of the Interactive Gaming Licence, Authorization or Permit, or any direction issued by the Commission; and
  - (b) are not valid unless and until the prescribed fees have been paid in full.
- 19A. Except a Client Provider Authorization, a licence, authorization or permit issued by the Commission may not be sold, transferred or assigned.
- 19B. A Client Provider Authorization may be sold, transferred or assigned only with the Commission's prior approval.
20. Notwithstanding any other provision of these Regulations, an Authorized Client Provider, including their respective members, shareholders, directors, officers, employees (contractual or otherwise) and agents must not engage in interactive gaming by way of voice communication with a player, through any device or means.

#### **PART IV: LICENSING – ASSESSING SUITABILITY**

21. The Commission or such person as the Commission may appoint as an Approved Agent for the purpose, will conduct a thorough investigation to determine an applicant's suitability to hold an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization or Key Person Permit.

22. The Commission, or such person as the Commission may appoint as an Approved Agent for the purpose, may at any time after a licence, authorization or permit has been granted, investigate a licence holder, Authorized Client Provider or key person if the Commission reasonably suspects the licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person is not, or is no longer, suitable to hold a licence, authorization or permit issued by the Commission.
23. In investigating a licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person the Commission may, by written notice given to the person, require the person to give the Commission information or documentation the Commission considers relevant to the investigation and the person must comply with the requirement.
24. The Commission may consider an applicant suitable to hold an Interactive Gaming Licence, an Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization or a Key Person Permit, if the applicant satisfies the Commission that:
  - (a) in the case of an individual, the applicant is a person of good character, honesty and integrity; taking into consideration any matter the Commission considers relevant, including but not limited to the following:
    - (i) personal, professional and business associations;
    - (ii) history of criminal convictions;
    - (iii) history of civil litigation;
    - (iv) credit history or bankruptcies;
    - (v) personal and professional references;
    - (vi) education, training and work history; and
  - (b) in the case of a corporation, the applicant has:
    - (i) a good business reputation, sound current financial position and financial background;
    - (ii) arranged a satisfactory ownership and corporate structure;
    - (iii) the appropriate resources, services, skills and technical ability to provide the services authorized by its licence, authorization or permit;
    - (iv) each director, shareholder with ten percent (10%) or more ownership of or controlling interest in the corporation and key person, is a suitable individual; and
    - (v) any other matter prescribed under these Regulations, under a law applicable within the Territory or which the

Commission otherwise deems appropriate.

25. The Commission may consider proof that an applicant has been licensed to conduct gaming in a comparable jurisdiction as prima facie evidence of the applicant's suitability to conduct interactive gaming and interactive gaming related activities within the Territory.

#### **PART V: INTERACTIVE GAMING LICENCE**

26. Subject to the provisions of these Regulations, the holder of a valid Interactive Gaming Licence is entitled to operate a co-location facility that provides internet services to Authorized Client Providers and any matters necessarily incident thereto.
27. The holder of a valid Interactive Gaming Licence must not provide services to any person engaged in interactive gaming or interactive gaming related activities unless that person is an Authorized Client Provider.
28. To ensure the best interests of the community of Kahnawà:ke are upheld, only one Interactive Gaming Licence will ever be issued by the Commission at any given time.
29. To be considered by the Commission, an application for an Interactive Gaming Licence must include the following, duly completed as required:
- (a) an application for an Interactive Gaming Licence, in the approved form;
  - (b) business entity information, in the approved form;
  - (c) personal information and financial information, in the approved forms, for each director and shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant corporation;
  - (d) an application for a Key Person Permit, in the approved form, for each of the proposed key persons;
  - (e) personal information, in the approved form, for each of the proposed key persons;
  - (f) Key Person Permit application fees, as provided in these Regulations;
  - (g) Detailed information about structure, equipment and services to be offered by the co-location facility the applicant proposes to operate;
  - (h) an application fee in the amount of Thirty Thousand (\$30,000.00) Dollars, which includes:
    - (i) the estimated cost of conducting the Commission's due diligence regarding the applicant and the individuals who have provided Personal Information Forms (non-

refundable); and

- (ii) the first annual licensing fee (refundable if an application is not granted);

but which does not include any costs associated with the Commission's assessment of the information concerning the co-location facility the applicant proposes to operate – which cost will be paid by the applicant to the Commission upon being presented the appropriate invoice.

30. The Commission may grant an Interactive Gaming Licence only if the applicant satisfies the Commission that:

- (a) the premises at which the co-location facility is to be operated is wholly situated within the Mohawk Territory of Kahnawà:ke;
- (b) the applicant has established and is capable of operating a co-location facility that provides internet service, and all required support services which, in the Commission's sole discretion, are capable of providing suitable and reliable internet services to Authorized Client Providers;
- (c) the applicant satisfies the eligibility requirements of the Law and is suitable to hold an Interactive Gaming Licence;
- (d) each director, shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant, is a suitable person;
- (e) each of the applicant's key persons are suitable persons;
- (f) the applicant is a business entity that has a good business reputation, sound current financial position and financial background;
- (g) the issuance of an Interactive Gaming Licence to the applicant does not, in the Commission's sole discretion, adversely affect Kahnawà:ke's jurisdictional integrity or reputation; and
- (h) the applicant has satisfied any other requirement that the Commission, in its sole discretion, deems appropriate.

31. Subject to the foregoing sections, the Commission will promptly consider the application and will:

- (a) grant the application and issue an Interactive Gaming Licence;
- (b) deny the application: or
- (c) return the application to the applicant with a request for additional information.

32. In the event an application is denied, the Commission will give its reasons for the refusal in writing to the applicant.

33. An Interactive Gaming Licence will not be granted for a period of time exceeding five (5) years.

#### **PART VI: CLIENT PROVIDER AUTHORIZATIONS**

34. Subject to the provisions of these Regulations, the holder of a valid Client Provider Authorization is entitled to conduct interactive gaming from the co-location facility that is owned and operated by the holder of a valid Interactive Gaming Licence and, if authorized by the Commission, to conduct interactive gaming related activities from premises located within the Territory.

35. To be considered by the Commission, an application for a Client Provider Authorization must include the following, duly completed as required:

- (a) an application for a Client Provider Authorization, in the approved form;
- (b) business entity information, in the approved form;
- (c) personal information and financial information, in the approved forms, for each director and shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant corporation;
- (d) an application for a Key Person Permit, in the approved form, for each of the proposed key persons;
- (e) personal information, in the approved form, for each of the proposed key persons;
- (f) except as otherwise directed by the Commission, a Control System Submission, in the approved form;
- (g) an application fee in the amount of Thirty Five Thousand (\$35,000.00) Dollars, which includes:
  - (i) the estimated cost of conducting the Commission's due diligence regarding the applicant and the individuals who have provided Personal Information Forms (non-refundable); and
  - (ii) the first annual licensing fee (refundable if an application is not granted);

but which does not include any costs associated with the Commission's assessment of the applicant's Control System Submission – which cost will be paid by the applicant to the Commission upon being presented the appropriate invoice;

- (h) Key Person Permit application fee in the amount of Five Thousand (\$5,000.00) for each proposed key person.

36. The Commission may grant a Client Provider Authorization only if the applicant satisfies the Commission that:
- (a) the applicant is suitable to hold an Client Provider Authorization;
  - (b) each director, shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant, is a suitable person;
  - (c) each of the applicant's key persons are suitable persons;
  - (d) the applicant is the owner or licensee of control systems that are capable of providing fair and reliable interactive gaming and conducting reliable and secure interactive gaming related activities that satisfy each of the other requirements of a control system as defined by these Regulations;
  - (e) the applicant has installed, or has agreed to install in a timely manner, at the co-location facility operated by the Interactive Gaming Licence holder, such gaming equipment as the Commission deems necessary to provide the Commission effective regulatory control over the applicant's gaming operations, and may in this regard request a copy of the applicant's agreement with manager of the co-location facility operated by the Interactive Gaming Licence holder;
  - (f) the Commission and the Applicant have agreed on the design of, and an implementation schedule for, a continuous compliance program;
  - (g) the applicant is a business entity that has a good business reputation, sound current financial position and financial background;
  - (h) the issuance of a Client Provider Authorization to the applicant does not, in the Commission's sole discretion, adversely affect Kahnawà:ke's jurisdictional integrity or reputation; and
  - (i) the applicant has satisfied any other requirement that the Commission, in its sole discretion, deems appropriate.
37. The Commission will consider each application for a Client Provider Authorization independently from the Interactive Gaming Licence to which it is proposed to be appended and independently from any other Client Provider Authorization already appended to the Interactive Gaming Licence.
38. Subject to the foregoing section, the Commission will promptly consider the application and will:
- (a) grant the application and issue a Client Provider Authorization for an initial term of six (6) months;
  - (b) deny the application; or

- (c) return the application to the proposed client provider with a request for additional information.
39. In the event an application is denied, the Commission will give its reasons for the refusal in writing to the applicant.
40. In the event an application is granted:
- (i) the Commission will notify in writing, the Authorized Client Provider and the holder of the Interactive Gaming Licence to which the Client Provider Authorization is to be appended;
  - (ii) the Client Provider Authorization will be appended to the licence holder's Interactive Gaming Licence;
  - (iii) an original Client Provider Authorization certificate will be provided to the Authorized Client Provider.
41. During the initial six (6) month term after the issuance of a Client Provider Authorization, the Authorized Client Provider must implement, to the Commission's satisfaction, the appropriate continuous compliance program.
42. Not less than thirty (30) days prior to the expiry of the initial six (6) month period after the issuance of a Client Provider Authorization, the Commission will review the Authorized Client Provider's performance during this period of time, and will in particular consider whether:
- (i) the Authorized Client Provider has satisfactorily implemented the appropriate continuous compliance program;
  - (ii) there have been an inordinate number of complaints from players or other third parties in relation to the Authorized Client Provider's operations, control systems, payment processes or any other matter;
  - (iii) the Authorized Client Provider has breached these Regulations or any other law applicable within the Territory; and
  - (iv) the Authorized Client Provider has committed any other act or omission that negatively affected the credibility or reputation of the Commission, the Territory or any person or entity within the Territory.
43. As soon as possible after the review referred to in the foregoing section 42, and in any event prior to the expiry of the initial six (6) month, the Commission will, based on the information reviewed:
- (i) renew the Client Provider Authorization for a term not exceeding five (5) years;
  - (ii) not renew the Client Provider Authorization; or
  - (iii) extend the term of the Client Provider Authorization for another three months.



- 44. If a Client Provider Authorization is extended pursuant to subsection 43(c) the provisions of sections 41 and 42 will apply, *mutatis mutandis*.
- 45. A Client Provider Authorization may not be extended pursuant to subsection 43(c) more than once.

**PART VII: LIVE DEALER STUDIO AUTHORIZATIONS**

- 46. Subject to the provisions of these Regulations, the holder of a valid Live Dealer Studio Authorization is entitled to operate a Live Dealer Studio, to conduct Live Dealer Games and, if authorized by the Commission, to conduct interactive gaming related activities from premises located within the Territory.
- 47. To be considered by the Commission, an application for a Live Dealer Studio Authorization must include the following, duly completed as required:
  - (a) an application for a Live Dealer Studio Authorization, attached as Schedule “K” to these Regulations;
  - (b) a Business Entity Information form, for the applicant corporation, attached as Schedule “B” to these Regulations;
  - (c) Personal Information forms, attached as Schedule “C” to these Regulations, for each director and shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant corporation;
  - (d) an application for a Key Person Permit, attached as Schedule “E” to these Regulations, for each of the proposed key persons;
  - (e) Personal Information forms, attached as Schedule “C” to these Regulations, for each of the proposed key persons;
  - (f) except as otherwise directed by the Commission, a Control System Submission, attached as Schedule “I” to these Regulations;
  - (g) an application fee in the amount of Twenty Five Thousand (US\$25,000.00) US Dollars, which includes:
    - (i) the estimated cost of:
      - 1. conducting due diligence investigations on the applicant and the individuals who have provided Personal Information Forms (non-refundable);
      - 2. inspecting the premises in which the Live Dealer Studio is to be located; the proposed parking area; the proposed equipment and proposed dealers to ensure the applicant has satisfied all requirements of these Regulations; and
      - 3. reviewing the applicant’s Control System

Submission;

- (ii) the first annual licensing fee (refundable if an application is not granted);
  - (h) Key Person Permit application fee in the amount of Five Thousand (\$5,000.00) for each proposed key person.
48. The Commission may grant a Live Dealer Studio Authorization only if the applicant satisfies the Commission that:
- (a) the applicant is suitable to hold an Live Dealer Studio Authorization;
  - (b) each director, shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant, is a suitable person;
  - (c) each of the applicant's key persons are suitable persons;
  - (d) the applicant is the owner or licensee of control systems that are capable of providing fair and reliable interactive gaming and conducting reliable and secure interactive gaming related activities that satisfy each of the other requirements set out in the Control System Submission;
  - (e) the applicant has installed, or has agreed to install in a timely manner, at the co-location facility operated by the Interactive Gaming Licence holder, such gaming equipment as the Commission deems necessary to provide the Commission effective regulatory control over the applicant's gaming operations, and may in this regard request a copy of the applicant's agreement with manager of the co-location facility operated by the Interactive Gaming Licence holder;
  - (f) the Commission and the Applicant have agreed on the design of, and an implementation schedule for, a continuous compliance program;
  - (g) the issuance of a Live Dealer Studio Authorization to the applicant does not, in the Commission's sole discretion, adversely affect Kahnawà:ke's jurisdictional integrity or reputation; and
  - (h) the applicant has satisfied any other requirement that the Commission, in its sole discretion, deems appropriate.
49. In considering whether to issue a Live Dealer Studio Authorization, the Commission must be satisfied that:
- (a) the location, structure and layout of the Live Dealer Studio facility is suitable for its intended purpose;
  - (b) the Live Dealer Studio facility has been inspected and approved in accordance with all fire, safety, environmental and, if

appropriate, health standards applicable within the Territory;

- (c) the Live Dealer Studio facility is covered by an all risk, third party liability insurance policy in the amount of not less than Two Million (\$2,000,000.00) Dollars, the terms of which are satisfactory to the Commission;
- (d) the security of the Live Dealer Studio facility, including access thereto is suitable for its intended purpose;
- (e) the parking area that will service the Live Dealer Studio facility is:
  - (i) adequately sized and positioned to service the operations of the Live Dealer Studio;
  - (ii) safe for its intended use, is adequately lit at night and is fully monitored by security personnel or cameras; and
- (f) the tables, cards, cameras and other related equipment to be used in the Live Dealer Studio is suitable for its intended purpose; and
- (g) dealers and other personnel employed or contracted by the applicant or Authorization holder are:
  - (i) not less than the approved age;
  - (ii) properly trained and supervised; and
  - (iii) suitably attired at all times.

49A. If prior to the determination of an application for a Live Dealer Studio Authorization, the monies deposited with the Commission in accordance with section 47 have been exhausted, the Commission may by notice in writing to the applicant require that an additional sum be deposited with the Commission by, or on behalf of, the applicant. Where a notice under this section has been given, the Commission is not required to determine the application until the notice has been complied with.

50. Before deciding whether to grant or refuse an application for a Live Dealer Studio Authorization, the Commission will consider:

- (a) any relevant reports and materials that have been submitted to them; and
- (b) other material or information supplied to the Commission by, or on behalf of, the applicant as the Commission considers appropriate.

51. Where the Commission consider that they have insufficient information on which to decide whether to grant or refuse the application, they will defer their decision on the application and invite the applicant, or a representative of the applicant, to provide additional information.

52. If the Commission refuses to grant an application for a Live Dealer Studio Authorization, the Commission will give the applicant written

notice of the decision with reasons for the refusal.

