

## **DEPARTMENT OF REVENUE**

### **DIVISION OF GAMING**

#### **GAMING REGULATIONS**

##### **1 CCR 207-1**

*[Editor's Notes follow the text of the rules at the end of this CCR Document.]*

#### **BASIS AND PURPOSE FOR AMENDMENTS TO RULE 1**

The purpose of amendments to Rule 1 is to establish definitions of various terms used throughout the rules of the Colorado Limited Gaming Control Commission so that the rules can be uniformly applied and understood. The statutory basis for Rule 1 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., and 12-47.1-302, C.R.S.

#### **RULE 1 GENERAL RULES AND REGULATIONS**

##### **47.1-101 Purpose and Statutory Authority.**

These Rules and Regulations are adopted by the Colorado Limited Gaming Control Commission governing the establishment and operation of limited gaming in Colorado pursuant to the authority provided by article 47.1, title 12, C.R.S. The Commission will, from time to time, promulgate, amend and repeal such regulations, consistent with the policy, objects and purposes of the Colorado Limited Gaming Act, as it may deem necessary or desirable in carrying out the policy and provisions of that Act.

##### **47.1-102 Construction.**

Nothing contained in these regulations shall be so construed as to conflict with any provision of the Colorado Limited Gaming Act or of any other applicable statute.

##### **47.1-103 Severability.**

If any provision of these regulations be held invalid, it shall not be construed to invalidate any of the other provisions of these regulations.

##### **47.1-104 Authorized games.**

Limited gaming permitted pursuant to article 47.1 of title 12, C.R.S., shall include only the following games: blackjack (21); poker; and slot machines. All such games shall be conducted by licensees only in accordance with rules and regulations promulgated by the Commission.

##### **47.1-105 Unauthorized Gambling.**

- (1) No licensee shall conduct or permit on its licensed premises any wagering or gambling, except limited gaming which is conducted according to all the rules and regulations promulgated by the Commission and except other wagering activities licensed or approved by an agency of the State of Colorado.
- (2) No person shall make any unauthorized wager or conduct any gambling activity on licensed premises unless in accordance with the act, the rules and regulations promulgated by the Commission, or the laws and regulations governing other wagering activities which are licensed or approved by an agency of the State of Colorado.

#### **47.1-106 Definitions.**

The following definitions of terms, in addition to those set forth in section 12-47.1-103, C.R.S., shall apply to all rules and regulations promulgated pursuant to article 47.1 of title 12, of the Colorado Revised Statutes:

- (1) "Agentor Employee of the Commission" shall include all employees of the Division;
- (2) "Association" means two or more persons united and acting together without a corporate charter;
- (3) "Background investigation" means the security, criminal history, and financial check of an applicant for a license to establish the suitability of such applicant to become a licensee;
- (4) "Building" means a common structure that is built or constructed or any piece of constructed work artificially built up or composed of parts joined together in some definite manner;
- (5) "Burn" means the dealer's act of removing the first card after the shuffle and placing it in the discards; also, the act of placing an active card in the discards;
- (6) "Chip" means a nonmetal or partly metal representative of value, redeemable for cash, issued and sold by a licensee for use at gaming;
- (7) "Convicted of a Crime" shall include any ultimate finding of fact in a criminal proceeding that an individual is guilty of a crime, whether the judgment rests on a verdict of guilty, a plea of guilty, or of nolo contendere, and irrespective of whether entry of judgment or imposition of sentence is suspended or deferred by the court;
- (8) "Costs" means sums of money to be paid to the Commission for testing of slot machines, devices, and equipment;
- (8.2) "Gaming Coupon" means an encoded credit certificate which, when inserted into a slot machine, is validated by a computerized system which causes redeemable credits in the face amount to be placed on the machine. A gaming coupon has no value unless inserted into a slot machine or redeemed by the casino in any other manner. Gaming Coupon does not include marketing or promotional coupons used for gaming purposes which cannot be inserted into a slot machine.
- (8.3) "Hopper Ticket" means an encoded credit ticket produced by a slot machine ticket printer system when cashing out redeemable credits.
- (8.5)
  - (a) "Credit" means allowing any person any length of time in which to make payment or otherwise honor a financial obligation, whether express or implied in any particular and includes lending of cash or cash equivalent.
  - (b) Markers, promissory notes, IOWs or similar transactions or instruments constituting a memorandum of debt accepted for purposes of participating in limited gaming which are not checks are credit instruments.
  - (c) "Credit" does not include:
    - (1) transactions in the ordinary course of business which are both disclosed to the Division and approved by the Commission as authorized interests, pursuant to sections 12-47.1-808, 835, C.R.S. or regulations 47.1-308, 309, 310, 405, 420;

- (2) lawful transactions in the ordinary course of business in which licensees share resources with each other for business purposes and in which licensees have no ability to attempt to exert control over the affairs of other licensees; and
  - (3) Pre-paid magnetized strip cards used in lieu of cash, chips, or tokens.
- (9) "Drop" means the total amount of money, chips, tickets, coupons, and tokens removed from the drop boxes;
- (10) "Drop box" means a locked container permanently marked with the game and a number corresponding to a permanent number on the table for blackjack and poker tables. For slot machines, a container in a locked portion of the machine or its cabinet used to collect the money and tokens retained by the machine that is not used to make automatic payouts from the machine;
- (11) "Financial institution" means a bank, savings and loan association, credit union, trust company, or other similar entity chartered by the United States, a state, or a territory or commonwealth of the United States;
- (12) "Free play" in relation to promotional items, means the use of a coupon that is issued to a patron by an establishment for slot machine play for which no bet is required;
- (13) "Gaming contract" means an agreement in which a person does business with or on the premises of an entity licensed under article 47.1 of title 12, C.R.S.;
- (13.5) "Gaming device" or "gaming equipment" includes, in addition to the definition set forth in section 12-47.1-103(10), C.R.S., any progressive system, slot monitoring or control system, ticket redemption kiosk, or cashless system.
- (14) "Gaming employee" means, in addition to the definition set forth in section 12-47.1-103(11)
  - (A) All persons employed by licensed manufacturers or distributors who repair or maintain slot machines on the premises of licensed operators or retailers; and
  - (B) All persons who perform daily accounting functions, services or duties for any retailer's or operator's business involving the handling, processing, manipulating or generating of gaming documentation or funds, except those persons who perform solely, payroll, or payables services who do not have access to gaming documentation or funds, or those persons who perform independent audits.
- (14.5) "House banked" means a game in which players with winning hands are paid by the dealer with money from the chip bank on the poker table and/or by hand with money belonging to the retail licensee. In a house banked game, player's wagers will not be pulled into a common pot, nor will such a pot be awarded to players with winning hands.
- (15) "Imprest bank" means a predetermined dollar amount of chips, tokens, or cash kept by the licensee;
- (16) "Jackpot verification mode" means the period of time between the progressive jackpot activation of a progressive slot machine and the resetting of the device which caused its activation;
- (17) "Lammer" or "lammer button" means a chip-like implement with a numeral;
- (18) "Licensee" means a person holding any license issued by the Commission, and an employee, agent, or representative of any such person.

- (19) "Link" means one or more progressive slot machines that are connected to a progressive controller and that may be played in order to achieve the stated progressive amount;
- (20) "Matched play" means the use of a coupon at table games that is issued to a patron by an establishment for play that must be accompanied by a bet;
- (21) "Moral turpitude" means an act done contrary to honesty and good morals; it is an act of baseness, vileness, or depravity in the private and social duties which a person owes to a fellowperson or to society in general;
- (22) "Normal mode" means the mode of a progressive slot machine at all times other than when it is in the jackpot verification mode;
- (22.2) "Physical skill" means an individual's physical coordination, agility, or nimbleness, or lack thereof;
- (22.5) "Player banked" means a game in which players with winning hands are awarded all or part of a pot which consists of pooled antes, blinds, and wagers made by players playing in the hand. In a player banked game, the bankroll of the retail licensee is not at risk and is not used to pay winning wagers. The licensee will maintain only an imprest bank at the table.
- (23) "Progressive controller" means the hardware and software that controls all communications among the slot machines within a progressive slot machine link and its associated progressive meter, or among the gaming tables which offer a metered progressive jackpot within a progressive table game link and its associated progressive meter.
- (24) "Proposition player" means a person in a poker game paid a fixed sum by the licensee for the specific purpose of playing in a card game, who uses personal funds and who retains the winnings and absorbs the losses;
- (24.5) "Side Bet" means an unauthorized wager between or among a player and one or more other persons which is apart from, or independent of, wagers permitted by the rules of any approved game or wagering activity.
- (24.7) "Slot Coupon" means an encoded credit certificate which, when inserted into a slot machine, is validated by a computerized system which causes redeemable credits on the face amount to be placed on the machine. A slot coupon has no value unless inserted into a slot machine or redeemed by the casino in another approved manner;
- (25) "Strategy card" means a small, hand-held card imprinted with information which analyzes or suggests the strategy for playing or betting to be used in any authorized casino game. The card may have a movable dial or slide, but it may not have any electronic computing or electronic display capability.
- (26) "Substantial interest" means the lesser of: as large an interest in a corporation, partnership, or association as that of any other shareholder, partner, or principal; or any financial or equity interest equal to or greater than 5%;
- (27) "Support licensee" means a gaming employee licensed by the Commission, but does not include licensed key employees;
- (27.3) "Ticket" means an encoded credit ticket produced by a slot machine ticket printer system when cashing out redeemable credits; (47.1-106(8.3) added perm. 10/30/99)
- (27.5) "Tournament chip" means a chip issued by a licensee for use solely in tournaments and promotions at a licensed retail location.

- (28) "Token" means a metal or other approved material representative of value, redeemable for cash, issued and sold by a licensee for use in gaming; and (47.1-106(28) amended perm. 10/30/99)
- (29) "Wager" means a sum of money or thing of value risked on an uncertain occurrence. Credit and debit cards are not considered wagering instruments and cannot be used in conjunction with limited gaming.
- (30) "Wireless" means a wireless handheld validation unit used with a supporting Wireless Local Area Network (WLAN) as part of an approved automated slot monitoring system.

## **BASIS AND PURPOSE FOR RULE 2**

The purpose of Rule 2 is to delegate certain authority to the Director or other Division agent; provide for the review of any action taken pursuant to such authority; provide for the reference by the Director of matters delegated to the Director back to the Commission; and to establish procedures for Commission actions and hearings. Rule 2 also empowers the Commission to contract for legal counsel, and directs the Director to obtain moneys owed to a deceased patron and properly distribute such moneys. The statutory basis for Rule 2 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., 12-47.1-301, C.R.S., 12-47.1-302, C.R.S., 12-47.1-501, C.R.S., 12-47.1-503, C.R.S., 12-47.1-508, C.R.S., and 24-4-105, C.R.S.

## **RULE 2 COLORADO GAMING REGULATIONS**

### **47.1-201 Commission action.**

In addition to meeting in person, the Commission may take action by a telephone conference call. If a telephone conference call is used, the Director must participate in the call and take minutes of the Commission's action. A conference telephone call is a meeting of the Commission.

### **47.1-202 Recessed meetings.**

Any meeting of the Commission may be recessed to consider matters which were duly noticed as items on the agenda of that meeting, to such time and place as the Commission may designate. Notice of a recessed meeting to consider matters which were duly noticed as items on the agenda may be given by announcement at the meeting, but where any other matters are to be considered at a recessed meeting, such matters must be duly noticed as required by statute.

### **47.1-203 Appointment of committees.**

The Chairperson of the Commission may at the Chairperson's discretion appoint committees to study and report to the Division or the Commission any matter appropriate to the Commission's administration of the Colorado Limited Gaming Act or these rules.

### **47.1-204 Right of review.**

The Commission may review any action taken by the Director by its own motion, by direction of the Chairperson, or by a request from a member of the Commission, the Attorney General, the Executive Director or the Governor.

### **47.1-205 Right of reference.**

The Director with approval of the Commission may refer any matters delegated to the Director back to the Commission for its decision.

### **47.1-206 Delegation.**

Unless the Commission determines otherwise, the Director may delegate an act required to be performed by the Director to any agent or employee of the Division.