53. In the event an application for a Live Dealer Studio Authorization is granted:
- (a) the Commission will notify the applicant and the holder of the Interactive Gaming Licence to which the Live Dealer Studio Authorization is to be appended;
  - (b) the Live Dealer Studio Authorization will be appended to the licence holder's Interactive Gaming Licence;
  - (c) an original Live Dealer Studio Authorization certificate will be provided to the applicant.
54. The Commission will consider each application for a Live Dealer Studio Authorization independently from the Interactive Gaming Licence to which it is proposed to be appended and independently from any other Authorization already appended to the Interactive Gaming Licence.
55. A Live Dealer Studio Authorization granted by the Commission is subject to the following conditions:
- (a) upon receipt of a verbal or written request from a duly authorized officer of the Commission, the Live Dealer Studio Authorization holder must provide information about the operations and management of the Live Dealer Studio facility; and
  - (b) the Live Dealer Studio Authorization holder must within forty-eight (48) hours of any serious incident negatively affecting the operations of the Live Dealer Studio facility, notify the Commission in writing of the details and consequences of the incident and of the remedial steps, if any, taken.
56. During the initial one (1) year term after the issuance of a Live Dealer Studio Authorization, the Commission will conduct a compliance audit (the "baseline audit") of the Authorization holder's operations and, based on the compliance audit findings, will issue such directions to the Authorization holder as may be appropriate. The Commission will determine the scope and timing of subsequent compliance audits. The cost of the baseline audit and subsequent audits are included in the Authorization holder's annual licensing fee.
57. A Live Dealer Studio Authorization is valid for a period of five (5) years.
58. Upon being given reasonable notice, which will wherever possible be not less than seven (7) days, the Live Dealer Studio Authorization holder will attend at a meeting of the Commission for the purpose set out in the notice.

### **Live Dealer Studio - Mandatory Requirements**

59. Information must be provided to a remote player in real time and will include all game play information that would normally be available from the online table game equivalent including the following:
- (a) date and time;
  - (b) table number and location;
  - (c) table minimum and maximum wagers;
  - (d) number of decks used, if applicable;
  - (e) amount wagered;
  - (f) game outcome;
  - (g) amount of house rake, if applicable;
  - (h) payout odds, where applicable; and
  - (i) amount won or lost.
60. In the event that a remote player cannot or does not complete an action required of them to allow a game to continue within the allotted time:
- (a) the system or proxy player must complete the game on behalf of the player;
  - (b) the game must be completed using an optimum strategy for that particular game;
  - (c) the player must not rejoin the particular instance of a game where the system or proxy has begun to complete the game on behalf of that player;
  - (d) any winnings arising from the game must be credited to the player's account;
  - (e) any losses arising from the game are retained in accordance with the rules of the game;
  - (f) the results of the game must be available to the player and must indicate which decisions were made by the system or proxy player on behalf of the player; and
  - (g) other players in the game instance must be able to complete their own games, unless they cannot or do not take their turn.
61. A remote player must be notified of a win directly through his or her player account, including the amount won, in due course after the completion of the game.

62. The following information will be readily available to the remote player through the internet interface throughout a player's session, where applicable:
- (a) sufficient information to identify the specific game selected;
  - (b) all charges imposed on the player such as fees, and house rake;
  - (c) rules which describe procedures in place to deal with game interruptions caused by the discontinuity of data flow, video and voice from the network server during a game, for example: internet connection outage or wagering terminal malfunction;
  - (d) for any betting opportunity relying on 'live' monitoring of an event, players must be informed that 'live' transmissions may be subject to delay or interruption. Where a delay or interruption is apparent and is created by the system, the scale of the delay must be disclosed to the player;
  - (e) the rules, artwork and functionality of the game, as made available to the player using the internet interface, must include no less information than that which is made available to the player using a traditional or land-based method, where applicable; and
  - (f) all players playing a game or, in the case of the wagering on a future event, placing a wager, using the internet interface must be no more or no less eligible to win the game than players using a traditional or land-based method.
63. Gameplay and payout rules must not rely on sound to convey their meaning.

### **Automated Recognition Devices**

64. Game symbols used in Live Dealer Games must be automatically registered by automated recognition devices.
65. Game symbols used in Live Dealer Games will be recorded in the Live Dealer gaming system.
66. Rules of play for Live Dealer games must be programmed into the Live Dealer gaming system.
67. Any equipment that is used to scan or otherwise detect cards must be tested for reliability and all consumables that will be subjected to this hardware must be checked against the equipment for defects prior to processing, in order to prevent play being disrupted.

68. The Live Dealer Studio Authorization holder must maintain and must provide to the Commission all logs of tests conducted in accordance with the foregoing section 67.

### **Manual override**

69. Automated recognition devices used for recognition and registration must be equipped with a manual operation mode that allows corrections of an erroneous result, for example: where the detection equipment misreads a card or the position of a ball. A player must be informed that the manual operation mode is active and each time the manual operation mode is activated, tracking must be enabled to allow for further review.

### **Simulcast Control Server**

70. Games for remote players will utilize a simulcast control server for the purpose of live-streaming all wagering activity and game results. The simulcast control server will:
- (a) provide the remote player with real time visual access to the game being played;
  - (b) prevent anyone from accessing the wagering outcome prior to finalizing a wager;
  - (c) record dealer verified game results before posting; and
  - (d) be equipped with a mechanism to void game results if necessary.

### **Information Records**

71. Game logs must be maintained and game events collated into statistics which can be analyzed for trends relating to game performance, staff and locations in the gaming area.
72. A continuous recording must be made of all the games played so that:
- (a) the date and time of each game can be determined to an accuracy of one second relative to the clock used by the system;
  - (b) the sequence of games relative to each other can be determined;
  - (c) each bet, win, loss, player decision and dealer action can be determined;
  - (d) all game events are clearly identifiable and distinguishable;
  - (e) the sequence of events within each game instance can be determined;

- (f) all cards and game results must be clearly visible, together with a separate icon depicting a matching outcome on the player's screen;
- (g) the recording must be sufficient to prove whether the game rules are being complied with and identify discrepancies; and
- (h) the recording can be reviewed by the Commission in the event that a player is not satisfied with the review by the operator.

73. A continuous recording referenced in the foregoing section 72 must be kept for at least fifteen (15) days.

### **Equivalency of Signal**

74. Each player must have equivalent quality video and audio feeds from the Live Dealer Studio system. Procedures must be in place to measure and verify this equivalence whenever communications are initiated, including reconnection due to signal interruptions or re-initiation when the signal was severed.

75. Remote player devices and applications must have sufficient resources to meet the minimum system requirements as set forth by the Live Dealer gaming system and as advertised to the remote player.

76. A minimum signal connection requirement for the remote player's internet connection must be established, enforced and disclosed to the remote player.

### **Reporting**

77. Internal statistical results reviews must be regularly conducted to monitor game performance and payout percentages, and to detect irregularities and variances.

78. Policies and procedures for conducting results reviews, and investigation procedures to be undertaken in the event that material variances are identified, must be documented.

79. A Live Dealer Studio Authorization holder must establish and implement procedures for the completion of gaming operation reports.

80. Gaming operations reports must include:

- (a) procedure violation report;
- (b) incident report; and
- (c) pit boss report.

### **Live Dealer Studio Environment**



81. To maintain the integrity of the game outcome determination process, Live Dealer Studio Authorization holders are subject to the following additional verification requirements:
- (a) the physical security policy and procedures must be reviewed periodically to ensure that risks are identified, mitigated and underwritten by contingency plans;
  - (b) security perimeters such as walls, card controlled entry gates or manned reception desks must be used to protect the Live Dealer Studio premises and operations;
  - (c) physical protection against damage from fire, flood, earthquake, typhoon, and other natural or man-made disaster must be designed and implemented;
  - (d) secure areas must be protected by appropriate entry controls to ensure that only authorized personnel are allowed access;
  - (e) access points such as delivery and loading areas and other points where unauthorized persons may enter the premises must be controlled and, if possible, isolated from operation areas to avoid unauthorized access;
  - (f) the actual gaming area must be defined and have appropriate physical security controls;
  - (g) on-site gaming servers and communications equipment must be sited or protected to reduce the risks from environmental threats and hazards, and opportunities for unauthorized access;
  - (h) on-site gaming servers and communication equipment must be protected from power failures and other disruptions caused by failures in supporting utilities;
  - (i) on-site computer and communications requirement must be correctly maintained to ensure its continued availability and integrity;
  - (j) all items of equipment containing storage media must be checked to ensure that any sensitive data and licensed software has been removed prior to disposal; and
  - (k) policies and procedures must be in place to enable a suitable response to any computer or communications security issue.

#### **Fixed Gaming Equipment**

82. Gaming equipment used in the Live Dealer Studio operations must meet minimum industry standards.
83. Gaming equipment must be installed according to a defined plan and records maintained of all installed equipment.
84. Gaming equipment must be inspected and cleaned at regular intervals to

ensure that it is free from defects or mechanisms that could interfere with fair play.

85. Obsolescent gaming equipment must be destroyed in a manner which ensures that the device, and any data stored in the device, cannot be used.

### **Consumable Gaming Equipment**

86. Consumables used in the Live Dealer Studio operations must meet minimum industry standards.
87. Procedures must be implemented for tracking the inventory of consumables from the receipt, through storage, installation, use, retirement, and destruction. All consumables must have an associated audit trail which shows which staff had access to the consumables at any given time for any given operation.
88. Periodic random inspections must be performed on the consumables in use, from disbursement to retirement.
89. Used consumables must be destroyed in a manner which prevents their accidental re-use in games and which puts them permanently beyond use.

### **Staffing**

90. Live Dealer Studio Authorization holders must:
  - (a) establish and implement procedures to perform background checks on newly recruited staff;
  - (b) ensure that staff are:
    - (i) trained in the Live Dealer gaming procedures they will be using; and
    - (ii) trained in, and regularly reminded of, any physical behaviour that is prohibited or required;
  - (c) document policies and procedures concerning staff rotations, shift patterns and allocation.
91. The retention of documentation must be robust, allowing staff records to be audited and investigations to be performed where staff members are either involved directly or where their presence in a particular place and time, is crucial to understanding a chain of events.
92. Procedures for the termination of staff shall be documented.
93. A supervisory member of staff must always be present when gaming is taking place.
94. Staffing logs must be maintained for each table.

## Gaming Operations

95. Separate rules of play must exist for each game and new games must have their rules of play in place before being offered to players.
96. Clear procedures regarding anomalous events which may occur during live dealing operations must be documented and understood by staff. Documented procedures must cover, at a minimum:
  - (a) incorrect card detection by automated equipment;
  - (b) dropped cards;
  - (c) misdeals;
  - (d) re-spins;
  - (e) aborted games; and
  - (f) table closure.
97. Consistent card shuffling procedures must be in place and the shuffling of cards must be logged. Card shuffling procedures must include a verification of the card count.
98. Any equipment that is used to scan or otherwise detect cards must be tested for reliability and all consumables that will be subjected to this hardware must be checked against it for defects prior to processing, in order to prevent play being disrupted. Logs of all tests must be maintained.
99. Policies and procedures must be in place to identify and replace automated scanning equipment which shows an unacceptable level of errors.
100. Procedures must be in place to demonstrate that one person would not be able to undertake all duties concerning card management and that there is segregation of responsibilities prior to play, during play and after play.
101. Game logs must be maintained and game events collated into statistics which can be analyzed for trends relating to game performance, staff and locations in the gaming area.
102. Procedures must be in place to deal with any video, voice or data stream disruptions during a game.
103. Procedures must be in place to deal with player disconnection during a game.
104. Procedures must be in place regarding additional surveillance systems used to supplement pit boss observations.
105. Where players are able to chat to dealers, a defined procedure must exist for the use of chat features.

106. The game reports and records procedures must be reviewed periodically to ensure that risks are identified, mitigated and underwritten by contingency plans.

#### **PART VIII: INTER-JURISDICTIONAL AUTHORIZATIONS**

107. Subject to the provisions of these Regulations, the holder of a valid Inter-Jurisdictional Authorization is entitled to conduct interactive gaming from the co-location facility that is owned and operated by the holder of a valid Interactive Gaming Licence and, if authorized by the Commission, to conduct interactive gaming related activities from premises located within the Territory.
108. To be considered by the Commission, an application for an Inter-Jurisdictional Authorization must include the following, duly completed as required:
- (a) an application for an Inter-Jurisdictional Authorization, in the form set out in Schedule "L" to these Regulations;
  - (b) proof, satisfactory to the Commission, that:
    - (i) the applicant holds a valid and subsisting licence issued by a primary jurisdiction to conduct interactive gaming, and
    - (ii) the applicant, its software and control systems are subject to and are being properly regulated by the laws and regulations of the primary jurisdiction;
  - (c) an application fee in the amount of Two Thousand (\$2,000.00) Dollars.
109. The Commission may grant an application for an Inter-Jurisdictional Authorization only if the applicant satisfies the Commission that the requirements in the foregoing sections 107 and 108 have been met.
- 109A. The Commission may deny an application if the Commission, in its sole discretion, determines that the issuance of an Inter-Jurisdictional Authorization to the applicant could adversely affect Kahnawà:ke's jurisdictional integrity or reputation.
110. The Commission will consider each application for an Inter-Jurisdictional Authorization independently from the Interactive Gaming Licence to which it is proposed to be appended and independently from any other Inter-Jurisdictional Authorization, Client Provider Authorization or Casino Software Provider Authorization already appended to the Interactive Gaming Licence.
111. The Commission will promptly consider the application and will:
- (a) grant the application and issue an Inter-Jurisdictional Authorization;

- (b) deny the application; or
  - (c) return the application to the applicant with a request for additional information.
- 112. An Inter-Jurisdictional Authorization is not valid unless and until the required annual licensing fee has been paid in full.
- 113. The holder of an Inter-Jurisdictional Authorization will not display the Commission's name or logo on its site.
- 114. Except as a complaint relates to services provided by the holder of the Interactive Gaming Licence to the holder of an Inter-Jurisdictional Authorization, the Commission is not responsible for receiving, processing or resolving complaints from players who gamble on a site operated by the holder of an Inter-Jurisdictional Authorization.
- 115. An authorized representative of a primary jurisdiction is entitled to obtain from the holder of an Inter-Jurisdictional Authorization data and information it may require for regulatory purposes and if required may, after giving reasonable written notice to the Commission, access the co-location facility to obtain such data and information.
- 116. In the event an application is denied, the Commission will give its reasons for the refusal in writing to the applicant.
- 117. In the event an application is granted:
  - (a) the Commission will notify the successful applicant in writing, with a copy to the holder of the Interactive Gaming Licence to which the Inter-Jurisdictional Authorization is to be appended;
  - (b) the Inter-Jurisdictional Authorization will be appended to the licence holder's Interactive Gaming Licence, and
  - (c) an original Inter-Jurisdictional Authorization certificate will be provided to the successful applicant.

#### **PART IX: CASINO SOFTWARE PROVIDER AUTHORIZATIONS**

- 117A. Subject to the provisions of these Regulations, the holder of a valid Casino Software Provider Authorization is entitled to:
  - (a) locate and operate interactive gaming equipment at the co-location facility that is owned and operated by the holder of a valid Interactive Gaming Licence; and
  - (b) license casino software to a third party online gaming operator for the use on the third party online gaming operator's website,

but is not entitled to offer interactive games directly to players.

117B. The holder of a valid Casino Software Provider Authorization may license casino software to:

- (a) a third party online gaming operator that holds a Client Provider Authorization or Inter-Jurisdictional Authorization granted by the Commission, or
- (b) a third party online gaming operator that does not hold a Client Provider Authorization or Inter-Jurisdictional Authorization granted by the Commission, provided that:
  - (i) the holder of the Casino Software Provider Authorization controls and is responsible for all back office functions of the casino software, including but not limited to maintaining gaming records and receiving and disbursing player funds; or
  - (ii) the licensing agreement between the holder of the Casino Software Provider Authorization and the third party online gaming operator includes terms, satisfactory to the Commission, to ensure the third party online gaming operator satisfies current industry standards for responsible gaming and player protection;

and in all cases,

- (iii) the third party online gaming operator does not display the Commission's logo or otherwise make any reference to the Commission or Kahnawà:ke;
- (iv) the holder of the Casino Software Provider Authorization and any third party online gaming operator licensed by the Casino Software Provider Authorization understand and agree that the Commission is not responsible for regulating the third party online gaming operator, including, but not limited to, receiving or addressing player complaints.

117C. The holder of a valid Casino Software Provider Authorization must provide the Commission a complete and accurate list of all third party online gaming operators that have signed an agreement to license casino software from the holder of the Casino Software Provider Authorization (the "operator list") and must inform the Commission on a quarterly basis of any additions to or deletions from the operator list. For the purpose of verifying the accuracy of the operator list, the holder of a Casino Software Provider Authorization must, upon request, provide the Commission copies of its licensing agreements with third party online gaming operators.

117D. To be considered by the Commission, an application for a Casino

Software Provider Authorization must include the following, duly completed as required:

- (a) an application for a Casino Software Provider Authorization, attached as Schedule “N” to these Regulations;
- (b) a Business Entity Information form, for the applicant corporation, attached as Schedule “B” to these Regulations;
- (c) Personal Information forms, attached as Schedule “C” to these Regulations, for each director and shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant corporation;
- (d) an application for a Key Person Permit, attached as Schedule “E” to these Regulations, for each of the proposed key persons;
- (e) Personal Information forms, attached as Schedule “C” to these Regulations, for each of the proposed key persons;
- (f) a Control System Submission, attached as Schedule “I” to these Regulations;
- (g) an application fee in the amount of Thirty-Five Thousand (\$35,000.00) US Dollars, that includes:
  - (i) the estimated cost of conducting due diligence investigations on the applicant and the individuals who have provided Personal Information Forms (non-refundable); and
  - (ii) the first annual licensing fee (refundable if an application is not granted);

but does not include the cost of assessing, to the Commission’s satisfaction, the suitability of the applicant’s casino software and control systems, which costs will be paid by the applicant;

- (h) Key Person Permit application fee in the amount of Five Thousand (\$5,000.00) for each proposed key person.

117E. The Commission may grant a Casino Software Provider Authorization only if the applicant satisfies the Commission that:

- (a) the applicant is suitable to hold an Casino Software Provider Authorization;
- (b) each director, shareholder with ten percent (10%) or more ownership of or controlling interest in the applicant, is a suitable person;
- (c) each of the applicant’s key persons are suitable persons;
- (d) the applicant’s casino software, including its control systems, is

capable of providing fair and reliable interactive gaming and that satisfy each of the requirements of these Regulations and the Control System Submission, attached as Schedule "I" to these Regulations;

- (e) the applicant has installed, or has agreed to install in a timely manner, at the co-location facility operated by the Interactive Gaming Licence holder, such gaming equipment as the Commission deems necessary to provide the Commission effective regulatory control over the applicant's operations, and may in this regard request a copy of the applicant's agreement with manager of the co-location facility operated by the Interactive Gaming Licence holder;
- (f) the Commission and the Applicant have agreed on the design of, and an implementation schedule for, a continuous compliance program;
- (g) the applicant is a business entity that has a good business reputation, sound current financial position and financial background; and
- (h) the applicant has satisfied any other requirement that the Commission, in its sole discretion, deems appropriate.

117F. The Commission will consider each application for a Casino Software Provider Authorization independently from the Interactive Gaming Licence to which it is proposed to be appended and independently from any other Casino Software Provider Authorization already appended to the Interactive Gaming Licence.

117G. Subject to the foregoing section, the Commission will promptly consider the application and will:

- (a) grant the application and issue a Casino Software Provider Authorization for an initial term of six (6) months;
- (b) deny the application; or
- (c) return the application to the applicant with a request for additional information.

117H. In the event an application is denied, the Commission will give its reasons for the refusal in writing to the applicant.

117I. In the event an application is granted:

- (a) the Commission will notify the applicant in writing with a copy to the holder of the Interactive Gaming Licence to which the Casino Software Provider Authorization is to be appended;



- (b) the Casino Software Provider Authorization will be appended to the licence holder's Interactive Gaming Licence;
- (c) an original Casino Software Provider Authorization certificate will be provided to the applicant.

117J. During the initial six (6) month term after the issuance of a Casino Software Provider Authorization, the Authorization holder must implement, to the Commission's satisfaction, the agreed continuous compliance program.

117K. Not less than thirty (30) days prior to the expiry of the initial six (6) month period after the issuance of a Casino Software Provider Authorization, the Commission will review the Authorization holder's performance during this period of time, and will in particular consider whether:

- (a) the Authorization holder has satisfactorily implemented the appropriate continuous compliance program;
- (b) the Authorization holder has breached these Regulations or any other law applicable within the Territory; and
- (c) the Authorization holder has committed any other act or omission that negatively affected the credibility or reputation of the Commission, the Territory or any person or entity within the Territory.

117L. As soon as possible after the review referred to in the foregoing section 117K, and in any event prior to the expiry of the initial six (6) month, the Commission will, based on the information reviewed:

- (a) renew the Casino Software Provider Authorization for a term not exceeding five (5) years;
- (b) not renew the Casino Software Provider Authorization; or
- (c) extend the term of the Casino Software Provider Authorization for another three (3) months.

117M. A Casino Software Provider Authorization may not be extended pursuant to the foregoing subsection 117L(c) more than once.

117N. If the holder of a valid Casino Software Provider Authorization maintains a website, it must display the Commission's logo on the website.

#### **PART X: KEY PERSON PERMITS**

118. For the purposes of these Regulations, there are two types of key persons; namely persons who are employed or contracted by a Interactive Gaming licence holder or Authorized Client Provider to

perform either:

- (a) key managerial functions; or
- (b) key operational functions.

119. Any person who performs a key managerial function or a key operation function for a licence holder or an Authorized Client Provider – or who is deemed to be a key person under these Regulations – must apply for a Key Person Permit. Notwithstanding any other provision of these Regulations, the issuance of a Key Person Permit does not remove overall responsibility from the Interactive Gaming licence holder or Authorized Client Provider for the acts or omissions of a key person.

120. The holder of an Interactive Gaming Licence must designate at least two key persons: one who performs key managerial functions and one who performs key operational functions for or on behalf of the licence holder.

121. All Authorized Client Providers must designate at least one person as the person who performs key managerial functions for or on behalf of the Authorized Client Provider.

122. When a person has or may have the potential to manipulate the outcome of an authorized game for his or her advantage or for the advantage of others, notwithstanding the foregoing section 121, the Commission will direct the Authorized Client Provider to designate that person as a person who performs key operational functions for or on behalf of the Authorized Client Provider and require that person to apply for a Key Person Permit.

123. Notwithstanding any other provision of these Regulations, persons holding the following titles or performing the functions normally associated with these titles, are deemed to be performing key managerial functions for or on behalf of an applicant, licence holder or Authorized Client Provider:

- (a) Chief Executive Officer;
- (b) Chief Financial Officer;
- (c) Office Manager.

124. Notwithstanding any other provision of these Regulations, persons holding the following titles or performing the functions normally associated with these titles, are deemed to be performing key operational functions for or on behalf of an applicant, licence holder or Authorized Client Provider:

- (a) Chief Operations Officer;

(b) Chief Technology Officer.

125. The Commission will grant an application for a Key Person Permit to either type of key persons, only if the person applying for the Key Person Permit satisfies all of the following requirements:

(a) he or she has submitted to the Commission:

(i) a duly completed Application for a Key Person Permit, in the approved form;

(ii) personal information, in the approved form;

(iii) a letter from the proposed licence holder or Authorized Client Provider addressed to the Commission confirming the existence or proposed existence of the key relationship, the type of key function the proposed key person will perform and the type of training the proposed key person has received that would qualify him or her to perform the proposed key person function;

(iv) a Key Person Permit application fee in the amount of Five Thousand (\$5,000.00) Dollars, which includes:

(1) the estimated cost of conducting the Commission's due diligence regarding the applicant (non-refundable); and

(2) the first annual licensing fee (refundable if an application is not granted);

(b) the Commission is satisfied that the applicant is a suitable person;

(c) the Commission is satisfied that the issuance of a Key Person Permit to the applicant would not, in the Commission's sole discretion, adversely affect Kahnawà:ke's jurisdictional integrity or reputation.

126. Subject to the foregoing sections, the Commission will promptly consider the application and will

(a) grant the application and issue a Key Person Permit;

(b) deny the application; or

(c) return the application to the applicant with a request for additional information.

127. The Commission may issue a Key Person Permit:

(a) on conditions the Commission considers necessary or desirable for the proper conduct of interactive games; and

- (b) on other conditions the Commission considers necessary or desirable in the public interest.
128. In the event an application is denied, the Commission will give its reasons for the refusal in writing to the applicant and to the licence holder or authorized client provide with whom the person was proposed to have a key relationship.
129. In the event an application is granted the Commission will notify in writing, the key person and the licence holder or Authorized Client Provider with whom the person is to have the key relationship.
130. A person must not accept employment or provide services as a key person with a licence holder or Authorized Client Provider, or agree to carry out the duties of a key person, unless the person has applied for and been granted a Key Person Permit. A licence holder or Authorized Client Provider must not employ a person to carry out the functions of a key person, unless the person has applied for and been granted a Key Person Permit.
131. The Commission may, by issuing a written directive, require a key person to appear before it to answer any questions or to provide any documents or other information the Commission requests. A key person; upon whom a written directive under this section is served, must appear as required and respond to the Commission's questions and comply with its requests.
132. Notwithstanding any other provision of these Regulations, If the Commission reasonably believes a person, other than a Key Person Permit holder, is performing either key managerial function or key operational functions, the Commission may, by written notice given to the person, with copies to the licence holder or Authorized Client Provider with whom the key relationship exists, direct the person either to apply for a Key Person Permit or to terminate the relevant key relationship, within seven (7) days of receiving the notice.
133. The person must comply with the Commission's direction within seven (7) days of receiving the notice or such other period of time that the Commission may specify in the notice.
134. If as a result of receiving a direction pursuant to section 132, a licence holder or Authorized Client Provider elects to terminate the relevant key relationship:
- (a) the Commission must be provided proof, satisfactory to the Commission, that the key relationship has in fact been terminated; and
  - (b) the licence holder or Authorized Client Provider must identify the person who will perform the functions that were previously provided by the person who was terminated and, unless the Commission directs otherwise, the new person must apply for a

### Key Person Permit.

135. If the Commission denies an application for a Key Person Permit, the Commission will, by written notice given to the person, with copies to the licence holder or Authorized Client Provider with whom the key relationship exists, require the person to terminate the relevant key relationship within the time stated in the notice and the person must comply with the requirement within the time stated in the notice.
136. If a direction or requirement is made of a person under the foregoing sections and the person fails to comply with the requirement, the Commission will, by written notice given to the licence holder or Authorized Client Provider with whom the key relationship exists, require the licence holder or Authorized Client Provider to take any necessary action to terminate the key relationship within the time stated in the notice and the licence holder or Authorized Client Provider must comply with the requirement within the time stated in the notice.
137. A person does not incur any liability as a result of action taken to comply with a notice under this Part.
138. A Key Person Permit may be granted for a term not exceeding five (5) years but may be renewed an unlimited number of times.
139. A Key Person Permit may be renewed in accordance with the process for renewing an Interactive Gaming Licence, Client Provider Authorization or Casino Software Provider Authorization set out in these Regulations, *mutatis mutandis*. For greater certainty, the renewal fee for a Key Person Permit is included in the renewal application fee prescribed in section 168, provided the anniversary of the Key Person Permit coincides with the anniversary of the relevant Interactive Gaming Licence, Client Provider Authorization or Casino Software Provider Authorization. If the renewal date of a Key Person Permit does not coincide with the anniversary of a relevant Interactive Gaming Licence, Client Provider Authorization or Casino Software Provider Authorization, the Key Person Permit renewal application fee is Five Thousand (\$5,000.00) Dollars.
140. A Key Person Permit will be in the form prescribed by the Commission and will include the following:
  - (a) the key person's name;
  - (b) a recent photograph of the key person;
  - (c) the date of issue of the licence;
  - (d) the conditions of the licence;
  - (e) other conditions or particulars the Commission deems to be appropriate;

141. A Key Person Permit lapses if there has been no key relationship between the key person and a licence holder or Authorized Client Provider for a continuous period of six (6) months.

#### **PART XI: ANNUAL LICENSING FEES**

142. In addition to any other fees provided in these Regulations, licence, authorization and permit holders must pay annual licensing fees as follows:
- (a) for an Interactive Gaming Licence: Fifteen Thousand (\$15,000.00) Dollars;
  - (b) for a Client Provider Authorization: Twenty Thousand (\$20,000.00) Dollars;
  - (c) for a Casino Software Provider Authorization:
    - (i) Twenty Thousand (\$20,000.00) Dollars, and
    - (ii) Three Thousand (\$3,000.00) Dollars for each third party online gaming operator named on the operator list for any part of a calendar year;
  - (d) for a Live Dealer Studio Authorization: Ten Thousand (\$10,000.00) Dollars;
  - (e) for an Inter-Jurisdictional Authorization: Ten Thousand (\$10,000.00) Dollars;
  - (f) for a Key Person Permit: One Thousand (\$1000.00) Dollars.
143. Annual licensing fees must be paid in full on or before the anniversary of the date on which the licence, authorization or permit was first issued and on or before each subsequent anniversary date.
144. The Commission will, not less than thirty (30) days before the date on which an annual licensing fee is due, send a written notice (the “notice to pay”) to the affected licence holder, Authorized Client Provider or key person, advising of the amount of the annual licensing fee and the date on which payment is due.
145. Failure to receive a notice to pay does not excuse a licence holder, Authorized Client Provider or key person from his, her or its obligation to pay the appropriate annual licensing fee.
146. A licence holder, Authorized Client Provider or key person must pay to the Commission a penalty on the amount of a Licence, authorization or permit fee outstanding (the “unpaid amount”) as at the end of the period allowed for payment.
147. The penalty is ten percent (10%) per annum of the unpaid amount

calculated on a per diem basis from the date the fee was due until it is paid in full.

148. A licence holder is jointly and severally liable for the payment of an Authorized Client Provider's annual licensing fees, including penalties, for any Client Provider Authorization, Casino Software Provider Authorization or Inter-Jurisdictional Authorization appended to the licence holder's Interactive Gaming Licence.
149. The amount of a licence, authorization or permit fee, or a penalty payable under this Part is a debt payable to the Commission and may be recovered by action in a court of competent jurisdiction.
150. Failure to pay in full the annual licensing fees provided in these Regulations may, in addition to the penalties provided in these Regulations, result in the suspension or revocation of the licence, authorization or permit in question.