**47.1-207 Authority of Director.**

- (1) The Director may issue key employee and support licenses, without necessity for Commission approval, to qualified applicants upon submission to the Director of proper applications, costs, and fees. (47.1-207 temp. 1/29/92. perm. 4/30/92, amended 03/30/00)
- (2) The Director may issue temporary key employee and support licenses to qualified applicants upon the same terms and conditions as temporary licenses are issued by the Commission to applicants for other types of licenses.
- (3) The Director may deny key employee license applications for any reason that a support license application may be denied.
- (4) The director may approve the suitability of officers and directors of a licensee, without necessity for commission approval, provided such officers or directors have less than 5% ownership equity in the licensee.
- (5) The director may deny the suitability of officers and directors of a licensee or applicant for any reason that a key license application may be denied.
- (6) The director may approve ownership changes in a licensee, without necessity for commission approval, when:
  - (a) The proposed change only reallocates ownership shares among persons whom the commission has previously approved as owners; and
  - (b) When no person will attain a total effective ownership equity of 5% or greater, when such person previously held less than 5% equity.
- (7) All such ownership changes approved by the director must be reported to the commission at the time of the next annual renewal application of the licensee.

**47.1-208 Petition for hearing in an adjudicatory proceeding.**

A person aggrieved by an action of the Commission or the Director that was taken without a hearing may, within 30 days following the date of the action, petition the Commission for a hearing. The Commission may in its discretion, disallow the petition, determine that it be treated as one for a declaratory order, or it may grant a hearing to consider the matters alleged in the petition. If a hearing is granted, the Commission may direct the petitioner to provide certain information to the Division prior to the hearing or it may grant the hearing conditioned upon the fulfillment by the petitioner of other reasonable terms and conditions. The hearing must be held at a time and place convenient for the Commission and the petitioner. The hearing shall be considered an adjudicatory proceeding. The Commission shall issue all decisions in any adjudicatory proceeding in writing. Commission actions shall be deemed final in such cases upon the mailing of the decision by first class mail to the petitioner's address listed in the petition.

**47.1-209 Summoning of licensee.**

The Commission may summon any licensee or licensee's agents or employees to appear to testify before it or its agents with regard to the conduct of the licensee or the agents or employees of the licensee. The testimony may be under oath and may embrace any matters which the Commission or its agents consider relevant to the discharge of its official duties. Testimony so taken may be used by the Commission as evidence in any proceeding or matter then before it or which may later come before it. Failure to appear

and testify fully at the time and place designated, unless excused, may constitute grounds for disciplinary action against a license held by the person summoned, that person's principal or that person's employer.

#### **47.1-210 Enforcement powers.**

In addition to their other powers and duties, the Director or an employee or agent of the Division by direction of the Director may perform the following activities:

- (1) Inspect and examine, without notice, premises where gaming is conducted or gaming devices or equipment are located, sold, distributed, or stored;
- (2) Without notice or hearing, examine, inspect, seize or remove from the premises and impound any gaming devices, equipment or supplies for the purposes of examination and inspection;
- (3) At any time when business is being conducted, inspect, examine and photocopy, or remove and impound all papers, books, and records of applicants and licensees;
- (4) Investigate the conduct of all licensees, their employees, and other persons having any involvement with a licensee or licensed establishment, to assist in the enforcement of article 47.1 of title 12, C.R.S., and to insure that there is no involvement in or with a licensee or a licensed establishment by unqualified or unsuitable persons.

#### **47.1-211 Service and filing.**

If a filing or a service of notice on the Commission or Director is permitted or required by law, the filing or notice may be delivered in person or mailed to the Division. A filing or notice is complete on the date it is received by the Division. Notification to the Division shall be deemed notification to the Commission for purposes of these rules.

#### **47.1-212 Attorney for Commission.**

The Commission shall contract for legal counsel with the Colorado Attorney General.

#### **47.1-213 Procedure for issuance, renewal, denial, revocation, suspension, limitation, and modification of license.**

The procedures contained in article 4 of title 24, C.R.S. shall apply to the issuance, renewal, denial, revocation, suspension, limitation, and modification of licenses for limited gaming activities. The Commission may designate an administrative law judge to take evidence and make findings and report them to the Commission.

#### **47.1-214 Death of a gaming patron.**

All coins, chips, tokens, gaming coupons, or hopper tickets in the possession of a gaming patron who dies before such coins, chips, tokens, gaming coupons, or hopper tickets are surrendered by such patron shall be paid by the licensee by check drawn upon a bank, or other financial institution in Colorado, chartered by the State of Colorado or any other state or the United States Government, to the Director within 48 hours of the patron's death. The Director shall pay the amount of the check to the estate of the deceased patron unless the Director is directed otherwise pursuant to an appropriate judicial order. If the deceased patron died intestate, the payment will be made in accordance with the laws of descent and distribution of intestate property of the jurisdiction of domicile of the deceased patron, unless the Director is directed otherwise pursuant to an appropriate judicial order. Upon payment as provided by this rule, the Division shall be discharged of any further liability.

### **BASIS AND PURPOSE FOR AMENDMENTS TO RULE 3**

The purpose of Rule 3 is to establish to establish investigation fees for certain applicants. The statutory basis for Rule 3 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., and 12-47.1-302, C.R.S.

### **RULE 3 APPLICATIONS, INVESTIGATIONS AND LICENSURE**

#### **47.1-301 Qualifications for licensure.**

To qualify for licensure an applicant must:

- (1) Be at least 21 years of age;
- (2) Possess a suitable character as determined by the Director or the Commission;
- (3) Possess premises to be used for gaming that are deemed suitable by the Commission and that satisfy all health and safety requirements; and
- (4) Comply with all specific laws, rules and regulations regulating limited gaming in Colorado.

#### **47.1-302 Applications.**

- (1) An applicant for any type of license must apply on forms provided by the Division. Such application forms shall be completed under penalty of perjury. The application forms may include questions concerning the following:

- (1) Personal background information;
- (2) Financial information;
- (3) Participation in legal or illegal activities in Colorado or other jurisdictions, including foreign countries;
- (4) Criminal record information;
- (5) Information concerning all pecuniary and equity interests in the applicant; and
- (6) Other information as required.

The application forms shall be accompanied and supplemented by such documents and information as may be specified or required. Failure to supply the information requested within five days after the request has been made by the Division constitutes grounds for delaying consideration of the application.

- (2) Renewal applications for manufacturer-distributor, operator, and retail license must be received by the Division 120 days before the expiration of the current license. Renewal applications for support employee and key employee licenses must be received by the Division 30 days before the expiration of the current license. Renewal applicants who fail to submit their completed applications when due shall not be considered to have made a timely and sufficient application for renewal, as such term is used at 24-4-104(7) C.R.S. (47.1-302(2) Perm. 10/30/96
- (3) Applicants, licensees, and others who submit documents to the Division or the Commission in connection with any investigation or inquiry are advised to keep a complete and detailed record of all such submissions. Once submitted, the documents become part of the Division's investigative files and work papers, and are presumed to be confidential and protected pursuant to section 12-47.1-527, C.R.S. Because of the inconvenience to the Division in segregating this information from the investigative files, and in filtering confidential materials, disclosure to the person who



initially submitted the record is not favored. The Commission may grant such a request only upon a showing of compelling cause. (47.1-302.3 effective 8/30/98)

#### **47.1-303 License Fees.**

A non-refundable license fee must accompany an application for licensure in the following amounts:

|     |                                                                        |                     |
|-----|------------------------------------------------------------------------|---------------------|
| (1) | Original and renewal slot machine manufacturer or distributor license, | <u>\$ 1,000.00</u>  |
| (2) | Original and renewal operator license,                                 | <u>\$ 1,000.00</u>  |
| (3) | Original and renewal retail gaming license,                            | <u>\$ 1,250.00;</u> |
| (4) | Original key employee license,                                         | <u>\$250.00;</u>    |
| (5) | Original support employee license,                                     | <u>\$100.00;</u>    |
| (6) | Renewal key employee license,                                          | <u>\$200.00 and</u> |
| (7) | Renewal support employee license,                                      | <u>\$60.00.</u>     |

(47.1-303(6 & 7) temp. 06/21/95, perm. 10/30/95) (47.1-303 temp. 7/1/96 perm. September 30, 1996, 47.1-303 (5 & 7) amended temp 07/01/00 perm 07/30/00)

When a key employee license or support employee license expires prior to renewal, the applicant for re-licensure shall file an original license application and shall pay the fee for an original application, and the Division shall process the application as an original license application .

#### **47.1-304 Application fees.**

In addition to a license fee, applicants for the following licenses shall pay non-refundable application fees as indicated below at the time their applications are submitted to the Division. The terms "Type 1" and "Type 2" shall have the same meaning as provided in Regulation 47.1-305 .

| -   | -                                                | <u>Type 2</u> | <u>Type 1</u>  |
|-----|--------------------------------------------------|---------------|----------------|
| (1) | Slot machine manufacturer or distributor license | \$1,000.00    | \$ 500.00;     |
| (2) | Operator license                                 | \$1,000.00    | \$ 500.00; and |
| (3) | Retail gaming license                            | \$2,000.00    | \$1,000.00.    |

47.1-304 temp. 7/1/96 perm. September 30, 1996)

#### **47.1-305 Investigation fees.**

(1) All applicants for licenses, except support licenses, shall pay the costs of investigations into their backgrounds, suitability, and qualifications for licensure.

(a) The cost of such investigations shall be at the rate of \$63.00 per hour for each hour spent by

investigators of the Division, the Colorado Bureau of Investigation, or the Department of Revenue investigating the applicants until the conclusion of the investigation.

- (b) All such applicants shall also pay the Division for the following actual costs incurred in conducting the background investigations: transportation; lodging; meals, and other expenses associated with traveling; significant office expense document reproduction costs preparation time, time necessary for administration of the investigation (including additional staffing on a temporary basis), and other similar expenses incurred until the conclusion of the investigation.
  - (c) An investigation concludes upon the issuance by the Commission of an initial order concerning the issuance or denial of the license, upon the issuance by either the Commission or the Division of an order approving the withdrawal of the application, or upon the issuance by the Division of an order of denial of the license which is not appealed to the Commission.
- (2) Before any such investigations are conducted, each applicant shall pay a deposit by check made out to the Colorado Division of Gaming to the gaming fund as follows:
- (a) For each Type 1 original applicant, the deposit shall be \$5,000.00. For purposes of the deposit requirement, a Type 1 Applicant consists of either a single person, or an organization where the total number of all officers, directors, general partners, and 5% or more stockholders or equity owners totals 6 or less. In addition, all the aforementioned persons must reside in Colorado.
  - (b) For each Type 2 original applicant, the deposit shall be \$10,000.00. Type 2 Applicants consist of all applicants other than Type 1 Applicants.
  - (c) For each person who applies for a key employee license, and who is not an officer, director, general partner or 5% equity owner of an applicant, the deposit shall be \$1,000.00.
  - (d) For each officer, director, general partner or 5% equity owner of an applicant who applies for suitability separate from the original application or a change of ownership application, the deposit shall be \$1,000.00.
  - (e) For each change of ownership application involving more than an aggregate 5% effective ownership change, the deposit shall be \$2,500.00. (47.1-305 amended perm. 10/30/99)
- (3) As expenses are incurred, the Division shall draw upon the respective deposits in the gaming fund. Upon request, a statement of costs, draws upon deposit, and deposit balance shall be sent to the applicant making the request.
- (4) When a deposit balance approaches zero dollars, or is forecasted to reach zero dollars due to anticipated or known expenses which will be incurred in the future, the Division may request a further deposit of an amount sufficient to cover the anticipated expenses and which will prevent the account balance from becoming negative. Until receipt of such further deposit, investigation of the application may cease.
- (5) Where an applicant disputes any investigative charges, or the necessity for further deposits, the applicant may request relief from the Commission, by declaratory order or other appropriate motion, regarding the matters in dispute.
- (6) No license shall be issued until payment for the full amount of any negative deposit balance has been received from the applicant.

- (7) Within ninety days of the conclusion of the investigation, any deposit balance shall be returned to the applicant. A statement of costs, draws upon deposit, and deposit balance shall accompany the return of the deposit balance to the Applicant.

#### **47.1-305.5 Table Game Review Fees**

- (1) Persons seeking approval of a blackjack or poker variation game shall pay a fee of \$2,000.00 for costs of inspection, examination, and evaluation of the game and for drafting regulations and internal control minimum procedures governing play and control of such game.
- (2) The Director may authorize a brief review of each application for approval of a blackjack or poker variation game to be conducted, at no cost to the applicant, to determine whether or not it is likely that the proposed game could lawfully be played in this state. After such determination has been made, the applicant shall be advised of the finding, which shall not be binding of the Director or the Commission. The applicant shall then be required to submit the required fee to the Division before the Division conducts any further review of the application.
- (3) If the Director determines that it is necessary to conduct an investigation into the background and suitability of a person seeking approval of a blackjack or poker variation game, such person shall be required to pay the fees specified by Rule 47.1-305. No blackjack or poker variation game shall be approved until payment for the full amount of any negative deposit balance has been received from the person seeking approval of the variation game. (47.1-305.5 perm 10/30.97)

#### **47.1-306 Background checks.**

Applicants for licenses shall provide all information requested by their application forms and all other information which the Division may deem necessary. The Division shall examine the backgrounds, personal history, financial associations, character, record, and reputation of applicants, and persons associated with applicants, to the extent the Division in its discretion determines is necessary to evaluate the qualifications and suitability of applicants for licensure.

#### **47.1-307 Waiver of privilege.**

An applicant may claim any privilege afforded by the Constitution of the United States, or of the State of Colorado in refusing to answer questions by the Division and the Commission. However, a claim of privilege with respect to any testimony or evidence pertaining to an application may constitute sufficient grounds for denial.

#### **47.1-308 Regulation of ownership interests.**

The Director may require any person having an interest in a license or an applicant to complete an application requiring background information, source of funding, and a sworn statement that the interested person or applicant is not holding such interest for another party. The Commission may, in its discretion, require any person having an interest in any licensee to undergo a full background investigation. The Commission may further require the licensee to pay for that background investigation under the same terms and conditions as an applicant for a license.

#### **47.1-309 Property report.**

- (1) Definitions. In addition to the terms defined in the Colorado Limited Gaming Control Act and the rules thereunder, the following definitions shall apply in these rules:
  - (a) "Lessor" means any person who leases or rents any property, real or personal, to an operating licensee or to a person who, in turn, leases or rents property to a retail licensee; and

- (b) "Lease" means any formal or informal, written or oral, contract or understanding or arrangement whereby any operating licensee obtains the use or possession of any property, real or personal, to be used, occupied, or possessed in connection with any gaming establishment. The term "lease" includes, without limitation, payments made to an affiliated, controlled or not controlled, controlling or not controlling, person under a real property lease, a personal property lease, an unsecured note, a deed of trust, a mortgage, or a trust indenture.
- (2) The applicant or licensee shall report to the Division or Commission all leases to which it is a party not later than 30 days after the effective date of the lease and shall include the following information:
  - (a) The name, address, and a brief statement of the nature of the business of the lessor.
  - (b) A brief description of the material terms of the lease.
  - (c) A brief description of any business relationships between the operating licensee and the lessor other than by the lease.
  - (d) A copy of the lease.
- (3) Every person who is a party to any lease with an applicant for a license, or with a licensee, upon request of the Commission or the Director shall promptly provide all information requested. Information which any such persons are required to provide includes information concerning financial history; financial holdings; real and personal property ownership; interests in other companies; criminal history; personal history and associations; character; reputation in the community; and all other information which might be relevant to a determination of whether such persons would be suitable for licensing by the Commission.
- (4) Failure to provide all information requested, as provided in subparagraph (3) above, shall constitute sufficient grounds, without more, for the Commission or the Director to require a licensee or applicant to terminate its lease with any person who failed to provide the information requested.
- (5) Every licensee or applicant requested by the Commission or Director to terminate its lease with any person pursuant to this regulation must immediately terminate its lease and may not enter into a new lease with such person, or anyone affiliated with such person, without the approval of the Commission or Director.
- (6) Periodic reports. The applicant or licensee shall report to the Division changes in any lease within 30 days after such changes occur.

**47.1-310 Gaming contracts.**

- (1) An applicant for licensing or a licensee, upon the request of the Commission or the Director, must submit copies of all written gaming contracts and summaries of all oral gaming contracts to which it is a party or intends to become a party. The Director or the Commission may review the contracts and require changes in the contracts before an application is approved or participation in the contract is allowed. The Commission or Director may require a licensee to end the licensee's participation in a gaming contract.
- (2) Every person who is a party to any gaming contract with an applicant for a license, or with a licensee, upon request of the Commission or the Director shall promptly provide to the Director all information which may be requested concerning: financial history; financial holdings; real and personal property ownership; interests in other companies; criminal history; personal history and associations; character; reputation in the community; and all other information which might be

relevant to a determination whether a person would be suitable for licensing by the Commission.

- (3) Failure to provide all information requested, as provided in subparagraph (2) above, shall constitute sufficient grounds, without more, for the Commission or the Director to require a licensee or applicant to terminate its gaming contract with any person who failed to provide the information requested.
- (4) Every licensee or applicant requested by the Commission or Director to terminate its gaming contract with any person pursuant to this regulation must immediately terminate its gaming contract and may not enter into a new gaming contract with such person, or anyone affiliated with such person, without the approval of the Commission or Director.

#### **47.1-311 Untrue statements.**

The Commission or the Director may refuse to grant a license to an applicant who makes deliberate misstatements, deliberate omissions, misrepresentations, or untruths in the application or in connection with the applicant's background investigation. Such conduct may also form the basis for criminal charges against the applicant.

#### **47.1-312 Qualifying licensee, manager, or agent.**

A license may not be granted unless the applicant designates in the application a person who will be the manager or agent for the licensee. The manager or agent is the person whom the Commission, Division, or their agents may contact on behalf of the licensee.

#### **47.1-313 Licensed Premises - Location.**

- (1) Each application for a retail license shall include an 8 1/2 " x11" drawing to scale of the building, and each floor thereof, in which limited gaming shall be conducted. The application shall include the total square footage of the building. The square footage of a building shall be the gross building area ("GBA"). GBA is the total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls. It includes both the superstructure floor area and the substructure or basement area.
- (2) Each application shall include a diagram, outlined in red, of the proposed licensed premises on each floor within the building. No limited gaming shall be conducted or permitted outside of the licensed premises. All persons participating in limited gaming must stand or sit within the licensed premises; and no licensee shall permit any person to conduct or participate in limited gaming who is not within the licensed premises. All slot machines, poker tables, and blackjack tables offered for use by the public, and all dealers and patrons playing such devices, must be located within the licensed premises. The total square footage comprising the licensed premises:
  - (a) shall not exceed 35% of the total square footage of the building as determined in subparagraph (1) above; and
  - (b) shall not exceed 50% of the square footage of any one floor; and
  - (c) all square footage utilized in the computation of these percentages must be confined to the commercial districts of Central City, Black Hawk or Cripple Creek as defined in Article XVIII, Section 9 (3)(a) of the Colorado Constitution.

The square footage of a floor in any building shall be the rentable area of a floor. The rentable area of a floor shall be computed by measuring to the inside finished surface of the dominant portion of the permanent outer building walls, excluding any major vertical penetrations of the floor. No deductions shall be made for columns and projections necessary to the building.

In calculating the area comprising the licensed premises on any floor, the licensee shall use the rentable area. The rentable area is computed by measuring to the inside finish of permanent outer building walls, or to the glass line if at least 50 percent of the outer building wall is glass, to the office side of corridors and/or permanent partitions, and to the center of partitions that separate the premises from adjoining rentable areas. No deductions can be made for columns and projections necessary to the building.

- (3) On each floor of the building in which limited gaming will take place, the licensed premises shall consist of no more than two non-contiguous areas. Within the licensed premises, a license may arrange gaming equipment or devices in the discretion of the licensee without notice to the Division. Nothing in this section, however, shall be construed to permit violation of any fire safety, health or building codes by any licensee. The licensed premises must be clearly marked as such so that the patrons of each retail gaming establishment can readily discern the licensed premises.

#### **47.1-314 Licensed Premises - Safety Requirements.**

Each applicant for a retail gaming license shall file with the Division as part of its application the following: a certificate of compliance approved by the local fire and building officials which has been approved, or deemed approved, by the State Division of Fire Safety; a statement by the respective municipal governing body, or its designee, that the building in which limited gaming will take place conforms to the appropriate architectural styles and designs; and a written statement by the appropriate local official that handicapped access to the licensed premises has been provided.

#### **47.1-315 Withdrawal of application.**

- (1) A request for withdrawal of an application may be made at any time prior to final action upon the application by the Division by filing a written request to withdraw with the Division. Final action by the Division upon an application occurs when the Division forwards its recommendation to the Commission concerning the application.
- (2) The Division may, in its discretion, deny the request, or grant the request with or without prejudice.
- (3) If a request for withdrawal is granted with prejudice, the applicant is not eligible to apply again for licensing or approval until after expiration of 1 year from the date of such withdrawal.

#### **47.1-316 Notice of hearing.**

Notice by letter will be given by the Division to all applicants for slot machine manufacturer or distributor licenses, operator licenses, or retail gaming licenses of the time and place when their applications for gaming licenses will come before the Commission for consideration. Such applicants may attend the meetings of the Commission. The Commission will notify each applicant of the disposition of the application. (47.1-316 temp. 9/30/91, perm. 11/30/91)

#### **47.1-317 Recommendation and order.**

After completion of its investigation respecting application, the Division will issue an order recommending the approval or denial of the application. If the order recommends that an application be denied, the order will be accompanied by written reasons upon which the order is based. All such orders and reasons will be made public, and no recommendation will be secret.

#### **47.1-318 Licenses Premises-Modification.**

Any retail licensee may change the configuration of its licensed premises upon prior approval of the Division. Application to modify the licensed premises must be made on forms furnished by the Division. No application to modify the licensed premises of any licensee shall be approved unless the licensed premises as modified, meet all the requirements of article 47.1 of title 12, C.R.S., and the rules and

regulations promulgated thereunder.

**47.1-319 Temporary license.**

- (1) Except as provided in regulation 47.1-207, the Commission may in its sole discretion issue a temporary license, for up to six months, to any applicant for a permanent license. A temporary license may only be issued where the Commission is satisfied that the investigation of the applicant conducted thus far, and the application in its entirety, indicate that the applicant and its gaming business: meet all the requirements of article 47.1 of title 12, C.R.S.; do not present any danger to the public or to the reputation of limited gaming in this state; further investigation most likely will not uncover any derogatory information about the applicant; and issuance of a temporary license is of economic necessity to the licensee and is just under the circumstances.
- (2) No licensee issued a temporary license pursuant to this article shall be entitled to receive any refund of the annual license fee submitted in connection with the license application.
- (3) The Commission may change a temporary license into a permanent license where: all investigations into the license application are complete; and the Commission is satisfied the holder of a temporary license qualifies to hold a permanent license.
- (4) When the Commission changes a temporary into a permanent license, the date of issuance of the permanent license shall be deemed to be that of the first temporary license.
- (5) A temporary license may expire of its own accord, or it may be suspended, revoked, or summarily suspended under the same terms and conditions as a permanent license.
- (6) The Commission may issue consecutive temporary licenses in its discretion.

**47.1-320 Approval with conditions or for a limited period.**

The Commission may grant a license with special conditions or for a limited period, or both.

**47.1-321 Approval.**

Except as provided in regulation 47.1-207, the Commission shall approve an application for any license that meets all requirements, imposed by article 47.1 of title 12, C.R.S., and the rules and regulations thereunder, including payment of all fees and costs.

**47.1-322 Non-transferability of license.**

A license issued pursuant to these rules and regulations shall not be assignable or transferable. The Commission reserves the right to terminate any license and revoke the privileges of such license whenever appropriate.

**47.1-323 Duplicate licenses.**

The fee for the duplicate of a license shall be five dollars. (amend. perm. 04/01/02)

**47.1-324 Investigation of conduct of licensees, generally.**

A gaming license is a revocable privilege, and no holder thereof shall be deemed to have acquired any vested rights therein or thereunder. The burden of proving the licensee's qualifications to hold any license rests at all times on the licensee. The Division and the Commission are charged by law with the duty of observing the conduct of all licensees to the end that licenses shall not be held by unqualified or disqualified persons or unsuitable persons or persons whose operations are conducted in an unsuitable

manner.

**47.1-325 Approval and field trial of blackjack and poker variation games.**

Requests for approval of new blackjack and poker variations games must be made on such forms and processed in such manner as the Director shall prescribe.