## **PART XII: POSTING SECURITY FOR OPERATIONS**

151. All licence holders and Authorized Client Providers must provide the type and amount of security for the costs and expenses incurred by their operations, including but not limited to obligations owed to players, as directed by the Commission.
152. In the event a licence holder or Authorized Client Provider does not fulfill its obligations to the Commission, or to a player, the Commission may take such measures, as may be required, to use the security provided by the licence holder or Authorized Client Provider to satisfy the obligation in question.
153. The Commission will decide whether a licence holder or Authorized Client Provider should be required to post security under this Part and, if so, determine the type and amount of security that a licence holder or Authorized Client Provider must provide, how the security is to be held and for what period of time.
154. The types of security may be one or more of the following:
  - (a) a bond;
  - (b) insurance;
  - (c) a lien or charge against:
    - (i) physical assets;
    - (ii) accounts receivable;
    - (iii) internet domain names;

- (iv) client lists;
- (v) cash deposit; or
- (vi) such other type of security that is satisfactory to the Commission.

- 155. The type and amount of security may vary according to the circumstances of the licence holder or Authorized Client Provider.
- 156. The type and amount of security may be varied by the Commission, in its sole discretion, upon application by a licence holder or Authorized Client Provider.
- 157. Notwithstanding anything in this Part, the Commission may direct a licence holder or Authorized Client Provider to provide a type of security that is not referenced in these Regulations.

### **PART XIII: MATERIAL CHANGE REPORTS**

- 158. Every licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder, key person and applicant, must report to the Commission any material change to the information that was provided to the Commission for the purposes of an application a (“material change report”).
- 159. A material change report must be in writing, must clearly identify the material change in question and must be received by the Commission:
  - (a) wherever possible, at least thirty (30) days prior to the date on which the proposed material change is to be effective; or
  - (b) in any event, not later than seven (7) days from the date on which the material change was effective.
- 160. The costs incurred by the Commission, associated with its assessment of a material change report, will be paid to the Commission by the licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder, key person or applicant that submitted the report, upon being presented the appropriate invoice.
- 161. Failure to report a material change to the Commission as required by this Part may result in one or more of the following sanctions:
  - (a) the immediate amendment, suspension, withdrawal or revocation of the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization or Key Person Permit to which the change relates;
  - (b) for each material change that was not reported, a fine of not less than One Thousand (\$1,000.00) Dollars and not more than



Twenty Thousand (\$20,000.00) Dollars.

162. In the case of an application, failure to report a material change is a sufficient ground for denial of the application.
163. The Commission will consider the information in a material change report, including a material change report that is received after the material change is effective, and will issue such written directions to licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder, key person or applicant as the Commission, in its sole discretion, deem necessary and appropriate under the circumstances.
164. Notwithstanding any other provision of this Part, a licence holder will notify the Commission in writing that an authorization holder has, or is considering, voluntarily terminating its Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization and/or removing a significant portion of its equipment from the licence holder's premises. For the purposes of this section, "significant portion" means more than half of an Authorized Client Provider's equipment, measure in terms of quantity or value.

#### **PART XIV: RENEWAL APPLICATIONS**

165. Each Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization and Live Dealer Studio Authorization must be renewed in accordance with the procedures in this part. Failing to do so, the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization will terminate on its termination date.
166. An application to renew an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization must be submitted to the Commission in the approved form (a "renewal application").
167. A renewal application must be received by the Commission not less than three months prior to the termination date of the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization.
168. To be considered by the Commission, a renewal application must contain all of the information requested the approved form and be accompanied by a non-refundable renewal application fee in the amount of Five Thousand (\$5,000.00) Dollars.
169. Subject to the foregoing section, the Commission will promptly consider the renewal application and will:
  - (a) grant the renewal application and renew the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization for a period of five (5) years;

- (b) deny the renewal application; or
  - (c) return the renewal application with a request for additional information.
170. In the event an application is denied, the Commission will give its reasons for the refusal in writing to the applicant.
171. In deciding whether to grant a renewal application, the Commission will consider any material changes to the information previously provided to the Commission and any complaints, concerns or problems that may have arisen in the previous term related to the licence holder or Authorized Client Provider and will deny the renewal application if, in the Commission's sole discretion, the complaints, concerns or problems are sufficiently serious or numerous.
- 171A. The Commission may deny a renewal application if the Commission, in its sole discretion, determines that the renewal could adversely affect Kahnawà:ke's jurisdictional integrity or reputation.
172. An Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization that is renewed under this Part continues to be subject to the all provisions of these Regulations.

#### **PART XV: AMENDMENTS**

173. The Commission may amend any term or condition of an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization if the Commission considers it is necessary or desirable to make the amendment for the proper conduct of authorized games or that the amendment is otherwise in the public interest.
174. If the Commission decides to amend an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization, the Commission must promptly give the licence or authorization holder, written notice (the "amendment notice") of the change and the reasons for the change.
175. The authority of the Commission under this section includes the authority to add such new terms or conditions as the Commission, in its sole discretion, deems appropriate.
176. Before amending an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization, the Commission must follow the 'show cause' procedures set out in these Regulations.

177. The licence or authorization holder, as the case may be, must return the existing Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization to the Commission within seven (7) days of receiving the amendment notice.
178. In the event the licence or authorization holder fails or refuses to return the existing Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization to the Commission pursuant to section 177, the Commission may impose one or more of the following sanctions:
- (a) issue a replacement Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization, incorporating the amended conditions, to the licence or authorization holder;
  - (b) suspend or revoke the existing Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization;
  - (c) impose a fine on the licence holder or Authorized Client Provider of not less than One Thousand (\$1,000.00) Dollars and not more than Twenty Thousand (\$20,000.00) Dollars.
179. On receiving the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization, the Commission will:
- (a) amend the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization in an appropriate way and return the amended Licence or authorization to the licence or authorization holder; or
  - (b) if the Commission does not consider it is practical to amend an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization, issue a replacement Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization or Live Dealer Studio Authorization, incorporating the amended conditions, to the licence or authorization holder.
180. An amendment takes effect on the date set by the Commission.

## **PART XVI: SUSENSIONS AND REVOCATIONS**

181. The Commission may suspend or revoke an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization, Inter-Jurisdictional Authorization or Key Person Permit, on one or more of the following

grounds:

- (a) the licence or authorization holder no longer has, in the Commission's sole discretion, a good business reputation or sound current financial position;
- (b) one or more of the persons that own, control or are key persons of the licence or authorization holder are no longer, in the Commission's sole discretion, suitable;
- (c) in the case of a Key Person Permit, the person is no longer, in the Commission's sole discretion, suitable;
- (d) the authorization holder is no longer the owner or licensee of a control system that is, in the Commission's sole discretion, suitable for the purpose of conducting interactive gaming or interactive gaming related activities;
- (e) the licence, authorization or permit holder has breached a provision of the Law or these Regulations;
- (f) the licence, authorization or permit holder has failed or refused to pay a fine imposed by the Commission in accordance with a provision of these Regulations;
- (g) the licence, authorization or permit holder has been convicted of an indictable offence, felony or other crime the Commission, in its sole discretion, results in the licence or authorization holder no longer being suitable to hold an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization, Inter-Jurisdictional Authorization or Key Person Permit;
- (h) the licence, authorization or permit holder has contravened a term or condition of its licence, authorization or permit or has failed to pay any fee that the licence, authorization or permit holder is required to pay under these Regulations or as directed by the Commission;
- (i) the authorization holder has failed to discharge financial commitments to players or in relation to other aspects of the authorization holder's operations or the Commission has reason to believe that such failure is imminent;
- (j) the licence or authorization holder is insolvent, has been petitioned

into bankruptcy or has applied to take advantage of any bankruptcy law;

- (k) the licence or authorization holder has a trustee, receiver, manager, liquidator or administrator appointed for it under the provisions of the laws of any jurisdiction;
- (l) the licence or authorization holder applies for, or is compelled by any means or for any reason, for a discontinuance or winding-up;
- (m) the licence, authorization or permit was obtained by a materially false or misleading representation or in some other improper way;
- (n) the Commission determines, in its sole discretion, that the continuation of a licence, authorization or permit adversely affects, or could adversely affect, Kahnawà:ke's jurisdictional integrity or reputation; or
- (o) any other ground that the Commission, in its sole discretion, determines is material and sufficient for the purposes of this section.

182. If the Commission directs the licence, authorization or permit holder to rectify a matter and the licence, authorization or permit holder fails to comply with the direction within the time allowed for compliance, the Commission may, subject to the provisions of these Regulations, revoke the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization, Inter-Jurisdictional Authorization or Key Person Permit or suspend the licence, authorization or permit for such period of time and on such conditions for re-instatement as the Commission deems appropriate.

## **PART XVII: SHOW CAUSE PROCEDURES**

183. Before amending, suspending, withdrawing or revoking an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization or Key Person Permit, the Commission must give the holder a written notice (a "show cause notice") that:
- (a) states the action (the "proposed action") the Commission proposes taking;
  - (b) states the grounds for the proposed action;
  - (c) outlines the facts and circumstances forming the basis for the grounds;

- (d) if the proposed action is suspension, states the proposed suspension period; and
  - (e) permits the affected person or persons to show within a stated period (the “show cause period”) why the proposed action should not be taken.
184. The show cause period will be established by the Commission and will be specified in the show cause notice. The Commission will determine the length of the show cause period which must, in no event, be less than thirty (30) days or longer than ninety (90) days from the date on which it is issued.
185. The Commission must promptly serve a copy of the show cause notice on:
- (a) each person (an “interested person”) the Commission believes has an interest in the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization or Key Person Permit, if the Commission considers:
    - (i) the person’s interest may be affected adversely by the amendment, suspension or cancellation of the Licence, authorization or permit; and
    - (ii) it is otherwise appropriate in the circumstances to give copy of the notice to the person.
186. A person upon whom a copy of the show cause notice is served may, within the show cause period, make written representations about the matters raised in the notice to the Commission.
187. The Commission will consider all written representations (the “accepted representations”) made during the show cause period by:
- (a) the affected licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person; or
  - (b) any interested person upon whom a copy of the show cause notice is served.
188. Notwithstanding any other provision of these Regulations, the Commission may amend, suspend, withdraw or revoke an Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization or Key Person Permit immediately and without the necessity of a show cause period, if the Commission believes:

- (a) a sufficient ground exists to amend, suspend or revoke the licence, authorization or permit, and
- (b) the circumstances are so extraordinary that it is imperative to amend, suspend or revoke the licence, authorization or permit immediately to ensure:
  - (i) the public interest is not affected in an adverse and material way; or
  - (ii) the integrity of the conduct of interactive games by the licence holder, permit holder or Authorized Client Provider is not jeopardized in a material way.

189. An immediate amendment, suspension or revocation:

- (a) must be effected by written notice served on the affected holder (the “notice or immediate amendment, suspension or revocation”), and any interested person;
- (b) is effective from the moment the notice is served;
- (c) continues in effect until a hearing date or until the Commission otherwise directs;
- (d) will specify a show cause period.

190. Notwithstanding any other provision of these Regulations, a licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person may voluntarily suspend or terminate his, her or its own Licence, authorization or permit by giving at least thirty (30) days written prior notice to the Commission.

191. A voluntary suspension of a Licence, authorization or permit:

- (a) is not effective unless accepted in writing by the Commission;
- (b) does not suspend, interrupt or negate the requirement to pay annual fees for that Licence, authorization or permit; and
- (c) unless the Commission otherwise directs, does not relieve the licence holder, Authorized Client Provider or key person from any other obligations under the Law or these Regulations.

192. In the event a Client Provider Authorization is revoked by the Commission or voluntarily terminated by the Authorized Client Provider, the Authorized Client Provider must not remove any equipment or data from the Territory until it has:

- (a) satisfied all of its obligations to the Commission, including the payment of fees;
  - (b) provided evidence, satisfactory to the Commission, that the Authorized Client Provider has satisfied its obligations to players, the licence holder and Approved Agents.
193. When the requirements of section 192 have been fulfilled, the Commission will provide the Authorized Client Provider and the licence holder with written notice confirming that the Authorized Client Provider may remove its equipment and data from the Territory.

#### **PART XVIII: HEARINGS**

194. A licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person who has received a show cause notice or notice of immediate amendment, suspension or revocation, may, within the show cause period, request a hearing before the Commission to respond to the matters raised in the show cause notice.
195. Upon receiving a request for a hearing, the Commission will set a time and place for the hearing and will immediately notify the licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person in writing (the "hearing notice") of time and place of the hearing.
196. At the hearing, the licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person will have the opportunity to bring written and oral evidence to respond to the matters raised in the show cause notice.
197. The Commission may issue additional rules to govern the procedures to be followed at a hearing, in lieu of which, proceedings will follow accepted rules of fairness and natural justice.
198. In the event the affected licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person fails or refuses to attend a hearing at the time and place set out in the hearing notice, the Commission may, in its sole discretion, take one or more of the following actions:
- (a) adjourn the hearing to another time and/or place;
  - (b) confirm and/or continue the amendment, suspension or revocation;
  - (c) impose a fine on the affected licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person



of not less than One Thousand (\$1,000.00) Dollars and not more than Twenty Thousand (\$20,000.00) Dollars;

(d) issue such other directives as the Commission deems necessary.

199. If, after considering the accepted representations, or in the case of a hearing, the evidence adduced before it, if any, the Commission finds that:

(a) a ground or grounds exist to amend, suspend or revoke the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization or Key Person Permit; or

(b) the act, omission or other matter constituting the ground is of a serious and fundamental nature and either:

(i) the integrity of the conduct of interactive games by the licence holder or Authorized Client Provider may be jeopardized in a material way;

(ii) the public interest may be affected in an adverse or material way;

(iii) the credibility or reputation of the Commission, the Territory of any person or entity within the Territory is, or may be, negatively affected:

the Commission may amend or revoke the Interactive Gaming Licence, Client Provider Authorization, Casino Software Provider Authorization, Live Dealer Studio Authorization or Key Person Permit or suspend the Licence, authorization or permit for such period of time and on such conditions of re-instatement as the Commission deems appropriate.

200. The Commission must promptly serve written notice of the decision to amend, suspend or revoke a Licence, authorization or permit, with reasons for the decision, on the affected holder.

201. A decision to amend, suspend or revoke a license, authorization or permit takes effect on the date and time specified by the Commission.

202. If a Licence, authorization or permit is under suspension, the Commission may, at the request of the licence holder, Authorized Client Provider, Live Dealer Studio Authorization holder or key person, reconsider the duration of the suspension and will promptly inform the affected holder in writing of its decision.

## **Part XIX: APPROVED AGENTS**

203. Upon receipt of a completed application in the approved form, the Commission may appoint one or more Approved Agents to carry out any of the following functions, for and on behalf of the Commission:
- (a) to investigate whether any person applying for or holding a Licence, authorization or permit is a suitable person for the purposes of these Regulations and submit a report of its findings to the Commission;
  - (b) to conduct control system reviews and ensure that any person applying for or holding any Licence, authorization or permit in the Territory has the necessary level of technical competence, and submit a report of its findings to the Commission;
  - (c) to assist in the application of a continuous compliance program, and submit reports of its findings to the Commission.
204. The Commission may appoint a person as an Approved Agent if it considers that the person has the necessary expertise and is otherwise suitable in consideration of the person's knowledge, skills, training, reputation, character, business reputation, current financial position and financial background.
205. The Commission may approve an investigative program in order to verify at any time whether a person is suitable to be an Approved Agent.
206. An Approved Agent will be subject to the directives of the Commission and may not act outside of the scope of authority contained in those directives.
207. The Commission may appoint a person as Approved Agent for a period of time not to exceed two (2) years, but such appointment may be renewed an unlimited number of times.

## **PART XX: CONTROL SYSTEMS**

208. A control system submission must be in the approved form.
209. An Authorized Client Provider may conduct, or continue to conduct, an authorized game only if:
- (a) the Authorized Client Provider is the owner or licensee of a control system that has been approved by the Commission; and

- (b) the authorized game is conducted using the approved control system.
210. The Commission may approve such technical standards, the provisions of which are compatible with the Law and these Regulations, as are necessary to assist in assessing a control system submission and a control system change submission.
211. Without limiting the generality of the foregoing section 210, the Commission will approve the following technical standards:
- (a) Internet Random Number Generator Requirements;
  - (b) Internet Report Requirements;
  - (c) Internet Network Infrastructure and Computer Systems Requirements;
  - (d) Internet Wagering Application Requirements;
  - (e) Internet System Integrity Requirements; and
  - (f) Internet Games, General Requirements.
212. An Authorized Client Provider may make a material change to an approved control system only:
- (a) if directed by, or with the approval of, the Commission; and
  - (b) in the way directed or approved by the Commission.
213. Failure to report a material change of an approved control system to the Commission as required by this Part may result in one or more of the following sanctions:
- (a) the immediate amendment, suspension or revocation of the Client Provider Authorization or Casino Software Provider Authorization to which the change relates;
  - (b) for each material change that was not reported, a fine of not less than One Thousand (\$1,000.00) Dollars and not more than Twenty Thousand (\$20,000.00) Dollars.
214. The holder of a Client Provider Authorization or Casino Software Provider Authorization must make a submission (a “control system change submission”) to the Commission for approval for a material change to the authorization holder’s approved control system.

215. A control system change submission must be made in writing:
- (a) at least ninety (90) days before the authorization holder proposes to start conducting authorized games under the approved control system as proposed to be changed; or
  - (b) if the Commission, in its sole discretion, deems it appropriate, at a later date to be determined by the Commission.
216. A control system change submission must contain particulars of the proposed material changes of the authorization holder's approved control system.
217. The Commission will, with the assistance of its Approved Agents, consider a control system submission or control system change submission and will, within a reasonable period of time:
- (a) approve the proposed control system or proposed change of the approved control system;
  - (b) refuse to approve the proposed control system or proposed change of the approved control system; or
  - (c) request such additional information, as the Commission may require, to either approve or disapprove the submission.
218. The Commission must promptly serve the authorization holder with a written notice of the Commission's decision to approve or to refuse to approve a control system submission or control system change submission.
219. If the Commission refuses to approve a submission under this Part, it must provide written notice stating the reasons for the decision and, if the Commission believes the submission can be rectified to enable the Commission to give an approval, the notice must also:
- (a) explain how the submission may be changed; and
  - (b) invite the authorization holder to resubmit the submission after making the appropriate changes.
220. The Commission may, by written notice, direct the authorization holder to change its approved control system within the time, and in the manner stated in the notice and the authorization holder must comply with the direction within thirty (30) days of the date on which the notice is

received or such other period of time as the Commission may specify.

221. If the authorization holder fails or refuses to comply with the Commission's direction made pursuant to the foregoing section 220, the approval for the authorization holder's control system will be terminated and its Client Provider Authorization or Casino Software Provider Authorization may be suspended or revoked.

#### **PART XXI: CONTINUOUS COMPLIANCE PROGRAM**

222. All holders of Client Provider Authorizations and Casino Software Provider Authorizations will be subject to a continuous compliance program, pursuant to which Approved Agents will on a regular basis assess and report to the Commission whether:

- (a) the control system utilized by the authorization holder:
  - (i) is functioning in accordance with the standards against which the control system was measured at the time it was first approved;
  - (ii) has not been materially changed from the time it was first approved, unless such material change has also been approved;
- (b) there are any indications of money-laundering, fraud or collusion in relation to the authorization holder's operations;
- (c) the authorization holder is meeting its obligations to players in a timely manner;
- (d) the authorization holder's live output of authorized games is fair and random.

223. The design and implementation of a continuous compliance program for an authorization holder will take into consideration:

- (a) the features of the control system owned or licensed by the authorization holder;
- (b) the volume and quality of data available for the time period in question;
- (c) whether the authorization holder is subject to other independent auditing or monitoring programs;
- (d) whether the authorization holder is a publicly traded company.

224. The Commission will discuss with an authorization holder the design and implementation of a suitable continuous compliance program, and any changes that may be required to the program from time to time. However, the Commission will, in its sole discretion, approve the continuous compliance program that will apply to an authorization holder

and the authorization holder must comply with the approved program. An authorization holder is responsible for all costs associated with the design and implementation of an approved continuous compliance program – which costs are in addition to any fees, costs, fines or other charges for which an authorization holder is responsible under these Regulations.

225. All information obtained by an Approved Agent or the Commission as the result of a continuous compliance program will be held in the strictest confidence and will be destroyed five years after the date on which it is obtained.

## **PART XXII: ANTI-MONEY LAUNDERING**

226. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must develop and implement Anti-Money Laundering (“AML”) and Counter Financing of Terrorism (“CFT”) policies that are approved and supported by its senior management which will provide reasonable security measures to prevent transactions which are potentially connected to money laundering and the financing of terrorism.
227. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must appoint a qualified person to act as an Anti-Money Laundering Compliance Officer.
228. AML and CFT control requirements between Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, and relevant service providers must be clearly defined.
229. An Authorized Client Provider's, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, terms and conditions will state the requirements applicable to funds transferred between players.
230. When a player deposit or payout exceeds Ten Thousand (\$10,000.00) Dollars, whether in a single transaction or a series of transactions which appear to be linked, an Authorized Client Provider, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, will not accept the deposit or make the payout until the player has been positively identified.
231. An Authorized Client Provider's, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, employees must be made aware of their personal obligations to detect and report criminal and suspicious behaviour to senior management as well as the dangers of ‘tipping-off’ and the procedures to be followed to ensure it does not happen.
232. An Authorized Client Provider, and to the extent it is appropriate, a holder of a Casino Software Provider Authorization, must retain for a minimum period of five (5) years:

- (a) records of a player's financial transactions; and

- (b) player verification documents.
233. Funds will be remitted by an Authorized Client Provider, and to the extent it is appropriate, holder of a Casino Software Provider Authorization, to a player only through the same payment mechanism from which the funds originated, unless it has been established that the new payment mechanism is in the name of the same player.
234. Notwithstanding any other provision of these Regulations or the laws, regulations or procedures of any other jurisdiction, Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must develop and implement measures to ensure that:
- (a) no cash-ins will be made to a player's account where there is reason to suspect money laundering or terrorist activity;
  - (b) all information regarding changes to player details will be logged and appropriate verification documentation will be requested for significant changes, including but not limited to players' names and banking details;
  - (c) transfers of funds between player accounts will only be conducted through a formal documented process; and
  - (d) the recommendations of the Financial Action Task Force ("FATF"), particularly as they pertain to casinos and gaming establishments, are fully respected.
235. The Commission will cooperate with and, when appropriate, provide information concerning actual or potential money-laundering activities of which it becomes aware, to the Kahnawà:ke Peacekeepers and/or such other domestic or international agency or agencies that are appropriate.

### **PART XXIII: PLAYER PROTECTION**

236. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must not allow anyone under approved age to participate as an employee or agent in operations related to the conduct of authorized games.
237. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must take all reasonable and available measures to ensure that anyone under the approved age does not participate as a player in an authorized game. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, that willfully or carelessly allows a person under approved age to participate as a player

in an authorized game commits a breach of these Regulations and may have its Client Provider Authorization or Casino Software Provider Authorization suspended or revoked and is subject to the imposition of a fine for each instance of such breach, of not less than One Thousand (\$1,000.00) Dollars and not more than Twenty Thousand (\$20,000.00) Dollars.

238. In the event the Commission is not satisfied with the systems established by an Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, in accordance with section 237, the Commission may direct the Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, to modify its systems or to implement new systems.
239. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must return any money paid in respect of the use of its services by a player under the approved age as soon as is reasonably practicable.
240. A prize won by a player under the approved age by participation in an authorized game contrary to section 237, will be forfeited to the Commission.
241. A person must not participate in an authorized game under a name, account name or designation that is obscene, indecent or offensive.
242. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, may refuse to register a person as a player in an authorized game under a name or account name that is obscene, indecent or offensive.
243. An Authorized Client Provider's, and to the extent it is appropriate, a holder of Casino Software Provider Authorization's, player registration process must ensure that the following details are required to be captured by players prior to successful registration:
  - (a) full names;
  - (b) residential address;
  - (c) age or date of birth;
  - (d) contact details;
  - (e) a password to access the registered account; and
  - (f) positive confirmation of acceptance of a legally enforceable contract defining the terms and conditions of play.
244. Account opening documents must not include any terms that are unfair or unreasonable to the player.
245. A player is limited to one player account for any website operated by an



Authorized Client Provider.

246. A player's account must be established in a manner that allows a player only to:
- (a) have direct access to funds in that account;
  - (b) use some or all of the funds in that account to play an authorized game offered by the Authorized Client Provider;
  - (c) obtain the balance of funds in that account and close the account; or
  - (d) obtain the whole or part of the amount paid into that account as a prize in an authorized game or as authorized by the Authorized Client Provider or the Commission.
247. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must not accept a bet or wager from a player in an authorized game unless a player's account has been established in the name of the player and there are adequate funds in the account to cover the amount of the bet or wager.
248. An Authorized Client Provider's website must display hyperlinks to the terms and conditions of use and to the full and complete rules of the authorized games being offered.
249. Rules must be posted in the English language and any other language the Authorized Client Provider deems appropriate.
250. A player who participates in an authorized game must comply with rules of play posted on the website of the Authorized Client Provider.
251. All games and betting events must follow a constant set of rules and must at no time deviate from those rules. A rule change will constitute a different game or betting event, although variations to the maximum number of bets per game are permitted.
252. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must, at the request of a player in whose name a player's account is established, once the player's identity has been verified, remit funds in the player's account to the requesting player as soon as practicable after receipt of the request.
253. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must ensure that:
- (a) the authorization holder's liability for player balances is separately identifiable at all times; and
  - (b) player balances and prizes, bonuses and guaranteed amounts

are covered by liquid funds at all times and that upon request the Commission is provided proof of same.

254. Any manual adjustments made to a player's account must be reviewed and authorized by the appropriately authorized management personnel.
255. An Authorized Client Provider that offers sportsbook wagering must have in place effective risk control mechanisms for managing events offered, bet sizes and prices, taking into consideration available liquid funds.
256. An Authorized Client Provider, or to the extent it is appropriate, a holder of Casino Software Provider Authorization, will not accept cash from a player and funds may be received from the player only by any of the following methods:
  - (a) credit cards;
  - (b) debit cards or stored value accounts;
  - (c) electronic transfer;
  - (d) wire transfer;
  - (e) cheques;
  - (f) any other method approved by the Commission.
257. Unless authorized by the Commission, an Authorized Client Provider and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must not provide credit to a player or a player's account or act as agent for a credit provider to facilitate the provision of credit to a player or a player's account.
258. An Authorized Client Provider and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must not have access to funds in a player's account except as follows:
  - (a) to debit to the account, a wager made by the player or an amount the player indicates the player wants to wager in the course of an authorized game the player is playing or is about to play;
  - (b) to remit funds standing to the credit of the account to the player at the player's request;
  - (c) as otherwise authorized under these Regulations.
259. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must have a written policy (the "dormant player account policy") which describes the process that will be used to clear dormant player accounts and the process that will be followed when a player requests a withdrawal from a dormant

account that has been cleared.

260. The dormant player account policy must be included in terms and conditions that are posted on the Authorized Client Provider's site.
261. An Authorized Client Provider and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must maintain a complete and accurate record for all dormant player accounts that have been cleared. Any request from a player for a withdrawal from a dormant account that has been cleared will be addressed and resolved in accordance with the provisions of the dormant player account policy.
262. An Authorized Client Provider, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, or an employee or other person engaged in duties related to the conduct of an authorized game must not, without authorization under the following section:
- (a) disclose information about the name, or other identifying particulars, of a player; or
  - (b) use information about a player for a purpose other than the purpose for which the information was given.
263. The disclosure of information, or its use for a purpose other than the purpose for which it was given, is authorized if the disclosure or use is:
- (a) authorized by the player;
  - (b) reasonably necessary for the conduct of authorized games; or
  - (c) required for the administration or enforcement of the Law or these Regulations.
264. An Authorized Client Provider and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must take all reasonable steps to ensure that the authorization holder's approved control system enables a player whose participation in an authorized game is, after he or she has made a bet or wager, interrupted by:
- (a) a failure of the authorization holder's system;
  - (b) a failure of the player's computer; or
  - (c) for any other reason that prevents the player from continuing the authorized game,
- to resume, on the restoration of the system or computer, his or her participation in the authorized game, that was interrupted, as at the time immediately before the interruption without loss or penalty.
265. If an Authorized Client Provider's and to the extent it is appropriate, a holder of Casino Software Provider Authorization's, system does not

enable a player to continue, after the restoration of the system or computer, with an authorized game interrupted by a failure of the authorization holder's system, the player's computer or for any other reason, without loss or penalty the authorization holder will:

- (a) ensure that the game is terminated;
- (b) refund the amount of the wager to the player by placing it in the player's account;
- (c) immediately inform the Commission of the incident;
- (d) refrain from conducting further authorized games if such games are likely to be similarly affected.

266. All information required for completing an incomplete game must be recoverable by the Authorized Client Provider's and to the extent it is appropriate, a holder of Casino Software Provider Authorization's, system.

#### **PART XXIV: COMPLAINTS AND DISPUTE RESOLUTION**

267. All Authorized Client Providers must make adequate provision for receiving and addressing any complaints, including the provision of an appropriate dispute resolution process. The dispute resolution process must include an opportunity for the complainant to have recourse to the Commission.

268. All Authorized Client Providers must maintain adequate records of all complaints and disputes it receives and such records must be provided to the Commission in a timely fashion.

269. The Commission's logo must be prominently displayed on the Authorized Client Provider's website with a notification that complaints may be addressed directly to the Commission. The Commission's logo must be properly linked to a Certificate of Good Standing, issued by the Commission.

270. Any person who is not satisfied with the manner in which his or her complaint has been addressed by an Authorized Client Provider, or who prefers to make his or her complaint directly to the Commission, may submit the complaint to the Commission at any time seven (7) days after the date on which the complaint arose, notwithstanding any provision of an Authorized Client Provider's terms and conditions to the contrary.

271. A complaint must be in writing and must contain clear and unequivocal information about the complainant's identity, and provide all the relevant details that gave rise to the complaint and the steps that were taken to address the complaint with the Authorized Client Provider.

272. Complaints must be submitted to the Commission not less than seven (7) days and not more than six (6) months after date on which the subject matter of the complaint first arose.

273. As soon as practicable after a complaint is received, the Commission will inquire into the substance of the complaint and will undertake such investigations as may be required under the circumstances.
274. Unless the Commission in its sole discretion directs otherwise, the details of all complaints, including the identity of the complainant, will be provided to the Authorized Client Provider against which the complaint is made for response.
275. The Authorized Client Provider must provide to the Commission a full and detailed response to the complaint within seven (7) days, or such other time as the Commission may direct.
276. To assist in the resolution of a complaint, the Commission may request additional information from the complainant, the Authorized Client Provider or any third person, including an Approved Agent.
277. After its investigations of a complaint are complete, the Commission will:
- (a) dismiss the complaint as unfounded;
  - (b) uphold the complaint in whole or in part;
  - (c) direct a Authorized Client Provider to take any steps the Commission may, in its sole discretion, deem necessary to resolve the complaint;
  - (d) direct a Authorized Client Provider to pay the costs incurred by the Commission in its investigation of the complaint; or
  - (e) issue any other directions or take any other steps as the Commission, in its sole discretion, deem appropriate under the circumstances.
278. Any communication received by the Commission, whether oral or written, that is abusive, vulgar, obscene, hateful or racially or ethnically objectionable will be immediately terminated or deleted, as the case may be.
279. Any communication received by the Commission, whether oral or written, that is threatening, harassing or otherwise unlawful will be immediately reported to the appropriate law enforcement authorities with a request that all available legal actions be instituted against the offender.
280. Notwithstanding any of provision of this Part, the Commission may dismiss a complaint without an inquiry or investigation if the Commission, in its sole discretion, is satisfied that a complaint is on its face vexatious, unfounded or does not fall within the Commission's

scope of authority.