- (1) The application must be in writing and must include, in addition to such other information as the Director may require:
  - (a) The name of the game to be used in Colorado, and any other name by which the game is known, marketed, or approved in any other gaming jurisdiction. The name to be used in Colorado must be different than the name of any other game currently approved by the Commission.
  - (b) Identification information of all persons:
    - (i) Who developed the game;
    - (ii) Who hold intellectual property rights or other legal rights to the game;
    - (iii) Who have, or who will have, the right or privilege to market the game in Colorado; and
    - (iv) Who have had, who have, or will have, the rights to share in the profits, proceeds, royalties, commissions, or other profits generated by the sale, lease, placement, or distribution of the game in any gaming jurisdiction.
  - (c) An authorization and release executed by the applicant and by all persons identified in paragraph (b) above, permitting an investigation into the background of such persons.
  - (d) A description of the game, including the rules of play, dealing procedure, the proposed schedule of payouts, three full size paper table layouts, and a statistical evaluation of the game. (amended perm. 04/30/04)
  - (e) A copy of an agreement between the applicant and retail licensee to conduct a field trial upon approval. Such agreement must be signed by the applicant and an authorized agent of the retail licensee. (added perm. 04/30/04)
- (2) The Director may approve temporary rules of play and a temporary formula for calculation of adjusted gross proceeds received from the game, and may authorize the proposed game to be field tested by at least one retail licensee. (amended perm. 04/30/04)
- (3) The test period shall not exceed 120 days, during which time the Director may amend the rules of play and may make minor modifications to the trial game. The Director may order termination of the test period at any time prior to the end of 120 days if, in the Director's discretion, the Director determines:
  - (a) That the game cannot be lawfully played in the State of Colorado;
  - (b) That further testing will not be of benefit to the Division or the Commission;
  - (c) That either the developer or distributor of the proposed game, or the retail licensee, has not complied with the terms and conditions of the order authorizing the test; or



- (d) For any other cause.
- (4) Retail licensees offering a proposed game during a test period shall be responsible for calculation of adjusted gross proceeds from the game, and shall include such adjusted gross proceeds in their calculation of gaming tax liability.
- (5)
  - (a) At the conclusion or termination of the test period, the Director may:
    - (i) Deny the proposed game, or may recommend to the Commission that the proposed game not be approved;
    - (ii) Require or allow the applicant to change, modify, or withdraw the application for approval of the proposed game;
    - (iii) Require further field testing of the proposed game under similar or different conditions, including, but not limited to: retail location, season of play, surveillance, auditing, or any other condition; or
    - (iv) Recommend to the Commission that the new game be approved, and if so, shall propose regulations which authorize and describe play of the game.
  - (b) In the event the applicant disagrees with any determination of the Director pursuant to this paragraph (5), the applicant may petition for review before the Commission pursuant to Rule 47.1-208.
- (6) At the conclusion or termination of the test period, the proposed game shall be removed from play at the trial locations, and play shall not be reinstated until the game has been approved by the Commission, by rule.
- (7)
  - (a) Persons requesting approval of new games shall be required to pay the costs of inspection, examination, and evaluation of the games and for drafting regulations and internal control minimum procedures governing play and control of such games. The fee shall be in an amount specified in Rule 47.1-305.5. Such fee shall be paid, in advance, before the Division begins its formal review process.
  - (b) If the Director determines that it is necessary to conduct a background investigation to determine the suitability of the applicant or of any of the persons named in paragraph (1)(b), the applicant shall be required to pay the costs of such investigation and shall make an additional deposit in the amount required by Rule 47.1-305.
  - (c) If, at the time of acceptance of the application, the Director elects not to require a background investigation of the applicant or of any of the persons named in paragraph (1)(b), the Director may at any later date require that such an investigation be conducted. The Director may require a periodic re-investigation, but no more often than once each year, except for good cause shown.
- (8) If the proposed game is in the public domain, the Director may waive the requirements of paragraphs (1) and (7) above, either in whole or in part. (47.1-325 perm. 10/30/97, amended perm. 4/30/04)

#### **BASIS AND PURPOSE FOR AMENDMENTS TO RULE 4**

The purpose of amendments to Rule 4 is to define the time standard for the hours of operation for casinos. The statutory basis for amendments to Rule 4 is found in sections 12-47.1-203, C.R.S., 12-47.1-302, C.R.S., and 12-47.1-821, C.R.S.

#### **RULE 4** RIGHTS AND DUTIES OF LICENSEES

##### **47.1-401 Responsibility of licensee.**

**Responsibility for the employment and maintenance of lawful methods of operation rests with the licensee, and willful or persistent use or toleration of methods of operation considered unlawful by the Commission is prohibited. Each licensee shall fully and timely perform each and every term, condition and duty required by the rules and regulations of the Commission.**

##### **47.1-402 Discovery of violations.**

**Each licensee must immediately notify the Division of the discovery of a violation or of a suspected violation of article 47.1 of title 12, C.R.S., or the rules and regulations promulgated thereunder.**

##### **47.1-403 Unauthorized games.**

**No licensee may permit the operation of any game other than authorized games in a licensed retail establishment.**

##### **47.1-404 List of personnel.**

Prior to opening for business, a retail licensee must furnish to the Director on a form, or other medium required by the Division, a list of all persons, including birth dates and social security numbers, employed by the retail licensee. Additionally, the retail licensee must by the first day of each month submit changes to its lists of employees, unless the Director, in writing, demands more frequent notification or allows less frequent notification, (amend perm 03/30/03)

##### **47.1-405 Information to be furnished by licensee)**

- (1) Reports and notices to the Division required by the Colorado Limited Gaming Act, or by the rules and regulations promulgated thereunder, must be made in writing, and must be submitted to the Division's main office in Lakewood, Colorado.
  - (a) If any section of the Act or of the Colorado gaming regulations requires that a report or notice be made in a different manner, then the specified manner shall be used.
  - (b) Delivery of notice may be made by United States mail, by personal or commercial delivery to the office, by facsimile transmission, or by electronic mail. Facsimile transmissions shall be made to the telephone number provided by the Division. Electronic mail transmissions shall be directed to the electronic mail address provided by the Division, or when available, by use of forms submitted from the Division's internet site. (47.1-405(l) perm. 10/30/99)
- (2) Each retail licensee must report to the Division at least quarterly the full name and address of every person, including lending agencies, who has a right to share in the revenues of limited gaming, whether as an owner, assignee, landlord, or otherwise or to whom any interest or share in the profits of limited gaming has been pledged or hypothecated as security for a debt or deposited as a security for the performance of an act or to secure the performance of a contract of sale. (47.1-405(2) perm. 10/30/99)

- (3) Each licensed retailer and licensed operator must immediately report to the Division the name, date of birth, and social security number of all persons who obtain an ownership, financial, or equity interest in the licensee of five percent or greater, or who have the ability to control the licensee, or who have the ability to exercise significant influence over the licensee, or who loan any money or other thing of value to the licensee. (47.1-405(3)perm.10/30/99)
- (4) Any person licensed by the Commission, and any associated person to a licensee, must make written notification to the Division of any criminal conviction and criminal charge pending against such person within ten days of such person's arrest, summons, or conviction. This notification requirement shall not apply to non-felony traffic violations unless they result in suspension or revocation of a driver's license, are based on allegations of driving under the influence or impairment of intoxicating liquor or drugs, or result in the person being taken into custody. Failure to make proper notification to the Division may be grounds for a disciplinary action. (47.1-405(3) temp. 10/30/91, perm. 1/30/92) (47.1-405(3) temp. 7/14/93, perm. 8/30/93) (47.1-405(4) perm. 10/30/99) (47.1-405(4) amended perm. 03/30/03)
- (5) All licensed manufacturers, distributors, operators, and retailers must report to both the local Division office and the Division's Lakewood office on a form, or other medium, required by the Division, the movement of slot machines. This notification must be made by both the recipient and sender of devices on a weekly activity basis identifying any movement of devices to and from any location for that Week. (47.1-405(4) perm. 12/30/94) (47.1-405(4) perm. 10/30/96) (47.1-405(5)perm. 10/30/99) amended perm. 03/30/03)
- (6) All licensed manufacturers, distributors, operators, and retailers must report to the Division any discovered or suspected plan, scheme, design, device or other methods of cheating that may compromise the integrity of any gaming device sold or offered for sale, offered for play, or used for any other gaming purpose within the state of Colorado by such licensee. A report shall be made as soon as possible after the discovery of such cheating plan, scheme, design, device or method, but not later than 14 calendar days if the reporting licensee is a manufacturer or distributor, and not later than 7 days, if the reporting licensee is an operator or retailer,(47.1-405(6) perm. 10/30/99)
  - (a) The subject matter and reports of the investigation conducted hereunder shall be considered confidential pursuant to Section 12-47.1-527 C.R.S. as amended, except the Director may, as deemed necessary and prudent in the exercise of his discretion, take whatever steps deemed necessary to address or mitigate the cheating problem including disseminating a warning to other licensing jurisdictions or Colorado licensees about the cheating problem. (12-47.1-405(A) perm. 4/30/95)
- (7) Notice of financial interest relationships required to be made pursuant to 12-47.1-835, C.R.S. 1999, shall be made following the procedures in paragraph (1), above. (47.1-405(A) added perm. 10/30/99)

#### **47.1-406 Inspections.**

A retail licensee, licensed manufacturer or distributor, and licensed operator must immediately make available for inspection by the Commission, Director, or its agents or investigators, local sheriffs, or their agents or investigators, and police departments upon demand, all papers, books, and records produced, used or kept in connection with limited gaming, and all portions of the premises where gaming is conducted or where gambling devices or equipment are manufactured, sold, used, displayed, kept, or distributed. Upon demand, employees and agents of the Commission, Division, local sheriffs, and police departments, must be given immediate access to any portion of the premises of a retail licensee, manufacturer or distributor, or operator for the purpose of inspecting or examining records or documents, gaming devices or equipment, or the conduct of gaming activity.

#### **47.1-407 Access to premises and production of records.**

No applicant or licensee or applicant or licensee's employee or agent may neglect or refuse to produce records or evidence or to give information on lawful demand by the Commission, Director, or any investigator or agent of the Division. No applicant or licensee shall interfere or attempt to interfere with lawful efforts by the Commission, Division, or any of its agents to obtain or produce such information.

#### **47.1-408 Employee on premises.**

When a licensed game or a slot machine is available for play by the public, each licensee must have a licensed employee of the retail licensee present on the premises to supervise the operation of the game or machine.

#### **47.1-409 Support licensee identification.**

Every person licensed as a support or key employee licensee must wear in plain view identification issued by the Commission or Division. This section shall not apply to proposition players playing in poker games or to employees engaged in undercover security operations for the licensee, except that such licensees must have their license identification badges in their possession while working and must present them to division employees upon demand. (47.1-409 Amended 10/30/97)

#### **47.1-410 Display of license.**

All persons licensed as retail licensees must display their licenses, in a manner plainly visible to the public, on the licensed premises.

#### **47.1-411 Use of lammers.**

- (1) In poker games only, a licensee may use lammers instead of a poker buy form when chips are distributed to the table from the cashier. When lammers are used, the dealer must advise the dealer's supervisor that chips are needed and must ask for a specific amount of chips. The supervisor must obtain the necessary combination of lammers to signify numerically the requested transfer. The lammers must remain in a conspicuous place on the table. After receipt of the lammers, the dealer must remove from the dealer's imprest bank the necessary currency to receive the requested amount of chips. The supervisor must take the currency to the cashier and obtain the desired numbers of chips in return for the currency. The supervisor must immediately return to the table with the chips and give them to the dealer who will check the amount of chips for accuracy. The supervisor must then retrieve the lammers. Lammers must be kept in a secure place accessible only to the persons who supervise the dealers.
- (2) Licensees may establish imprest banks at a supervisor's podium or cashier podium in their poker rooms for the purpose of supplying chips and tokens to the tables in the room which offer player-banked poker games. Such podium imprest banks must be maintained using the procedures for tables described in Rule 11. Where poker room podium imprest banks are in use, an even money transfer of cash from a poker table may be made for chips and tokens from the podium bank, without the necessity of using lammers. (47.1-411(2) amended perm. 09/30/00)

#### **47.1-412 Payment of Winners—Reserves.**

All retail licensees shall at all times have available sufficient financial reserves promptly to pay winners of, or participants in, limited gaming activities conducted or offered by that retail licensee. Payment must be made to winners and participants by cash or by check drawn upon a bank, or other financial institution in Colorado, chartered by the State of Colorado or any other state or the United States Government, within 24 hours of any bona-fide demand by a winner or participant for payment. Any check issued by a retail licensee to any winner of a limited gaming must, at the time of issuance and until cashed or three months has expired (whichever is earlier), be backed by and drawn upon sufficient funds to cover the full amount of the check.

**47.1-413 Publication of payoffs.**

Payoff schedules applicable to every licensed game or slot machine must be displayed at all times either on the table or machine or in a conspicuous place immediately adjacent to it.

Payoff schedules must accurately state actual payoffs applicable to the particular game and may not be worded in a manner which misleads or deceives the public. Maintenance of misleading or deceptive matter on a payoff schedule or failure on the part of a licensee to make payment in strict accordance with posted payoff schedules is prohibited.

**47.1-414 Player rules.**

A retail licensee must post the following rules on the licensed areas:

- (1) Players and other persons present in the gaming area must be at least 21 years of age;
- (2) No side bets are permitted;
- (3) No credit may be extended;
- (4) It is unlawful to claim unattended or unearned credits and money on gaming devices; and
- (5) It is unlawful to participate in limited gaming activities while intoxicated.
- (6) Federal law prohibits the use of casino chips and tokens outside this establishment for any monetary purpose. (47.1-414 amended perm. 10/30/99; 414(6) added perm. 09/30/00)

**47.1-415 Visibly Intoxicated persons.**

- (1) No licensee shall permit:
  - (a) Persons who are visibly intoxicated to participate in gaming activity; or
  - (b) Service of alcoholic beverages in the licensed premises to persons who are visibly intoxicated.
- (2) No person shall participate in a limited gaming activity when such person is intoxicated.

**47.1-416 Advertising.**

No licensee shall allow, conduct, or participate in any false or misleading advertising concerning its limited gaming operations.

**47.1-417 Patron disputes.**

In a patron dispute, a licensee must notify the disputing patron that the patron has a right to contact the Division regarding the dispute.

If a licensee refuses payment of alleged winnings to a patron, the licensee and the patron are unable to resolve the dispute to the patron's satisfaction, or the dispute involves at least \$250, the licensee must immediately notify the Division. The Director shall conduct whatever investigation is necessary and must determine whether or not payment should be made. An agent of the Division may investigate the dispute and may report either to the Commission or to the Director for a decision.

The Director must notify the licensee and the patron in writing of the Director's decision regarding the

dispute, within 30 days after the date that the Director first received notice of the dispute.

Failure immediately to notify the Director of a dispute, or to notify a patron of the patron's rights or failure to pay after an adverse decision is a violation by the licensee.

#### **47.1-418 Special rules of conduct.**

A retail licensee may establish rules of conduct for players and spectators on its licensed site. Any such rules must be posted. The Director shall have the authority to immediately terminate any or, all of such rules in any retail establishment.

#### **47.1-419 Procedure upon dissolution.**

Upon dissolution of a corporation, partnership, or association, the licensee must return the license to the Commission within 10 days following-the date of the dissolution.

#### **47.1-420 Transfers of interest.**

Except as provided in Rule 4.5, no person may sell, lease, purchase, convey, or acquire an interest in a retail, operator or manufacturer/distributor licensee or business without the prior approval Of the Commission. (47.1-420 temp. 7/1/93, perm. 8/30/93, amended perm. 11/30/03)

#### **47.1-421 Termination of qualifying licensee, manager, or agent.**

Upon the termination of a manager's or agent's affiliation with the licensee, the licensee must name one or more new managers or agents and notify the Division within seven days.

#### **47.1-422 Termination of employment of support licensee.**

(Deleted effective 10/31/99)

#### **47.1-423 Post-termination matters.**

Upon termination of a retail or operator license for any reason, no further gaming activity shall be conducted by said licensee or on the previously licensed premises. After such termination, at a date designated by the Director, said licensee shall appear before the Director for the purpose of rendering a final accounting and to surrender the license.

#### **47.1-424 Restrictions on time, place, and structures.**

Limited gaming conducted pursuant to article 47.1 of title 12, C.R.S. and these rules shall be permitted three hundred and sixty-five days a year. During leap years, this shall be three hundred and sixty-six days a year. Limited gaming may only take place between the hours of 8:00 a.m. and 2:00 a.m. on the following day within the licensed premises of a retail establishment possessing a license to conduct such gaming. For purposes of this rule, time shall be measured in accordance with the official United States time established by the National Institute of Standards and Technology (NIST) and the U.S. Naval Observatory (USNO) at <http://www.time.gov>. (amended perm. 6/30/04; amended perm. 3/30/06)

#### **47.1-425 Activities which constitute fraud.**

- (1) Fraudulent acts shall not be permitted by licensees or patrons of limited gaming. In addition to those acts listed in section 12-47.1-823, C.R.S., "fraudulent acts" shall include but shall not be limited to: misrepresentation of the probabilities of pay out or pay out- awards of any limited gaming device or game; wording pay off schedules or pay out awards in a misleading or deceptive

manner; and the failure of the licensee to make payment in strict accordance with posted payoff schedules.

- (2) Players in any limited gaming game shall not play, nor attempt to play, in cooperation or collusion with any other person, nor shall any licensee knowingly permit such cooperation or collusion. Evidence of collusion may include, but shall not be limited to the following:
  - (a) Any play by a player which is intended to assist one player over another.
  - (b) A continuing or repeated pattern of betting by and between the same two or more players, the purpose of which is to cause other players to fold or withdraw from a game.
  - (c) Two or more players sharing winnings from a hand or a player agreeing to share winnings with another player if either wins any part of the pot, except as permitted in tournament play by rule 47.1-1058(4)
  - (d) Having an agreement not to bet or not to raise another player.
  - (e) Verbal or non verbal communication pertaining to the game between persons including, but not limited to: imparting information about one's hand to a player in the pot; advising someone on how to play a hand or suggesting a particular betting action; reading a hand for a player who has not yet shown his hand; or any communication between players by means other than spoken english, unless such communication, or its import, is understood by all persons at the table.
  - (f) Any other act participated in by two or more players which fraudulently creates an unfair advantage for a player, or -which fraudulently creates a disadvantage for any other player in the game. (47.1-425(2) Added 10/30/97)

#### **47.1-426 Foreign gaming.**

Any licensee, and any parent company or subsidiary company of the licensee, who has applied to a foreign jurisdiction for licensure or other permission to conduct gaming in such jurisdiction, or who possesses a license to conduct foreign gaming, shall notify the Division of such application. Upon request, the licensee shall make available to the Division all executed copies of all application forms and related documents filed with the foreign jurisdiction by or on behalf of the applicant or by any entity affiliated with the applicant, (amended 03/30/00)

#### **47.1-427 Strategy cards.**

- (1) at the discretion of a retail licensee, players of casino games may be permitted to use strategy cards. Retail licensees shall not permit the use of any device similar to a strategy card which is designed or intended to project the outcome of the game, to keep track of the cards played, or to analyze or predict the probability of the occurrence of an event relating to the game.
- (2) A retail licensee that does not permit the use of strategy cards shall post in its table gaming area a notice informing its patrons of any prohibition or condition imposed in accordance with regulations 47.1-1039, 47.1-1040 And 47.1-1059.

#### **47.1-428 Acceptance of Tips.**

- (1) No gaming employee while serving in a supervisory capacity shall, directly or indirectly, solicit, accept, or receive tips or gratuities from any patron or gaming employee.
- (2) No gaming employee shall, directly or indirectly, share with, offer, or give tips or gratuities to any

gaining employee who is serving in a supervisory capacity. (47.1-428 added perm. 10/30/00)

## **BASIS AND PURPOSE FOR AMENDMENTS TO RULE 4.5**

The purpose of amendments to Rule 4.5 is to modify reporting requirements for publicly traded corporations. The statutory basis for the amendments to Rule 4.5 is found in section 12-47.1-302, C.R.S.

## **RULE 4.5 PUBLICLY TRADED CORPORATIONS AND PUBLIC OFFERINGS OF SECURITIES**

### **47.1-4.500 Incorporation by reference**

- (1) The Commission adopts as part of Rule 4.5 of the Colorado Gaming Regulations certain federal rules and forms referred to in this Rule 4.5. Such federal rules and forms are published by the Office of the Federal Register National Archives and Records Administration in full in the Code of Federal Regulations in 17 GFR 200-399 (Chapter II Securities and Exchange Commission 4-1-02 Edition). These federal rules and forms were promulgated pursuant to the following federal statutes: The Securities Act of 1933, 15 U.S.C.S. sections 77a-77bfff; and the Securities Exchange Act of 1934, 15 U.S.C.S. Sections 77a-77kL. References are also made to the following federal statutes: The Investment Advisers Act of 1940, 15 U.S.C.S. Sections 80b-1 through 80b-21; and the Employee Retirement Income Security Act of 1974, 29 U.S.C.S. Sections 1001 through 1461. This regulation does not include amendments to or later editions of the incorporated federal rules and forms found in the 4-1-02 edition of the Code of Federal Regulations.
- (2) Certified copies of the complete text of the material incorporated are maintained at the Colorado Division of Gaming, 1881 Pierce Street, Suite 112, Lakewood, Colorado 80214-1496, and may be inspected by contacting the Communications Director at that address during normal business hours. The incorporated material may also be examined at any state publications depository library. Certified copies shall be provided at cost upon request.
- (3) This regulation shall be effective May 16, 2003.

### **47.1-4.501 Definitions.**

As used in this Rule 4.5, the following terms shall have the meaning ascribed to them herein:

- (1) "Affiliated company" means a subsidiary company, holding company, intermediary company or any other form of business organization that:
  - a. Controls, is controlled by or is under common control directly or indirectly with a licensee; and
  - b. Is involved in gaming activities in this state or involved in the ownership of property in this state upon which gaming is conducted.
- (2) "Current market price" means the average of the daily closing prices for the 20 consecutive trading days immediately preceding the date of such transaction or the closing price on the day immediately preceding the date of such transaction, whichever is higher. For the purpose of this definition, the closing price for each day shall be the last reported sale price, regular way, or in case no such reported sale takes place on such date, the average of the last reported bid and asked prices, regular way, in either case on the principal national securities exchange registered under the Securities Exchange Act of 1934, as amended (the "1934 Act"), on which such security is admitted to trading or listed, or if not listed or admitted to trading on any national securities exchange, the closing price of such security, or in case no reported sale takes place, the average of the closing bid and asked prices, on NASDAQ or any comparable system, or if such security is



not listed or quoted on NASDAQ or any comparable system, the closing sale price, or in case no reported sale takes place, the average of the closing bid and asked prices, as furnished by any member of the National Association of Securities Dealers, Inc., selected from time to time by the issuer for that purpose.

- (3) "Holding company" means any corporation, firm, partnership, trust, limited liability company or other form of business organization not a natural person which, directly or indirectly:
- a. Owns;
  - b. Has the power or right to control; or
  - c. Holds with power to vote,

all or any part of the stocks, interest or other voting security of a business entity which holds or applies for a state gaming license; provided that the term "holding company" does not include any broker-dealer registered with the United States Securities and Exchange Commission (the "SEC" ), any securities clearinghouse or nominee thereof or any entity insured by the Federal Deposit Insurance Corporation or regulated by a national or state banking regulator, if such person or entity holds such stocks, interest or other voting securities for an unaffiliated third party and does not exercise any vote over any such securities (other than in a fiduciary capacity at the direction of the beneficial owner of such stocks, interest or other voting securities or in accordance with the rules and regulations of any self-regulatory organization having jurisdiction over such person or entity).

For the purposes of this section, in addition to any other reasonable meaning of the words used, a holding company "indirectly" has, holds or owns any power, right or security if it does so through any interest in a subsidiary or successive subsidiaries, however many such subsidiaries may intervene between the holding company and the licensee or applicant.