281. When the subject of a complaint concerns a player's request for a withdrawal being denied on the basis of allegations by the Authorized Client Provider that the player's initial deposit, balance and/or winnings (the "disputed funds") were acquired, in whole or in part, as a result of fraudulent activities, the following steps will be taken:
- (a) upon receipt of a request from the Commission, the Authorized Client Provider must provide the Commission detailed information substantiating the alleged fraudulent activities;
  - (b) the Commission will review the information provided by the Authorized Client Provider but may, in its sole discretion, not reveal this information to the player so as not to compromise anti-fraud controls or jeopardize a potential criminal proceeding;
  - (c) the Commission may request that the player provide additional information and/or respond to information provided by the Authorized Client Provider;
  - (d) based on the information provided to it, the Commission will determine whether or not the Authorized Client Provider's allegations of fraudulent activities have been substantiated, to the Commission's satisfaction;
  - (e) if the Commission is not satisfied that the Authorized Client Provider's allegations of fraudulent activities have been substantiated, the Commission will direct that the Authorized Client Provider remit the disputed funds, in whole or in part, to the player;
  - (f) if the Commission is satisfied that the Authorized Client Provider's allegations of fraudulent activities have been substantiated:
    - (i) the Commission will direct the Authorized Client Provider as to the manner in which the disputed funds will be processed;
    - (ii) the Commission may advise the appropriate law enforcement authorities of the fraudulent activities in question and seek their further direction regarding the disposition of the disputed funds, including the player's initial deposit.

#### **PART XXV: PRIZES**

282. If a player in an authorized game conducted by an Authorized Client Provider wins a monetary prize, the Authorized Client Provider must immediately credit the amount of the prize to the player.

283. If a player in an authorized game conducted by an Authorized Client Provider wins a non-monetary prize the Authorized Client Provider must:
- (a) have the prize delivered personally or by certified mail to the player; or
  - (b) give the player written notice of an address in the Territory at which the prize may be collected.
284. In the event a non-monetary prize in an authorized game conducted by an Authorized Client Provider is not capable of being delivered or is not collected within three months after notification of the place at which it may be collected, the Authorized Client Provider:
- (a) may dispose of the prize by public auction or tender or in some other way approved by the Commission;
  - (b) may pay for the disposal from the proceeds of sale; and
  - (c) must:
    - (i) pay the remainder of the proceeds into the relevant player's account;
    - (ii) if there is no current player's account, remit the remainder of the proceeds to the former player; or
    - (iii) if there is no current player's account and the Authorized Client Provider is unaware of the whereabouts of the former player, pay the remainder of the proceeds into an account established by the Commission and designated as the account to which payments are to be made under this subparagraph.
285. If a claim for a prize in an authorized game is made to an Authorized Client Provider within three years after the end of the game, the Authorized Client Provider must:
- (a) immediately try to resolve the claim; and
  - (b) if the Authorized Client Provider is not able to resolve the claim, by written notice (a "claim result notice") given to the claimant, promptly inform the claimant:
    - (i) of the Authorized Client Provider's decision on the claim; and
    - (ii) that the claimant may, within thirty (30) days of receiving the notice, ask the Commission to review the decision.
286. If the claim is not resolved, the claimant may ask the Commission to review the Authorized Client Provider's decision on the claim, or if the claimant has not received a claim result notice, to resolve the claim.

287. A request to the Commission under the foregoing section:
- (a) must be in the approved form; and
  - (b) if the claimant received a claim result notice, must be made within thirty (30) days after receiving the notice.
288. If a request is made to the Commission, the Commission must carry out such investigations the Commission considers necessary to resolve matters in dispute and render a decision in writing to the claimant and the affected Authorized Client Provider.
289. If an Authorized Client Provider has reason to believe that the result of an authorized game has been affected by an illegal activity or malfunction of equipment, the Authorized Client Provider may withhold a prize in the game.
290. If an Authorized Client Provider withholds a prize under the foregoing section 289, the authorized client provide must immediately give written notice to the player in question, with a copy to the Commission, that the prize is being withheld and the reasons for the withholding.
291. If an Authorized Client Provider withholds a prize under the foregoing section 289, the Authorized Client Provider:
- (a) must immediately give written notice to the Commission of the circumstances of the incident; and
  - (b) must not conduct a further game if a recurrence of the illegality or malfunction is likely.
292. After investigating the incident, the Commission may, by written notice to the Authorized Client Provider and the player in question:
- (a) direct the Authorized Client Provider to pay the prize; or
  - (b) confirm the Authorized Client Provider's decision to withhold the prize, but direct the Authorized Client Provider to refund amounts bet or wagered in the game and the Authorized Client Provider must comply with the direction.

#### **PART XXVI: PLAYER LIMITATION AND EXCLUSION**

293. A registered player may, by submitting a written notice to an Authorized Client Provider, set a deposit limit per day, week or month (a "Self-Limitation Request").
294. A Self-Limitation Request has effect upon its receipt by the Authorized Client Provider, or as soon as is practicable thereafter.



295. A registered player who has submitted a Self-Limitation Request, may, by providing written notice to the Authorized Client Provider, increase or revoke the deposit limit after a minimum waiting period of twenty-four (24) hours from the time of the request, except when the deposit limit was set to zero (0).
296. A registered player that has set a deposit limit to zero (0) may, by providing written notice to the Authorized Client Provider, change or revoke the deposit limit, but only after a minimum waiting period of six (6) months from the time of the request.
297. An Authorized Client Provider must not accept a deposit from a registered player contrary to a limit set out in a Self-Limitation Request.
298. [deleted 29th day of Kentenhko:wa/November 2017]
299. [deleted 29th day of Kentenhko:wa/November 2017]
- 299A. When a registered player indicates by any means of communication to an Authorized Client Provider's representative that he or she wants to be excluded from engaging in gaming activities or indicates that he or she has a gaming addiction, the Authorized Client Provider must immediately:
- (a) lock the player's account for not less than six (6) months and during that time:
    - (i) allow no action to be taken regarding the player's account except, at the player's request, to pay out any funds in the account, subject to appropriate and necessary checks and verifications;
    - (ii) make all reasonable efforts to prevent marketing materials from being sent to the player;
  - (b) provide the player information as to how he or she can submit to the Commission a Comprehensive Self-Exclusion Request pursuant to section 301, including this link to the Commission's website: <http://gamingcommission.ca/playerexclusion.htm>; and
  - (c) notify the Commission of the actions that have been taken pursuant to this section, with the player's name and contact information.
- 299B. In the event a registered player that is the subject of the foregoing section 299A fails or refuses to submit to the Commission a Comprehensive Self-Exclusion Request within six (6) months of the player's account being locked, the Authorized Client Provider may, at the player's request, unlock the player's account and permit the player to resume his or her gaming activities.
- 299C. For the purposes of section 299A, a player will be deemed to have indicated his or her intentions to be self-excluded when the player uses,

in a communication with an Authorized Client Provider representative, any word or phrase that a reasonable person would understand to mean that the player wishes to be self-excluded. For greater certainty, a player has no obligation to provide the Authorized Client Provider a reason or explanation for his or her request to be self-excluded.

- 299D. Authorized Client Providers must ensure that all representatives who interact with players are aware of the requirements of sections 299A, 299B, 299C, 300, 301 and 302.
300. Any Authorized Client Provider, who knowingly or negligently breaches the provisions of this Part, is subject to a fine and such other penalties as the Commission may impose.
301. Any person (the "Requestor") may request that he or she be permanently excluded from accessing, depositing funds and from playing on gaming systems operated by all Authorized Client Providers that are licensed and regulated by the Commission (a "Comprehensive Self-Exclusion Request").
302. A Comprehensive Self-Exclusion Request must be submitted to the Commission in the form provided on the Commission's website.
303. As soon as is practicable after receiving a Comprehensive Self-Exclusion Request, the Commission will:
- (a) contact the Requestor by email or by telephone to:
    - (i) verify the Requestor's identity;
    - (ii) obtain any additional information the Commission may require to fulfill the request;
    - (iii) direct all Authorized Client Providers, in writing (the "Self-Exclusion Directive"), of a date and time at which it must complete such steps as are necessary to permanently exclude the Requestor from accessing, depositing funds and from playing on any gaming system, website or brand that is operated by the Authorized Client Provider and regulated by the Commission and must:
      - (1) lock the registered player's account and pay out any funds in the account, subject to appropriate and necessary checks and verifications;
      - (2) make all reasonable efforts to prevent marketing materials from being sent to the registered player; and
      - (3) provide the registered player with contact information for an organization trained to assist problem gamblers, and encourage the registered player to contact this organization.

- (b) confirm to the Requestor, in writing, the date and time at which the Self-Exclusion Request has been put into effect (the “Time Stamp”);
  - (c) provide the Requestor with contact information for agencies that offer assistance to problem gamblers.
- 304. A Comprehensive Self-Exclusion Request is effective from the date and time of the Time Stamp.
- 305. A Comprehensive Self-Exclusion Request and a related Self-Exclusion Directive are permanent and irrevocable.
- 306. Applicants for a Client Provider Authorization will be advised of all Comprehensive Self-Exclusion Directives then in existence.
- 307. Any Authorized Client Provider who knowingly or negligently breaches the provisions of a Comprehensive Self-Exclusion Request or a Self-Exclusion Directive is subject to a fine and such other penalties as the Commission may impose.
- 308. The effect of a Self-Exclusion Directive is limited to those gaming systems that are licensed and regulated by the Commission.
- 309. In the event an Authorized Client Provider finds that a player has deposited funds in contravention of the terms of a Self-Limitation Request, a Direct Self-Exclusion Request or a Comprehensive Self-Exclusion Request, as hereinafter defined (the “unauthorized deposit”):
  - (a) the Authorized Client Provider must notify the Commission and the player within twenty-four (24) hours of finding the unauthorized deposit, and provide all relevant information pertaining thereto;
  - (b) the Authorized Client Provider will hold the unauthorized deposit in trust and not release the amount of the unauthorized deposit to the player until six (6) months after the date on which the unauthorized deposit was found;
  - (c) any winnings the player has accumulated as a result of the unauthorized deposit will be forfeited to a third party charity selected by the Commission.
- 310. The Commission will use its best efforts to ensure a Self-Exclusion Request is affected. However, the Commission, its members, employees, advisors, agents and governing body are not responsible for

any damages or losses that a Requestor or any other person may sustain as a result of, or related to, a Requestor's gaming activities, both before and after the date and time indicated in a Time Stamp.

- 311. Player self-limitation and self-exclusion procedures and conditions must be clearly communicated on the responsible gaming page of all Authorized Client Providers.
- 312. Authorized Client Providers must provide training to customer service employees on the issues of problem gaming and to ensure the prompt and efficient handling of correspondence relating to player self-limitation and self-exclusion. Refresher courses should be undertaken as and when needed.
- 313. [deleted]
- 314. [deleted]
- 315. [deleted]
- 316. [deleted]
- 317. [deleted]
- 318. [deleted]
- 319. [deleted]
- 320. [deleted]
- 321. [deleted]
- 322. [deleted]
- 323. The Commission may establish and maintain at a financial institution in or near the Territory, a fund (the "Gaming Addiction Research and Education Fund") to be used for the purpose of researching and educating the public about the risks associated with gaming and gaming addictions, and about available treatment programs.

324. The Commission will determine the types of programs and services to be funded by the Gaming Addiction Research and Education Fund.
325. The funds held in the Gaming Addiction Research and Education Fund will not be used to reimburse players for monies they may have lost through gaming activities.
326. The Gaming Addiction Fund will consist of contributions from licence holders and Authorized Client Providers and such other monies received by the Commission which the Commission, in its sole discretion, may designate for the purpose.
327. The Commission may establish incentive programs to encourage licence holders and Authorized Client Providers to contribute to the Gaming Addiction Research and Education Fund.
328. An Authorized Client Provider must display at all times, in a prominent place, on the home page of its website, a warning of the risks associated with gaming and information and links to other websites assisting compulsive gamblers.

#### **PART XXVII: RECORDS AND REPORTS**

329. The Commission may, by written notice given to an Authorized Client Provider:
  - (a) approve a place (the “approved place”) nominated by the Authorized Client Provider as a place for keeping the Authorized Client Provider’s gaming records;
  - (b) specify a gaming record of the Authorized Client Provider (an “exempt gaming record”) that is not required to be kept at the approved place;
  - (c) specify a gaming record of the Authorized Client Provider that may be kept temporarily at a place other than the approved place, and the period for which, or the circumstances in which, the record may be kept at the other place;
  - (d) approve the keeping of information contained in a gaming record in a way different from the way the information was kept when the record was being used by the Authorized Client Provider; or
  - (e) approve the destruction of a gaming record the Commission considers need not be kept.
330. A gaming record mentioned in subsection 329(c) is also an “exempt gaming record”:

- (a) for the period stated in the notice; or
  - (b) while the circumstances stated in the notice exist.
331. The Commission may specify a gaming record for subsection 329(b) only if the Commission considers there is sufficient reason for the record to be kept at a place other than the approved place.
332. Unless the information previously contained in the gaming record is kept in another way under an approval of the Commission, an Authorized Client Provider must keep a gaming record for five (5) years after the end of the transaction to which the record relates.
333. The foregoing section 332 does not apply to a gaming record that has been destroyed under an approval of the Commission.
334. An Authorized Client Provider and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must maintain an accounting system, for the operations conducted under the Client Provider Authorization, and to the extent it is appropriate, a holder of Casino Software Provider Authorization, in a manner that allows for the timely preparation and audit of financial statements and accounts.
335. Without limiting the generality of the foregoing section 334, an Authorized Client Provider and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must keep accurate records of the following information:
- (a) all receipts from players and payments to players;
  - (b) a complete history of all transactions that affect player balances for a period of 12 months.
336. Authorized Client Providers and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must implement back-up and recovery procedures to ensure data and information, including but not limited to logs and financial information, are backed up on a regular basis and can be restored in the event of a disaster.
337. Authorized Client Providers and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must ensure that:
- (a) critical data and information is backed up and secured off-site on a daily basis;
  - (b) back-up and disaster recovery responsibilities and procedures between software providers and authorization holders are clearly defined.

338. An Authorized Client Provider and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must be able to demonstrate a financial reconciliation of the net movement of player deposits and withdrawals on its accounting systems to the relevant processor or bank transactions to ensure the accuracy and completeness of player account balances.
339. Authorized Client Providers and to the extent it is appropriate, a holder of Casino Software Provider Authorization, must ensure that players are able to access their account history dating back for a minimum period of one (1) month, including all deposits, withdrawals and payments.
340. An Authorized Client Provider's and to the extent it is appropriate, a holder of Casino Software Provider Authorization's, management is responsible for the content of annual financial statements and must provide formal confirmation on an annual basis that financial statements for operations conducted under the Client Provider Authorization, or to the extent it is appropriate, a holder of Casino Software Provider Authorization, are fairly presented in accordance with the relevant accounting framework and applicable laws.
341. The Commission may, in its sole discretion, direct an Authorized Client Provider, or to the extent it is appropriate, a holder of Casino Software Provider Authorization, to:
- (a) provide the Commission a copy of its accounting records and financial statements; and
  - (b) undergo an external audit of its financial statements and accounts conducted by an independent audit firm that is approved by the Commission.
342. A licence or authorization holder must give any other records and reports to the Commission about the licence or authorization holder's operations, as the Commission may request in writing from time to time, for the purposes of these Regulations.
343. The reports referred to in the foregoing section 342 must be given at the times stated in a written notice given to the licence or authorization holder by the Commission and must be in a form approved by the Commission.
344. The Commission may, by written notice given to a licence or authorization holder, require the licence or authorization holder to give the Commission further information about a report within the time stated in the notice to help the Commission acquire a proper appreciation of the licence or authorization holder's operations and the licence or authorization holder must comply with the requirement within the time

stated in the notice.