- (4) "Institutional investor" means:

- (a) A bank as defined in Section 3(a) (6) of the Federal Securities Exchange Act of 1934, as amended;
- (b) An insurance company as defined in Section 2(a) (17) of the Investment Company Act of 1940, as amended;
- (c) An investment company registered under Section 8 of the Investment Company Act of 1940, as amended;
- (d) An investment adviser registered under Section 203 of the Investment Advisers Act of 1940, as amended;
- (e) Collective trust funds as defined in Section 3(c) (11) of the Investment Company Act of 1940, as amended;
- (f) An employee benefit plan or pension fund that is subject to the Employee Retirement Income Security Act of 1974, as amended, excluding an employee benefit plan or pension fund sponsored by a licensed or an intermediary or holding company licensee which directly or indirectly owns five percent or more of a licensee.
- (g) A state or federal government pension plan.
- (h) A group comprised entirely of persons specified in (a) through (g) of this definition

Notwithstanding the foregoing provisions of subsections (a) through (h), in order to qualify as an institutional investor, a person other than a state or federal pension plan must meet the requirements of a "qualified institutional buyer" as defined by the SEC in Rule 144A under the Securities Act of 1933, as amended (the "1933 Act").

- (5) "Intermediary company" means any corporation, firm, partnership, trust, limited liability company or other form of business organization other than a natural person which:
  - a. Is a holding company with respect to a business entity which holds or applies for a state gaming license; and
  - b. Is a subsidiary with respect to any holding company.
- (6) "Public offering" means a sale of voting securities that is subject to the registration requirements of section 5 of the 1933 Act, or that is exempt from such requirements solely by reason of an exemption contained in section 3(a) (10), 3(a) (11) or 3(c) of said Act or Regulation A or Regulation D adopted pursuant to section 3(b) of the 1933 Act.
- (7) (a) "Publicly traded corporation" means:
  - (i) Any corporation, firm, partnership, trust, limited liability company or other form of business organization not a natural person which:
    - (A) Has one or more classes of voting securities registered pursuant to section 12 of the 1934 Act; or
    - (B) Is an issuer subject to section 15(d) of the 1934 Act; or
    - (C) Has one or more classes of voting securities exempted from the registration requirements of section 5 of the 1933 Act, solely by reason of an exemption contained in section 3(a) (10), 3(a) (11) or 3(c) of the 1933 Act.
  - (ii) Any corporation, firm, partnership, trust, limited liability company or other form of business organization created under the laws of a foreign country:
    - (A) Which has one or more classes of voting securities registered on that country's securities exchange or over-the-counter market; and
    - (B) Whose activities have been found by the Commission to be regulated in a manner which protects the investors and the State of Colorado.
- (b) The term "publicly traded corporation" does not include any corporation, firm, partnership, trust, limited liability company or other form of business organization not a natural person which has securities registered or is an issuer pursuant to subparagraph (a) of this definition solely because it:
  - (i) Guaranteed a security issued by an affiliated company pursuant to a public offering; or
  - (ii) Is considered by the SEC to be a coissuer of a public offering of securities pursuant to Rule 140 under the 1933 Act.
- (8) "Security" shall have the meaning of the term set forth in section 11-51-201(17) of the Colorado Securities Act of 1990, Title 11, Article 51, C.R.S.

- (9) "Subsidiary" means any firm, partnership, trust, limited liability company or other form of business organization not a natural person, all or any interest in which is:
- (i) Owned;
  - (ii) Subject to a power or right of control; or
  - (iii) Held with power to vote directly, indirectly or in conjunction with a holding company or intermediary company.
- (9) "Voting security" means a security the holder of which is entitled to vote generally for the election of a member or members of the board of directors or board of trustees of a corporation or a comparable person or persons in the case of a partnership, trust or other form of business organization other than a corporation.

#### **47.1-4.502 Application of Rule.**

In addition to all other requirements of the Colorado Gaming Regulations, this Rule 4.5 shall impose additional requirements on publicly traded corporations holding gaming licenses in the state, and gaming licensees in the state owned directly or indirectly by a publicly traded corporation, whether through a subsidiary or intermediary company. These requirements shall automatically apply to any ownership interest held by a publicly traded corporation, holding company or intermediary company thereof, where such ownership interest directly or indirectly is, or will be upon approval by the Commission, 5 percent or more of the entire licensee. In any event, if the Commission determines that a publicly traded corporation, or a subsidiary, intermediary company or holding company thereof has the actual ability to exercise influence over a licensee, regardless of the percentage of ownership possessed by said entity, the Commission may require that entity to comply with the regulations contained in this Rule 4.5. Should any requirement in this Rule 4.5 conflict with any other regulation in the Colorado Gaming Regulations, this Rule 4.5 shall apply.

#### **47.1-4.503 . Public Offerings.**

A licensee or affiliated company or controlling person thereof commencing a public offering of voting securities must notify the Commission, with regard to a public offering to be registered with the SEC, no later than ten (10) business days after the initial filing of a registration statement with the SEC, or, with regard to any other type of public offering, no later than ten (10) business days prior to the public use or distribution of any offering document, if:

- (1) If the licensee, affiliated company or a controlling person thereof intending to issue the voting securities is not a publicly traded corporation; or
- (2) If the licensee, affiliated company or a controlling person thereof intending to issue the voting securities is a publicly traded corporation, and if the proceeds of the offering, in whole or in part, are intended to be used:
  - a. To pay for construction of gaming facilities in Colorado to be owned or operated by the licensee;
  - b. To acquire any direct or indirect interest in gaming facilities in Colorado;
  - c. To finance the operation by the licensee of gaming facilities in Colorado; or
  - d. To retire or extend obligations incurred for one or more purposes set forth in subsection a, b or c of this regulation.

#### **47.1-4.504 Notification of Public Offering.**

A person notifying the Commission of a public offering pursuant to this Rule 4.5 shall, to the extent practical, disclose the following information:

- (1) A description of the voting securities to be offered.
- (2) The proposed terms upon which the voting securities are to be offered.
- (3) The anticipated gross and net proceeds of the offering, (Including a detailed list of expenses.
- (4) The use of proceeds.
- (5) The name and address of the lead underwriter.
- (6) The forms of the underwriting agreement, the agreement among underwriters, if any, and the selected dealers agreements, if any.
- (7) A statement of intended compliance with all applicable federal, state, local and foreign securities laws.
- (8) The names and addresses of the applicant's counsel for such public offering, independent auditors, and special consultants on the offering.
- (9) If any voting securities to be issued are not to be offered to the general public, the general nature of the offerees and the form of the offering.
- (10) Any other offering material filed with the SEC which is required to be submitted pursuant to the direction of the Division or Commission.

#### **47.1-4.505 Fraudulent and Deceptive Practices Prohibited.**

It is grounds for disciplinary action under the Colorado Limited Gaming Act and Colorado Gaming Regulations if any person, in connection with the purchase or sale of any security issued by a licensee or affiliated company or a controlling person thereof, is found guilty of, or pleads nolo contendere to, or is subject to a final cease and desist order with respect to, or order of permanent injunction issued on the basis of, or is the subject of a similar final action taken on the basis of, a violation of Rule 10b-5 promulgated by the SEC under Section 10(b) of the 1934 Act or section 11-51-501 of the Colorado Revised Statutes:

#### **47.1-4.506 Submission of Proxy and Information Statements.**

Each publicly traded corporation which is licensed as an operator, retailer or slot machine manufacturer or distributor under the Act, shall, within 5 days after distributing any proxy statement subject to Regulation 14A of the SEC or any information statement subject to Regulation 14C of the SEC to its security holders, submit such proxy statement or information statement to the Division.

#### **47.1-4.507 Reporting Requirements.**

- (1) Whenever any filing on Form 10-Q, Form 10-K, Form 8-K, Form 1-A, Registration Statement SB-2, Registration Statement 10-SB, Report 10-KSB, Report 10-QSB, Schedule 13e-3 or Schedule 14D-9 or required by Rule 14f-I promulgated pursuant to the 1934 Act is filed with the SEC or with any national or regional securities exchange by a publicly traded corporation which is licensed as an operator, retailer or slot machine manufacturer or distributor under the Act, such publicly traded corporation shall, within 5 business days after the filing with the SEC, electronically notify

the Division that such filing has taken place, (amended perm. 11/30/03)

- (2) Whenever a publicly traded corporation which is licensed as an operator, retailer or slot machine manufacturer or distributor under the Act receives any material document filed with the SEC by any other person relating to such publicly traded corporation, it shall, within 10 days following such receipt, electronically notify the Division that such document receipt has occurred.  
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- (3) Each publicly traded corporation which is licensed as an operator, retailer or slot machine manufacturer or distributor under the Act shall file with the Division annually at the time of license renewal a list of the recordholders and beneficial owners (to the extent the later is known) of its voting securities or more frequently as such list is prepared.
- (4) Each licensee shall promptly report to the Division, on the form prescribed by the Division, the election or appointment of any director, any executive officer or other officers of such licensee (or holding company or intermediary company thereof) actively and directly engaged in the administration or supervision of the gaming activities of the licensee.
- (5) Whenever a publicly traded corporation which is licensed as an operator, retailer or slot machine manufacturer or distributor under the Act is informed that any person determined by the Commission to be a controlling person in respect of such publicly traded corporation has disposed of any of such publicly traded corporation's voting securities, such publicly traded corporation shall thereupon promptly report such information to the Division.
- (6) Each licensee and intermediary or holding company thereof shall file promptly with the Division such other documents within its control as the Division or Commission may lawfully request.

#### **47.1-4.508 . Required Charter Provisions.**

The following provisions must be included in the articles of organization or similar chartering documents of every entity licensed as an operator, retailer or slot machine manufacturer or distributor under the Act:

The [corporation] [partnership] [limited liability company] shall not issue any voting securities or other voting interests except in accordance with the provisions of the Colorado Limited Gaming Act and the regulations promulgated thereunder. The issuance of any voting securities or other voting interests in violation thereof shall be void and such voting securities or other voting interests shall be deemed not to be issued and outstanding until (a) the [corporation] [partnership] [limited liability company] shall cease to be subject to the jurisdiction of the Colorado Limited Gaming Control Commission, or (b) the Colorado Limited Gaming Control Commission shall, by affirmative action, validate said issuance or waive any defect in issuance.

No voting securities or other voting interests issued by the [corporation] [partnership] [limited liability company] and no interest, claim or charge therein or thereto shall be transferred in any manner whatsoever except in accordance with the provisions of the Colorado Limited Gaming Act and the regulations promulgated thereunder. Any transfer in violation thereof shall be void until (a) the [corporation] [partnership] [limited liability] shall cease to be subject to the jurisdiction of the Colorado Limited Gaming - Control Commission, or (b) the Colorado Limited Gaming Control Commission shall, by affirmative action, validate said transfer or waive any defect in said transfer.

If the Colorado Limited Gaming Control Commission at any time determines that a holder of voting securities or other voting interests, then the issuer of such voting securities or other voting interests may, within sixty (60) days after the finding of unsuitability, purchase such voting securities or other voting interests of such unsuitable person at the lesser of (i) the cash equivalent of such person's investment in the [corporation][partnership][limited liability company], or (ii) the current market price as of the date of the finding of unsuitability unless such voting

securities or other voting interests are transferred to a suitable person (as determined by the Commission) within sixty (60) days after the finding of unsuitability. Until such voting securities or other voting interests are owned by persons found by the Commission to be suitable to own them, (a) the [corporation] [partnership] [limited liability company] shall not be required or permitted to pay any dividend or interest with regard to the voting securities or other voting interests, (b) the holder of such voting securities or other voting interests shall not be entitled to vote on any matter as the holder of the voting securities or other voting interests, and such voting securities or other voting interests shall not for any purposes be included in the voting securities or other voting interests of the [corporation] [partnership] [limited liability company] entitled to vote, and (c) the [corporation] [partnership] [limited liability company] shall not pay any remuneration in any form to the holder of the voting securities or other voting interests except in exchange for such voting securities or other voting interests as provided in this paragraph.

#### **47.1-4.509 . Suitability Requirements.**

- (1) Each person (including an institutional investor) who, individually or in association with others, acquires, directly or indirectly, beneficial ownership of (i) 5 percent or more of any class of voting securities of a publicly traded corporation which is required to contain the charter provisions set forth in this Rule 4.5, or (ii) 5 percent or more of the beneficial interest in a licensee directly or indirectly through any class of voting securities of any holding company or intermediary company of a licensee, shall notify the Division within ten (10) days after such person acquires such securities and shall provide such additional information and be subject to a finding of suitability as required by the Division or Commission. A licensee shall notify each person who is subject to this regulation of its requirements as soon as such corporation becomes aware of the acquisition; provided that the obligations of the person subject to this regulation are independent of, and unaffected by, such corporation's failure to give such notice.
- (2) Each person (other than an institutional investor which complies with subsection (4) below) who, individually or in association with others, acquires, directly or indirectly, the beneficial ownership of (i) 10 percent or more of any class of voting securities of a publicly traded corporation which is required to contain the charter provisions set forth in this Rule 4.5, or (ii) 10 percent or more of the beneficial interest in a licensee directly or indirectly through any class of voting securities of any holding company or intermediary company of a licensee, must apply to the Commission for a finding of suitability within forty-five (45) days after acquiring such securities. A licensee shall notify each person who is subject to this regulation of its requirements as soon as such corporation becomes aware of the acquisition; provided that the obligations of the person subject to this regulation are independent of, and unaffected by, such corporation's failure to give such notice.
- (3) Each institutional investor who, individually or in association with others, acquires, directly or indirectly, the beneficial ownership of (i) 15 percent or more of any class of voting securities of a publicly traded corporation which is required to contain the charter provisions set forth in this Rule 4.5, or (ii) 15 percent or more of the beneficial interest in a licensee directly or indirectly, through any class of voting securities of any holding company or intermediary company of a licensee, must apply to the Commission for a finding of suitability within forty-five (45) days after acquiring such securities. A licensee shall notify each person who is subject to this regulation of its requirements; provided that the obligations of the person subject to this regulation are independent of, and unaffected by, such corporation's failure to give such notice.
- (4) (a) An institutional investor which otherwise would be subject to subsection (2) of this regulation must, within forty-five (45) days after acquiring the interests set forth in subsection (2), submit to the Division the following information:
  - (i) A description of the institutional investor's business and a statement as to why the institutional investor is within the definition of "institutional investor" as set forth in this regulation.

- (ii) A certification made under oath and the penalty of perjury that the voting securities were acquired and are held for investment purposes only and were acquired and are held in the ordinary course of business as an institutional investor and not for the purposes of causing, directly or indirectly, the election of a majority of the board of directors, any change in the corporate charter, bylaws, management, policies, or operations of a licensee or affiliated company. The signatory also shall explain the basis of his authority to sign the certification and to bind the institutional investor to its terms. The certification also shall provide that the institutional investor is bound by and shall comply with the Colorado Limited Gaming Act and the regulations adopted thereunder, is subject to the jurisdiction of the courts of Colorado, and consents to Colorado as the choice of forum in the event any dispute, question, or controversy arises regarding the application this regulation.
  - (iii) The name, address, telephone number and social security number of the officers and directors, or their equivalent, of the institutional investor as well as those persons that have direct control over the institutional investor's holdings of voting securities of the licensee or affiliated company.
  - (iv) The name, address, telephone number and social security or federal tax identification number of each person who has the power to direct or control the institutional investor's exercise of its voting rights as a holder of voting securities of the licensee or affiliated company.
  - (v) The name of each person that beneficially owns 5 percent or more of the institutional investor's voting securities or other equivalent.
  - (vi) A list of the institutional investor's affiliates.
  - (vii) A list of all securities of the licensee that are or were, directly or indirectly, beneficially owned by the institutional investor or its affiliates within the preceding year, setting forth a description of the securities, their amount, and the date of acquisition or sale.
  - (viii) A list of all regulatory agencies with which the institutional investor or any affiliate that beneficially owns voting securities of the licensee or affiliated company files periodic reports, and the name, address, and telephone number of the person, if known, to contact at each agency regarding the institutional investor.
  - (ix) A disclosure of all criminal or regulatory sanctions imposed during the preceding ten (10) years and of any administrative or court proceedings filed by any regulatory agency during the preceding five (5) years against the institutional investor, its affiliates, any current officer or director, or any former officer or director whose tenure ended within the preceding twelve (12) months. As to a former officer or director, such information need be provided only to the extent that it relates to actions arising out of or during such person's tenure with the institutional investor or its affiliates.
  - (x) A copy of any filing made under 16 U.S.C. § 18a with respect to the acquisition or proposed acquisition of voting securities of the licensee or affiliated company.
  - (xi) Any additional information the Division or the Commission may request.
- (b) The following activities shall not be deemed to be inconsistent with holding voting securities for investment purposes only pursuant to (a) (ii) of this regulation:

- (i) Voting, directly or indirectly, through the delivery of a proxy furnished by the board of directors, on all matters voted on by the holders of such voting securities;
  - (ii) Serving as a member of any committee of creditors or security holders formed in connection with a debt restructuring;
  - (iii) Nominating any candidate for election or appointment to the board of directors in connection with a debt restructuring;
  - (iv) Accepting appointment or election as a member of the board of directors in connection with a debt restructuring and serving in that capacity until the conclusion of the member's term;
  - (v) Making financial and other inquiries of management of the type normally made by securities analysts for information purposes and not to cause a change in its management, policies or operations; and
  - (vi) Such other activities as the Commission may determine to be consistent with such investment intent.
- (5) A person who acquires beneficial ownership of any voting security in a licensee or holding company or intermediary company of any licensee created under the laws of a foreign country shall file such reports as the Commission may prescribe and is subject to such a finding of suitability.
- (6) Any person found unsuitable by the Commission shall not hold directly or indirectly the beneficial ownership of any voting security of a licensee or holding company or intermediary company thereof beyond that period of time prescribed by the Commission, and must be removed immediately from any position as a director, officer or employee of such licensee or holding company or intermediary company thereof.
- (7) The provisions of subsections (1), (2) and (3) of this regulation shall not apply to any underwriter during the course of an underwriting, but no longer than 90 days after the beginning of such underwriting.

#### **47.1-4.510 . Powers of Commission.**

The Commission may determine, upon its own motion or the recommendation of the Division, at the time of initial application for licensure or for any direct or indirect ownership interest in a licensee, or at any time thereafter that the public interest and the purposes of the Colorado Limited Gaming Act require that any individual who has a material relationship to, or material involvement with, a licensee or affiliated company thereof must apply for a finding of suitability by the Commission or apply for a key employee license. A person may be deemed to have a material relationship to, or material involvement with, a corporation if he is a director, officer, controlling person or key employee of the corporation, or if he, as an agent, consultant, advisor or otherwise, exercises a significant influence upon the management or affairs of the corporation. The foregoing powers of the Commission are not limited to individuals having a formal and direct involvement or relationship with a licensee nor to individuals who are beneficial owners of any stated percentage of the securities of a publicly traded corporation.

#### **47.1-4.511 . Prescribed Activities with Respect to "Unsuitable" Persons.**

- (1) In refusing to grant approval for the transfer of an interest or other involvement with a licensee, the Commission may determine that an individual or person is unsuitable. In reviewing an application for licensure, the Commission may determine that an individual or person is unsuitable.
- (2) The Commission may determine a licensee or affiliated company thereof to be unsuitable, or take



other disciplinary action, if the licensee or affiliated company thereof, after the Commission serves notice to the licensee or affiliated company thereof, that a person is unsuitable to be a stockholder or to have any other direct or indirect relationship or involvement with such licensee or affiliated company thereof:

- (a) Pays to any person found to be unsuitable any dividend or interest upon any voting securities or any payment or distribution of any kind whatsoever except as permitted by Paragraph (d) of this regulation;
- (b) Recognizes the exercise by any such unsuitable person, directly or indirectly, or through any proxy, trustee or nominee, of any voting right conferred by any securities or interest in any securities;
- (c) Pays to any such unsuitable person any remuneration in any form for services rendered; or
- (d) Fails to pursue all lawful efforts to require such unsuitable person to relinquish all voting securities including, if necessary, the immediate purchase of said voting securities by the licensee.

#### **47.1-4.512 . Exemptions.**

- (1) The Commission may, either generally or specifically, exempt a person, a security, a transaction, or any portion thereof, from the application of Rule 4.5 or any portion thereof if the Commission determines that such exemption is consistent with the purposes of the Colorado Limited Gaming Act.
- (2) The Commission may by order or Rule, from time to time, delegate to the Division the power to grant exemptions from the application of this Rule 4.5 to the extent, and within the scope, specified in such order or Rule.

#### **47.1-4.513 . Effective Date.**

Regulation § 47.1-4.508 shall not apply to any licensee which has submitted any application to the Division or Commission prior to the effective date of this Rule 4.5. Notwithstanding the foregoing, the provisions of Regulation § 47.1-4.508 shall apply to all licensees on June 30, 1994, or such later date as the Commission may prescribe.

#### **47.1-4.514 Definition of ownership interest.**

- (1) For purposes of Section 12-47.1-808, C.R.S., a person shall not be deemed to have an "ownership interest" in a retail licensee because (a) such person has less than a five percent (5%) ownership interest in an institutional investor, which institutional investor has an ownership interest in a publicly traded retail licensee or in a publicly traded affiliated company of a retail licensee, (b) such person has five percent (5%) or more of an ownership interest in an institutional investor, which institutional investor has less than a five percent (5%) ownership interest in a publicly traded retail licensee or in a publicly traded affiliated company of a retail licensee, (c) such person is an institutional investor which has less than a five percent (5%) ownership interest in a publicly traded retail licensee or in a publicly traded affiliated company of a retail licensee, (d) such person is an institutional investor and possesses voting securities of a publicly traded retail licensee or in a publicly traded affiliated company of a retail licensee in a fiduciary capacity and not for its own account (unless such person exercises voting rights with respect to five percent (5%) or more of such publicly traded company's outstanding voting securities), (e) such person is a broker or dealer registered under the 1934 Act and possesses voting securities of a publicly traded retail licensee or of a publicly traded affiliated company of a retail licensee for the benefit of customers and not for such person's own account and does not exercise voting rights with respect to five

percent (5%) or more of such publicly traded company's voting securities, (f) such person is a broker or dealer registered under the 1934 Act and has an ownership interest in voting securities of a publicly traded retail licensee or of a publicly traded affiliated company of a retail licensee as a market maker in such voting securities (unless such person exercises voting rights with respect to five percent (5%) or more of such outstanding voting securities), (g) such person is an underwriter of voting securities of a publicly traded retail licensee or of a publicly traded affiliated company of a retail licensee and has an interest in such voting securities during the course of an underwriting (unless such person exercises voting rights with respect to five percent (5%) or more of such publicly traded company's outstanding voting securities), but no longer than 90 days after the beginning of such underwriting, or (h) such person possesses voting securities of a publicly traded retail licensee or of a publicly traded affiliated company of a retail licensee in such person's capacity as a book-entry transfer facility (unless such person exercises voting rights with respect to five percent (5%) or more of such publicly traded company's outstanding voting securities). For the purpose of this Rule 47.1-4.514(1), a person shall be considered an institutional investor, whether or not such person is a "qualified institutional buyer" as defined by Rule 144A under the 1933 Act, as long as such person otherwise qualifies as an "institutional investor" as defined in Rule 47.1-4.501(4).

- (2) For purposes of Section 12-47.1-808, C.R.S., a person shall not be deemed to have an "ownership interest" in a retail licensee if such person's sole ownership interest in such retail licensee is through the ownership of less than five percent (5%) of the voting securities of (a) such retail licensee if such retail licensee is publicly traded, or (b) a publicly traded affiliated company of such retail licensee.
- (3) For purposes of Section 12-47.1-835, C.R.S., a person shall not be deemed to have a "substantial interest" in a manufacturer, distributor, operator or retailer licensee if such person's sole ownership interest in such licensee is through the ownership of less than five percent (5%) of the voting securities of (a) such licensee if such licensee is publicly traded, or (b) a publicly traded affiliated company of such licensee (unless such person exercises voting rights with respect to five percent (5%) or more of such publicly traded company's outstanding voting securities).
- (4) Nothing in this Rule 47.1-4-514 shall limit the authority of the Division or Commission to investigate or require a finding of suitability for any person involved directly or indirectly in limited gaming.

#### **47.1-4.515 . Definition of interest.**

For purposes of Section 12-47.1-401, C.R.S., a person shall not be deemed to have an "interest" in a licensee because (a) such person has less than a five percent (5%) ownership interest in an institutional investor, which institutional investor has an ownership interest in a publicly traded licensee or in a publicly traded affiliated company of a licensee, or (b) such person has five percent (5%) or more of an ownership interest in an institutional investor, which institutional investor has less than a five percent (5%) ownership interest in a publicly traded licensee or in a publicly traded affiliated company of a licensee. For purposes of this Rule 47.1-4.515, a person shall be considered an institutional investor, whether or not such person is a "qualified institutional buyer" as defined by Rule 144A under the 1933 Act, as long as such person otherwise qualifies as an "institutional investor" as defined in Rule 47.1-4.501(4).