345. A licence or authorization holder must not give the Commission a report containing information, or further information about a report, the licence or authorization holder knows to be false, misleading or incomplete in a material way.

#### **PART XXVIII: SYSTEM SECURITY MEASURES**

346. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must document, communicate and review annually, or more often in the event of a material change, security policies and procedures.
347. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must implement security policies and procedures. Risk based internal and external security reviews must be conducted at least annually, or more often in the event of a material change.
348. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must install, maintain and update on a regular basis, virus scanners and detection programs on all pertinent information systems.
349. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must implement controls for changes to information processing facilities and systems to reduce the risk of security or systems failures.
350. To maintain the security of player accounts, Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must:
- (a) secure from unauthorized use, player credit card numbers stored on the authorized holders' system;
  - (b) require that all players have their identity verified with an account identifier and password combination, or by any other means that provides equal or greater security, prior to being permitted to access the system;
  - (c) ensure that all deposit, withdrawal or adjustment transactions are subject to strict security controls and are maintained in a system audit log.
351. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must ensure that all system users have their identity verified with an account verifier and password combination, or by any other means that provides equal or greater



security, in accordance with a formalized internal policy, prior to being permitted to access the authorization holder's system.

352. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must ensure that security administration activities provide that access to applications, data and operating systems is appropriately restricted to authorized personnel who access rights are commensurate with their job responsibilities and with management's control objectives.
353. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must have in place preventative and detective controls or technology to ensure that the prospect of cheating through collusion between players is prevented.
354. Authorized Client Providers, and to the extent it is appropriate, holders of Casino Software Provider Authorizations, must ensure that regular risk-based IT security reviews are conducted on data transmissions that carry sensitive player information and gaming data, where the authorization holder's management considers the need to be appropriate.

#### **PART XXIX: ADVERTISING**

355. No person may advertise itself as an Authorized Client Provider or that it is licensed or regulated by the Commission, if the person does not hold a valid Client Provider Authorization.
356. An Authorized Client Providers must not advertise an interactive game unless the game is an authorized game.
357. A person must not advertise an authorized game in the Territory without approval of the relevant Authorized Client Provider.
358. An Authorized Client Provider must ensure that any advertisement or form of marketing it authorizes or that is conducted on its behalf:
  - (a) is not indecent or offensive;
  - (b) is based on fact; and
  - (c) is not false, deceptive or misleading in a material way.
359. The Commission will, in its sole discretion, determine whether an advertisement or form of marketing contravenes any of the requirements in the foregoing section 358.
360. If the Commission determines that an advertisement or form of

marketing does not comply with the foregoing section 358, the Commission may direct the Authorized Client Provider or person responsible for authorizing the advertisement or form of marketing to take the appropriate steps to stop or to change the advertisement or form of marketing.

361. The direction must:

- (a) be in writing;
- (b) state the grounds for the direction; and
- (c) if it is a direction to change the advertisement or form of marketing, state how the advertisement or form of marketing is to be changed;

and the person to whom a direction is given must comply with the direction.

### **PART XXX: OFFENCES**

362. A person must not, in relation to an authorized game, dishonestly obtain a benefit by any act, practice or scheme or otherwise dishonestly obtain a benefit through the use of any device, equipment or software.

363. For the purposes of the foregoing section 362, a person obtains a benefit if the person obtains for themselves or another person, or induces a person to deliver, give or credit to the person or another person, any money, benefit, advantage, valuable consideration or security.

364. A person must not, directly or indirectly:

- (a) forge or alter a gaming record; or
- (b) knowingly use or attempt to use a forged or altered gaming record.

365. A person must not impersonate an Authorized Client Provider, an Approved Agent or a member of the Commission or anyone acting in an official capacity under the Law or these Regulations.

366. Members of the Commission and anyone acting in an official capacity under the Law or these Regulations must not ask for, receive or obtain, or agree to receive or obtain, any money, property or benefit of any kind for himself or another person for an improper purpose.

367. A person must not give, confer or obtain, or promise or offer to give, confer or obtain, any money, property or benefit of any kind to, on or for a member of the Commission and anyone acting in an official capacity

under the Law or these Regulations for an improper purpose.

368. For the purposes of the foregoing sections, "improper purpose" includes:

- (a) for the official to forego or neglect the official's functions under the Law or these Regulations;
- (b) for the official to use, or take advantage of, the official's office improperly to gain a benefit or advantage for, or facilitate the commission of an offence against the Law or these Regulations; or
- (c) to influence the official in the performance of the official's functions under the Law or these Regulations.

369. An employee, whether a key person or not, of an Authorized Client Provider must not take part in an authorized game if directly involved in functions related to the conduct of the game.

370. Any prize won by a person by participation in an authorized game contrary to the provisions of this Part, is forfeited to the Commission.

371. In the event an Authorized Client Provider, Approved Agent or any other employee or agent of the Commission becomes aware, or reasonably suspects, that:

- (a) a person, by a dishonest or unlawful act affecting the conduct or playing of an authorized game, has obtained a benefit for the person or another person; or
- (b) there has been an unlawful act affecting the conduct or playing of an authorized game;

within twenty-four (24) hours of becoming aware of, or suspecting, the dishonest or unlawful act, the person who becomes aware must give the Commission a written notice advising the Commission of all facts known about the matter.

372. A person must not state anything to an Inspector the person knows to be false or misleading.

373. A person must not give an Inspector a document containing information the person knows to be false, misleading or incomplete.

374. Section 373 does not apply to a person if the person, when giving the document:

- (a) tells the Inspector, to the best of the person's ability, how it is false, misleading or incomplete; and
- (b) if the person has, or can reasonably obtain, the correct

information and gives the correct information.

375. A person must not make an entry in a document required or permitted to be made or kept under these Regulations knowing the entry to be false, misleading or incomplete.
376. A person must not obstruct an Inspector in the exercise of a power or someone helping an Inspector in the exercise of a power.

#### **PART XXXI: PENALTIES UPON CONVICTION FOR AN OFFENCE**

377. The penalties set out in this Part are in addition to any other the Commission may impose under any other provision of these Regulations.
378. On conviction of a person for an offence against these Regulations, a court may order the forfeiture to the Commission of:
- (a) anything used to commit the offence; or
  - (b) anything else which is the subject of the offence.
379. A court may make the order:
- (a) whether or not the item has been seized; and
  - (b) if the item has been seized, whether or not the item has been returned to its owner.
380. A court may make any order to enforce the forfeiture it considers appropriate.
381. On the forfeiture of an item to the Commission, the item becomes the Commission's property and may be dealt with by the Commission as the Commission considers appropriate.
382. Without limiting the generality of the foregoing section, the Commission may destroy the forfeited item or sell the forfeited item at public auction...
383. An offence against sections 362, 364, 365, 366 or 367 (dishonestly obtaining a benefit, forgery, impersonation or bribery) is an indictable offence and punishable as such.
384. Any other offence against these Regulations is a summary conviction offence and punishable as such.
385. A proceeding for an indictable offence or a summary conviction offence under these Regulations may be heard at the Court of Kahnawà:ke or other court of competent jurisdiction.

386. If a Business Entity commits an offence against a provision of these Regulations, each of the Business Entity's key persons and directors also commits an offence, namely, the offence of failing to ensure that the Business Entity complies with the provision.
387. Evidence that the Business Entity has been convicted of an offence against a provision of these Regulations is evidence that each of the Business Entity's key persons and directors committed the offence of failing to ensure that the Business Entity complies with the provision.
388. It is a defense for a key person or director to prove:
- (a) if the key person or director was in a position to influence the conduct of the Business Entity in relation to the offence-the key person or director exercised reasonable diligence to ensure the corporation complied with the provision; or
  - (b) the key person or director was not in a position to influence the conduct of the Business Entity in relation to the offence.
389. A person who attempts to commit an offence against the Law or these Regulations commits an offence.
390. Unless another fine is specifically provided, if the Commission, in its sole discretion determines a licence holder, Authorized Client Provider, key person or Approved Agent has breached any provision of these Regulations, the Commission may impose a fine for each instance of such breach of not less than One Thousand (\$1,000.00) Dollars and not more than Twenty Thousand (\$20,000.00) Dollars.
391. Unless the Commission otherwise directs, all fines imposed by the Commission in accordance with the foregoing section 390 must be to the Commission, in full, not more than thirty (30) days after the date on which the fine is imposed, failing which the Commission may impose such additional sanctions, including additional fines, as it sees fit.

## **PART XXXII: COMMISSION MEMBERS AND OFFICIALS**

392. Members of the Commission and Officials must not take part in any authorized game.
393. Members of the Commission and Officials must not:
- (a) accept or solicit employment from a licence holder, an Authorized Client Provider or an Approved Agent;
  - (b) be an employee in any capacity of a licence holder, an Authorized Client Provider or an Approved Agent; or
  - (c) knowingly have, directly or indirectly, a business or financial association with a licence holder, an Authorized Client Provider

or an Approved Agent.

394. A person must not, for one year after ceasing to be a member of the Commission or acting as an Official, without the Commission's approval:
- (a) accept or solicit employment from a licence holder, an Authorized Client Provider or an Approved Agent;
  - (b) be an employee in any capacity of a licence holder or an Authorized Client Provider or an Approved Agent; or
  - (c) knowingly have, directly or indirectly, a business or financial association with a licence holder, an Authorized Client Provider or an Approved Agent.
395. In the event a member of the Commission or an Official knowingly has, directly or indirectly, a business or financial association or interest with another person who is an applicant for a licence, authorization or permit, immediately after the member of the Commission or Official becomes aware that the other person is an applicant for a licence, authorization or permit, the member or Official must give written notice of the Member or official's association or interest to the Commission and the Commission will by written notice given to the Member or official, direct the member or Official to end the association, or give up the interest, within the time stated in the notice. Failure to comply with such direction will result in the immediate termination of the member's position on the Commission or the Official's term of office or employment.
396. A member of the Commission and an Official is not civilly liable for an act done, or omission made, honestly and without negligence under these Regulations.

### **PART XXXIII: INSPECTORS**

397. The following persons are Inspectors for the purposes of these Regulations:
- (a) a member of the Commission;
  - (b) a person holding an appointment as an Inspector under this Part (an "appointed Inspector");
  - (c) a person who holds an appointment as an Inspector under the law of a comparable jurisdiction and is authorized in writing by the Commission to act as an Inspector under these Regulations (an "external Inspector").
398. The Commission may appoint a person as an Inspector if:
- (a) the Commission considers that the person has the necessary expertise to be an Inspector and;
  - (b) the Commission considers the person to be suitable to be an

Inspector in consideration of:

- (i) the person's character; and
- (ii) the person's current financial position and financial background.

399. The Kahnawà:ke Peacekeepers may investigate a person to help the Commission decide whether the person is suitable to be an Inspector.
400. The Commission may approve a program for investigating appointed Inspectors at any time in order to verify whether or not the person is suitable to be an Inspector.
401. If the Commission conducts an investigation with regard to an appointment of a person as an Inspector or the verification of an appointed Inspector, the Commission may request a criminal background check to be provided by the Kahnawà:ke Peacekeepers or such other agency as the Commission may deem to be appropriate.
402. An Inspector has the powers given under these Regulations.
403. An Inspector is subject to the directives of the Commission in exercising those powers.
404. An Inspector's powers may be limited:
- (a) as a condition of the Inspector's appointment; or
  - (b) by written notice given by the Commission to the Inspector.
405. The Commission must issue each Inspector an identification card which:
- (a) includes a recent photograph of the Inspector;
  - (b) is signed by the Inspector and a Member of the Commission;
  - (c) includes an expiry date;
  - (d) identifies the person as an Inspector under these Regulations.
406. A person who ceases to be an Inspector must return the person's identification card to the Commission as soon as practical, but no later than fifteen (15) days after the date on which he or she ceased to be an Inspector.
407. An Inspector may exercise a power in relation to someone else only if the Inspector either produces the Inspector's identification card for the other person's inspection or has the identification card displayed so it is clearly visible to the other person.

408. If for any reason it is not practical to comply with the foregoing section before exercising the power, the Inspector must produce the identification card for the other person's inspection at the first reasonable opportunity.

#### **PART XXXIV: POWERS OF AN INSPECTOR**

409. An Inspector may, without the consent of the occupier of a premises or a warrant issued by a court of competent jurisdiction enter:
- (a) a public place;
  - (b) a place where an authorized game is being, or is about to be conducted; or
  - (c) a place where a licence holder, an Authorized Client Provider or an Approved Agent carries on business at any time when the place is open for carrying on business or otherwise open for entry.
410. Unless an Inspector is authorized to enter a place under the foregoing section, an Inspector may enter a place only if its occupier consents to the entry or if the entry is authorized by a warrant issued by the Court of Kahnawà:ke or other competent authority.
411. This section applies if an Inspector intends to ask an occupier of a place to consent to the Inspector or another Inspector entering the place. Before asking for the consent, the Inspector must tell the occupier:
- (a) the purpose of the entry; and
  - (b) that the occupier is not required to consent.
412. If the consent is given, the Inspector may ask the occupier to sign an acknowledgement of the consent (the "Consent Acknowledgment").
413. The Consent Acknowledgment must state that the occupier has been told:
- (a) the purpose of the entry;
  - (b) that the occupier is not required to consent;
  - (c) the occupier gives the Inspector consent to enter the place and exercise powers under this Part; and
  - (d) the time and date consent was given.
414. If the occupier signs the Consent Acknowledgment, the Inspector must promptly give a copy to the occupier and to the Commission.



415. An Inspector may apply to the Court of Kahnawà:ke or other competent authority for a warrant. The application must be sworn and state the grounds on which the warrant is sought.
416. The Court of Kahnawà:ke or other competent authority may issue a warrant only if it is satisfied there are reasonable grounds for suspecting:
- (a) there is a particular item or activity that may provide evidence of an offence against the Law, these Regulations or other law applicable within the Territory; and
  - (b) the evidence is at the place or may be at the place within the next seven (7) days.
417. The warrant must state:
- (a) that an Inspector may with necessary and reasonable help and force enter the place and exercise the Inspector's powers under this Part and;
  - (b) the offence for which the warrant is sought;
  - (c) the evidence that may be seized under the warrant;
  - (d) the hours of the day or night when the place may be entered; and
  - (e) the date, within fourteen (14) days after the warrant's issue, the warrant ends.
418. For monitoring or enforcing compliance with the Law or these Regulations or any other law applicable within the Territory, the Inspector may:
- (a) search any part of the place;
  - (b) inspect, measure, test, photograph or film any part of the place or anything at the place;
  - (c) take an item, or a sample of or from an item, at the place for analysis or testing;
  - (d) copy a document at the place;
  - (e) access, electronically or in some other way, a system used at the place for conducting an authorized game or other interactive game or for administrative purposes related to the conduct of an authorized game or other interactive game;
  - (f) take into or onto the place any person, equipment and materials the Inspector reasonably requires for exercising a power under this Part;

- (g) require the occupier of the place, or a person at the place, to give the Inspector reasonable help to exercise the Inspector's powers under paragraphs (a) to (f); or
  - (h) require the occupier of the place, or a person at the place, to give the Inspector information to help the Inspector ascertain whether the Law, these Regulations or any other law applicable within the Territory is being complied with.
419. When making a requirement mentioned in subsection 418(g) or (h), the Inspector must warn the person it is an offence to fail to comply with the requirement.
420. An Inspector who enters places, that may be entered under this Part, without the consent of the occupier and without a warrant, may seize documents or items at the places if the Inspector reasonably believes the documents or items are evidence of an offence against the Law, these Regulations or any law applicable within the Territory.
421. If the Inspector enters the place with the occupier's consent, the Inspector may seize any document or item at the place if:
- (a) the Inspector reasonably believes the document or item is evidence of an offence against the Law, these Regulations or any law applicable within the Territory; and
  - (b) seizure of the document or item is consistent with the purpose of entry as told to the occupier when asking for the occupier's consent.
422. If the Inspector enters the place with a warrant, the Inspector may seize the documents or items for which the warrant was issued.
423. The Inspector may also seize any other documents or items at the place if the Inspector reasonably believes:
- (a) the documents or items relate to an offence against the Law, these Regulations or any law applicable within the Territory; and
  - (b) the seizure is necessary to prevent the documents or items being:
    - (i) hidden, lost or destroyed; or
    - (ii) used to continue, or repeat, the offence.
424. The Inspector may seize documents or items at the place if the Inspector reasonably believes they are being, have been, or are about to be, used in committing an offence against the Law, these Regulations or any law applicable within the Territory.

425. Having seized documents or items, an Inspector may:
- (a) move the documents or items from the place where they were seized (the "place of seizure") to a secure location under the exclusive control of the Commission; or
  - (b) leave the documents or items at the place of seizure but take reasonable action to restrict access to them.
426. If an Inspector restricts access to documents or items subject to seizure, a person must not tamper, or attempt to tamper with the documents or items, or any means used to restrict access to the documents or items, without an Inspector's approval.
427. To enable documents or items to be seized, an Inspector may require the person in control of them:
- (a) to take them to a stated reasonable place by a stated reasonable time; and
  - (b) if necessary, to remain in control of them at the stated place for a reasonable time.
428. The requirement:
- (a) must be made by notice in the approved form; or
  - (b) if for any reason it is not practical to give the notice, may be made orally and confirmed by notice in the approved form as soon as practical.
429. A further requirement may be made under this section about the same documents or items if it is necessary and reasonable to make the further requirement.
430. As soon as practical after an Inspector seizes documents or items, the Inspector must give a receipt for them to the person from whom they were seized.
431. However, if for any reason it is not practical to comply with the foregoing section, the Inspector must leave the receipt at the place of seizure in a conspicuous position and in a reasonably secure way.
432. The receipt must describe generally each document or item seized and its condition.
433. This section does not apply to documents or items if it is impractical or would be unreasonable to give the receipt, given the nature, condition and value of the documents or items.
434. Documents or items that have been seized under this Part are forfeited

to the Commission if the Inspector who seized the documents or items:

- (a) cannot find their owner, after making reasonable inquiries;
- (b) cannot return them to their owner, after making reasonable efforts; or
- (c) reasonably believes it is necessary to retain the documents or items to prevent them from being used to commit an offence against the Law, these Regulations or any law applicable within the Territory.

435. In applying the foregoing section:

- (a) subsection 434(a) does not require the Inspector to make inquiries if it would be unreasonable to make inquiries to find the owner; and
- (b) subsection 434(b) does not require the Inspector to make efforts if it would be unreasonable to make efforts to return the documents or items to their owner.

436. If the Inspector decides to forfeit documents or items under section 434, the Inspector must tell the owner of the decision by written notice.

437. The foregoing section 436 does not apply if:

- (a) the Inspector cannot find the owner, after making reasonable inquiries; or
- (b) it is impractical or would be unreasonable to give the notice.

438. The notice must state:

- (a) the reasons for the decision;
- (b) that the owner may appeal against the decision to the Commission within thirty (30) days;
- (c) how the appeal may be made; and
- (d) that the owner may apply for a stay of the decision if the owner appeals against the decision.

439. In deciding whether inquiries or efforts are to be made or notice given about a document or item, the document or item's nature, condition and value must be considered.

440. If documents or items have been seized but not forfeited, the Inspector must return them to their owner:

- (a) at the end of six (6) months; or

- (b) if a proceeding for an offence involving the documents or items is started within six (6) months, at the end of the proceeding or any appeal from the proceeding.
441. A document or item must be returned to its owner once the Inspector determines its evidentiary value has ceased.
442. Until documents or items that have been seized are forfeited or returned, an Inspector must allow their owner to inspect them and, if it is a document, to copy it unless it is impractical or would be unreasonable to allow the inspection or copying.
443. The sections the follow apply if an Inspector reasonably believes:
- (a) an item used in the conduct of an authorized game is unsatisfactory for the purpose for which it is used; and
  - (b) the continued use of the item may:
    - (i) jeopardize the integrity of the conduct of authorized games; or
    - (ii) adversely affect the public interest.
444. The Inspector may direct the person who has, or reasonably appears to have, authority to exercise control over the item to stop using the item, or allowing the item to be used, in the conduct of authorized games.
445. A direction given to a person under the foregoing section (a "Stop Direction") may be given orally or by written notice (a "Stop Notice").
446. If the direction is given orally, it must be confirmed by written notice (also a "Stop Notice") given to the person as soon as practical.
447. A Stop Direction may be given for an item at a place occupied by a licence holder, an Authorized Client Provider, an Approved Agent or other person involved within the Territory in the conduct of an authorized game.
448. A Stop Direction does not apply to a use of an item carried out for repairing or testing the item.
449. A Stop Notice must state:
- (a) the grounds on which the Inspector believes the item is unsatisfactory; and
  - (b) the circumstances, if any, under which the Stop Direction may be cancelled.

450. A person to whom a Stop Direction is given must comply with the direction.
451. The following sections apply if:
- (a) an Inspector finds a person committing an offence against the Law, these Regulations or any law applicable within the Territory; or
  - (b) an Inspector finds a person in circumstances that lead, or has information that leads, the Inspector reasonably to suspect the person has just committed an offence against the Law, these Regulations or any law applicable within the Territory.
452. The Inspector may require the person to state the person's name and residential address.
453. When making the requirement, the Inspector must warn the person that it is an offence to fail to state the person's name or residential address.
454. The Inspector may require the person to give evidence of the correctness of the stated name or residential address if the Inspector reasonably suspects the stated name or address to be false.
455. A person of whom a requirement is made under the foregoing section must comply with the requirement.
456. An Inspector may require (a "Document Production Requirement") a person to produce or make available for inspection by the Inspector at a reasonable time and place nominated by the Inspector:
- (a) a document issued to the person under the Law, these Regulations or any law applicable within the Territory;
  - (b) a document required to be kept by the person under the Law, these Regulations or any law applicable within the Territory; or
  - (c) a document kept by an Authorized Client Provider about the conduct of authorized games by the Authorized Client Provider.
457. The Inspector may retain the original of the document or, in his sole discretion, copy it and return the original to the owner of the document.
458. If the Inspector copies the document, or an entry in the document, the Inspector may require the person responsible for keeping the document to certify the copy as a true copy of the document or entry.
459. An Inspector may require a person, or an executive officer of a corporation, of whom a Document Production Requirement has been made to appear before the Inspector to answer questions or give

information about the document to which the Document Production Requirement relates.

460. An Inspector may require any of the following persons to appear before the Inspector to answer questions or give information about the operations of a licence holder or Authorized Client Provider:

- (a) the licence holder or Authorized Client Provider or, if the licence holder or Authorized Client Provider is a corporation, an executive officer of the licence holder or Authorized Client Provider;
- (b) an employee of the licence holder or Authorized Client Provider;
- (c) an agent for the licence holder or Authorized Client Provider or, if the agent is a corporation, an executive officer of the corporation;
- (d) an employee of an agent mentioned in paragraph (c);
- (e) another person associated with the operations or management of:
  - (i) the licence holder or Authorized Client Provider; or
  - (ii) an agent mentioned in paragraph (c).

461. A requirement made of a person under this section must:

- (a) be made by written notice given to the person; and
- (b) state a reasonable time and place for the person's attendance.

462. When making the requirement, the Inspector must warn the person that it is an offence to fail to comply with the requirement.

463. A person of whom a requirement is made under this Part must not:

- (a) fail to appear before the Inspector at the time and place stated in the notice imposing the requirement; or
- (b) when appearing before the Inspector:
  - (i) fail to comply with a requirement to answer a question or give information; or
  - (ii) state anything the person knows to be false or misleading.

#### **PART XXXV: LIVE DEALER STUDIOS**

464. The provisions of this Part apply to a live dealer studio operated or utilized by an Authorized Client Provider.

465. Dealers, croupiers and pit bosses will all complete appropriate training

programs.

466. Controls will be in place for the appointment and dismissal of staff.
467. Scanners and card readers must be present to ensure that results are correctly entered.
468. All dealer and croupier activities will be supervised by pit bosses and made visually available to the players.
469. All video feeds and associated studio-to-player communication will be recorded. Game videos and communication logs will be immediately retrievable from the archives.
470. Game videos and communication logs will be retained in archives for a minimum period of ninety (90) days.
471. All cards and game results must be clearly visible, together with a separate icon depicting a matching outcome on the player's screen.
472. Internal statistical results reviews must be regularly conducted to monitor game performance and payout percentages, and to detect irregularities and variances.
473. Final game results will be collated into statistics which can be analyzed for trends relating to games, staff and or locations in the gambling area.
474. Policies and procedures for conducting results reviews, and investigation procedures to be undertaken in the event that material variances are identified, must be documented.
475. Live dealer studio rules and controls will be implemented and documented, including:
  - (a) access to the premises of the live dealer studio;
  - (b) collusion, cheating and other dealer and croupier specific controls, including vocalizing and the use of hand signals;
  - (c) dealer and croupier shifts, rotations and break procedures;
  - (d) segregation of responsibilities in preparing for games prior to play, during play and after play;
  - (e) shuffling, presentation, card pickup and responding to dropped



- cards;
- (f) requesting deck replacements;
- (g) assistance to players;
- (h) resolution procedures for irregularities and errors;
- (i) equipment cleaning, maintenance and testing;
- (j) tamper-proof card shoes and similar devices;
- (k) destruction of worn out equipment;
- (l) secure inventory storage when not in use;
- (m) inventory tracking and audits of stored and live decks;
- (n) record retention.

## **PART XXXVI: PROTECTION OF PERSONAL INFORMATION**

### **COLLECTION, RETENTION AND DISPOSAL OF PERSONAL INFORMATION**

- 476. No personal information will be collected by the Commission unless it relates directly to an operating program or activity of the Commission.
- 477. The Commission will, wherever possible, collect personal information that is intended to be used for an administrative purpose directly from the individual to whom it relates except where the individual authorizes otherwise or where personal information may be disclosed to the Commission under section 485.
- 478. The Commission will inform any individual from whom the Commission collects personal information about the individual of the purpose for which the information is being collected.
- 479. Sections 477 and 478 do not apply where compliance therewith might:
  - (a) result in the collection of inaccurate information; or
  - (b) defeat the purpose or prejudice the use for which information is collected.
- 480. Personal information that has been used by the Commission for an administrative purpose will be retained by the Commission for five (5) years in order to ensure that the individual to whom it relates has a reasonable opportunity to obtain access to the information.

481. The Commission will take all reasonable steps to ensure that personal information that is used for an administrative purpose by the Commission is as accurate, up-to-date and complete as possible.
482. The Commission will dispose of personal information under the control of the Commission in accordance with any directives or guidelines issued by the Commission in relation to the disposal of that information.

#### PROTECTION OF PERSONAL INFORMATION

483. Personal information under the control of the Commission will not, without the consent of the individual to whom it relates, be used by the Commission except
- (a) for the purpose for which the information was obtained or compiled by the Commission or for a use consistent with that purpose; or
  - (b) for a purpose for which the information may be disclosed to the Commission under section 485.
484. Personal information under the control of the Commission will not, without the consent of the individual to whom it relates, be disclosed by the Commission except in accordance with this section.
485. Subject to any other law applicable within the Territory, personal information under the control of the Commission may be disclosed
- (a) for the purpose for which the information was obtained or compiled by the Commission or for a use consistent with that purpose;
  - (b) for any purpose in accordance with any law applicable within the Territory or any regulation made thereunder that authorizes its disclosure;
  - (c) for the purpose of complying with a subpoena or warrant issued or order made by a court, person or body with jurisdiction to compel the production of information or for the purpose of complying with rules of court relating to the production of information;
  - (d) to the Kahnawà:ke Peacekeepers or an investigative body identified by the Kahnawà:ke Peacekeepers for the purpose of enforcing any law applicable within the Territory or carrying out a lawful investigation, if the request specifies the purpose and describes the information to be disclosed;
  - (e) under an agreement or arrangement between the Commission and governmental agency in another jurisdiction, for the purpose of administering or enforcing any law or carrying out a lawful investigation;
  - (f) to members, advisors or employees of the Commission for internal audit purposes;

- (g) to any aboriginal government, association of aboriginal people, Indian band, government institution or part thereof, or to any person acting on behalf of such government, association, band, institution or part thereof, for the purpose of researching or validating the claims, disputes or grievances of any of the aboriginal peoples of Canada;
- (h) to any agency for the purpose of locating an individual in order to collect a debt owing to the Commission by that individual or make to a payment owing to that individual by the Commission; and
- (i) for any purpose where, in the opinion of the head of the Commission,
  - (i) the public interest in disclosure clearly outweighs any invasion of privacy that could result from the disclosure, or
  - (ii) disclosure would clearly benefit the individual to whom the information relates.

**PART XXXVII: GENERAL MATTERS**

486. Except as otherwise provided in these Regulations, a decision of the Commission made, or appearing to be made, under the Law or these Regulations about an Interactive Gaming Licence, a Client Provider Authorization, a Casino Software Provider Authorization an Inter-Jurisdictional Authorization, a Live Dealer Studio Authorization, a Key Person Permit or a person with an interest or potential interest in an Interactive Gaming Licence, Client Provider Authorization, a Casino Software Provider Authorization, Inter-Jurisdictional Authorization, Live Dealer Studio Authorization or Key Person Permit, including but not limited to the granting, denying, amending, suspending, withdrawing or revoking of a Licence, authorization or permit:
- (a) is final and conclusive;
  - (b) cannot be challenged, appealed against, reviewed, quashed, set aside, or called in question in another way; and
  - (c) is not subject to any writ or order of any court, a tribunal or another entity on any ground.
487. Service of any notice provided for in these Regulations may be affected by personal service, registered mail, facsimile transmission or email to the licence, authorization or permit holder or their agent. Except as otherwise provided in these Regulations, other than for personal service, service is effective from the moment the notice is sent. Personal service is effective from the moment the notice is received by the licence, authorization or permit holder
488. A person who is, or was, a member of the Commission, an Official, an Inspector, employee or agent of the Commission, must not disclose information gained by the person in performing functions under these

Regulations.

489. The foregoing section does not apply to the disclosure of information by a person:
- (a) for a purpose under the Law, these Regulations or any other law applicable within the Territory;
  - (b) with a lawful excuse; or
  - (c) pursuant to an approval of the Commission.
490. All amounts referenced in these Regulations and its Schedules are in US Dollars and are payable in US currency or the equivalent amount in Canadian Dollars (CAD), British pounds (GBP) or Euros (EUR). In the event a payment is made using non-US currency, the effective exchange rate that will be applied is the posted exchange rate on the day payment is received, plus an administration fee equal to 5% of the total payment.
491. The Commission may approve forms for use under these Regulations.
492. The Schedules referenced herein are an integral part of these Regulations.
493. These Regulations may be amended at any time by resolution of the Commission.

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