#### **BASIS AND PURPOSE FOR RULE 5**

The purpose of Rule 5 is to establish procedures and articulate grounds for disciplinary actions and informal resolution of allegations of violations of the provisions of article 47.1 of title 12 C.R.S. or any rules and regulations promulgated pursuant to such article, to provide procedures to impose sanctions for violations, and to provide for certain conditions to be met for reissuance of licenses to persons who formerly held a license. The statutory basis for Rule 5 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., 12-47.1-302, C.R.S., 12-47.1-524, C.R.S., 12-47.1-525, C.R.S., and 24-4-104, C.R.S.

#### **RULE 5 GROUNDS AND PROCEDURES FOR DISCIPLINARY ACTIONS ADOPTED, 20 AUGUST**

**47.1-501 Grounds for disciplinary action.**

The Commission may levy a monetary penalty or may suspend for up to six months, or revoke, any license issued by it or the Director for any violations by the person holding the license, or such licensee's employees or agents, of any of the provisions of article 47.1 of title 12, C.R.S., or any of the rules and regulations promulgated thereunder. Acceptance of a state gaming license or renewal thereof by a licensee constitutes an agreement on the part of the licensee to be bound by all the regulations of the Commission as the same now are or may hereafter be amended or promulgated. It is the responsibility of the licensee to keep the licensee's self informed of the content of all such regulations, and ignorance thereof will not excuse violations.

**47.1-502 Initiation of disciplinary proceedings.**

- (1) Upon its own motion, upon motion of the Director, or upon written complaint signed and sworn to by the complainant, the Commission may determine to initiate disciplinary proceedings against any person licensed pursuant to article 47.1 of title 12, C.R.S. Disciplinary proceedings, as used herein, shall mean those procedures undertaken by the Commission to suspend or revoke any license issued by it or the Director, to levy a monetary penalty against any licensee, or to otherwise sanction violations of gaming laws and rules.
- (2) The Commission may initiate disciplinary proceedings against a license where it determines that there is probable cause to believe: that the licensee, the licensee's employees, or agents have violated any of the provisions of article 47.1 of title 12, C.R.S., or the rules and regulations thereunder; that the licensee or persons associated with the licensee are of unsatisfactory moral character; or that violations by the licensee, the licensee's employees, or agents, of laws other than the limited gaming laws make the licensee no longer suitable for licensing by the Commission or Director.
- (3) Disciplinary proceedings shall be initiated by the Commission, or the Director, sending to the licensee by first class mail at the last known mailing address of the licensee, a list of the grounds for the proposed disciplinary action and a notice containing at least the time and place for any hearing before the Commission concerning the proposed disciplinary action. Said list and notice shall be mailed to the licensee at least 30 days prior to the hearing.

**47.1-503 Citizen Complaints authorized — Procedure following filing.**

Any person claiming that a licensee has engaged or is engaging in conduct constituting grounds for disciplinary action may file with the Director a sworn written complaint stating the name and address of the licensee complained against. The complaint must fully detail the conduct upon which the complaint is made. If the Director determines the complaint has merit, the Director must immediately serve by first class mail on the licensee complained against and any other affected parties a copy of the complaint. The licensee complained against has 20 days to answer after service of the complaint on the licensee. The Director may reject a complaint if it does not meet the requirements of this section. If the licensee answers the complaint, the licensee must serve an original and seven copies on the Commission. The Director may reject the answer for failure to serve the required number of copies.

**47.1-504 Dismissal of citizen complaint.**

After receipt of the answer to the complaint, after the time has expired to answer, or after having determined that no answer is necessary, the Director must examine the complaint, any answer, and other supporting documents to determine whether the complaint has merit or is frivolous or whether it charges conduct constituting grounds for disciplinary action. If the Director determines that the complaint is without merit or is frivolous or that it does not charge conduct constituting grounds for disciplinary action, the

Director must dismiss the complaint and notify in writing the complainant, the licensee complained against, and other affected parties, stating the reasons for dismissal. The Director may investigate the complaint and use extrinsic evidence to determine if the complaint has merit.

#### **47.1-505 Informal consultation.**

If the Director considers the citizen complaint, or any other allegations, to be grounds for disciplinary action, the Director may consult with the licensee and the parties affected in an effort to resolve the matter satisfactorily without a formal hearing. The Director must notify in writing the complainant, the licensee complained against, and affected parties of the results of the informal consultation. The informal consultation does not prevent the Commission from conducting a formal hearing.

#### **47.1-506 Assurance of voluntary compliance.**

The Director may accept an assurance of voluntary compliance regarding any act or practice alleged to violate article 47.1 of title 12, C.R.S., or the rules and regulations thereunder, from a person who has engaged in, is engaging in, or is about to engage in such acts or practices. The assurance must be in writing and may include a stipulation for the voluntary payment of the costs of the investigation and an amount necessary to restore to a person money or property which may have been acquired by the alleged violator because of the acts or practices. An assurance of voluntary compliance may not be considered an admission of a violation for any purpose; however, proof of failure to comply with the assurance of voluntary compliance is prima facie evidence of a violation of article 47.1 of title 12, C.R.S., or the rules and regulation thereunder. The Commission may approve or review an assurance of voluntary compliance.

#### **47.1-507 Decision to initiate disciplinary action.**

At any time during the review and investigation of a citizen complaint, the Director or the Commission may decide to initiate formal disciplinary proceedings where grounds exist to sustain their initiation.

#### **47.1-508 Criminal convictions as grounds for revocation or suspension.**

The Commission may revoke or suspend the gaming license of any person who is convicted of a crime, even though the convicted person's post conviction rights and remedies have not been exhausted, if the crime or conviction involves a felony, gambling, or limited gaming or if it discredits or tends to discredit the State of Colorado or the gaming industry.

#### **47.1-509 Facts of criminal charge.**

The charge in any jurisdiction of a licensee with a felony or with a misdemeanor involving moral turpitude is grounds for disciplinary action. The Commission may find the licensee guilty of a violation of this article based on the facts of the criminal charge even though the licensee has been acquitted on the criminal charge.

#### **47.1-510 Per diem and mileage.**

The Commission may authorize per diem and mileage for complainants, witnesses, and affected parties at informal consultations and for complainants and witnesses at formal hearings. The per diem and the mileage may not exceed the amounts authorized by laws generally applicable to state disciplinary proceedings.

#### **47.1-511 Final action by Commission.**

After hearing the evidence and reaching a decision in connection with any disciplinary proceeding, the Commission may find the licensee not guilty of any of the grounds alleged for disciplinary action; in which

event the disciplinary proceedings shall be terminated. The Commission may, however, find the licensee guilty by a preponderance of the evidence of some or all of the grounds alleged for disciplinary action; in which event the Commission may revoke the license, may suspend the license for a particular period of time, may impose a monetary penalty as provided in section 12-47.1-525 (1), C.R.S., may issue a public or private letter of reprimand to be placed in the file of the licensee, or may take any combination of these actions. This section does not prevent the Commission from compromising or settling at any time a formal hearing, and the Commission may also allow an assurance of voluntary compliance. Written findings of fact, conclusions of law, and an order must be entered before any decision of the Commission to suspend or revoke a license shall be considered final. The Commission may allow or require briefs of law before making any decision.

#### **47.1-512 Summary Suspension.**

- (1) Where the Commission has reasonable grounds to believe and finds that any person licensed under article 47.1 of title 12, C.R.S., has been guilty of a deliberate or willful violation of any of the provisions of article 47.1 of title 12, C.R.S., or the rules and regulations thereunder, or that the licensee has been charged with a felony in Colorado or in another state, or that due to other violations of law by the licensee or its patrons, the public health, safety, or welfare imperatively requires emergency action, and where the Commission incorporates such findings in its order, the Commission may summarily suspend the licensee's license pending disciplinary proceedings for suspension or revocation. Any such disciplinary proceedings shall be promptly instituted and determined.
- (2) The summary suspension of a license without notice pending a public hearing shall be for a period not to exceed thirty days except that a licensee may waive the thirty day hearing requirement by requesting a continuance in writing no later than five (5) business days prior to the scheduled hearing, in no event, however, shall the requested continuance be granted unless the licensee requesting the continuance has complied with the order of summary suspension by surrendering such licensee's license or license identification badge to a division office. (amended perm. 03/02/01)

#### **47.1-513 Notice.**

The Director must have delivered a notice of summary suspension personally or by mail to the licensee who has been suspended. The notice must state when the suspension will begin and end and must state the reasons for the suspension.

#### **47.1-514 Disciplinary proceeding notice required.**

The Director must have served upon the summarily suspended licensee a formal notice initiating disciplinary proceedings and a notice of hearing within 5 days after receipt by the licensee of the notice of summary suspension. The notice initiating disciplinary proceedings and the notice of hearing may be issued by the Director without prior Commission approval. The Commission shall hear the matter on an expedited basis, but in no event later than 30 days after the imposition of the summary suspension unless such licensee has requested a later date pursuant to regulation 47.1-512(2). (amended perm. 03/02/01)

#### **47.1-515 Conditions imposed by Commission for reissuance of license.**

The Commission or Director may require a person who formerly held a license to meet certain conditions before reissuing a license to that person, including but not limited to the following:

- (1) Restitution of money;
- (2) Restitution of property; and

- (3) Making periodic reports to the Commission or Director as required.

#### **47.1-516 Costs.**

- (1) In addition to the sanction, denial, or granting or issuance by the Commission of any license or other affirmative approval, the Commission may direct the payment by the applicant of any reasonable costs incurred by the Commission, by the Division, or by any applicant, party, or witness regarding the application.
  - (a) The Commission may enter any such order of its own initiative, or upon timely application and showing by the Division or any other party or witness in the action prior to the expiration of any time for appealing the underlying order.
  - (b) The filing of such an application does not stay the effectiveness of the underlying order.
- (2) Reimbursable costs shall include, but are not limited to: witness fees and per diem; expert witness fees; duplication costs; court reporter, transcription, and other costs incurred in administering or preserving any record; extraordinary staffing costs of the Division; legal fees; Commissioner per diem pursuant to § 12-47.1-301(1)(f) C.R.S.; expenses incurred in commencing, accommodating, or conducting the hearing; investigative costs; exhibit costs; and any other judicially or statutorily recognized cost, whether incurred prior or subsequent to the conclusion of the investigation of the matter.
- (3) The Commission reserves the discretion to deny, in whole or in part, any request for reimbursement of costs.
- (4) Unless otherwise ordered, costs must be paid to the ordered recipient on or before the thirtieth day from the date of the order awarding the costs, unless stayed by the Commission or other court of competent jurisdiction. Failure to pay and tender costs as ordered shall constitute grounds for sanction, including fine and revocation of any license or other affirmative approval.

#### **BASIS AND PURPOSE FOR RULE 6**

The purpose of Rule 6 is to establish procedures to allow persons to obtain declaratory orders from the Commission in compliance with section 24-4-105 (10), C.R.S. The statutory basis for Rule 6 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., 12-47.1-302, C.R.S., and 24-4-105 (10), C.R.S.

#### **RULE 6 DECLARATORY ORDERS ADOPTED, 20 AUGUST 1991**

#### **47.1-601 Petition for declaratory order.**

A person wishing the Commission to issue its ruling as to the applicability to that person of any statutory provision or rule relating to limited gaming, or order of the Commission or any order of the Director may file with the Director a nonrefundable filing fee in the amount of \$80.00. If the petitioner is the Division or a governmental agency or a political subdivision of this State no fee shall be required. With approval of Commission, the filing fee may be waived. Any person wishing a ruling shall file a petition in substantially the following form:

State of Colorado Colorado Limited Gaming Control Commission

Pursuant to the provisions of Regulation 47.1-601, I (name of petitioner), of (address of petitioner), am (title or capacity of petitioner), and hereby petition the Commission for its declaratory order with respect to the following:

- (1) The state statute, regulation, rule, order, decision, or determination in question is: (here identify or

quote the pertinent statute, rule, etc.)

(2) The facts and circumstances which give rise to the issue to be answered by the Commission's declaratory order are:

(3) The precise issue to be answered by the declaratory order is:

Dated at (city and state), this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

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-

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\_\_\_\_\_  
(Signature of Petitioner)

\_\_\_\_\_  
(Address of Petitioner)

#### **47.1-602 Commission action on petition.**

Upon receipt of a petition, the Commission may request from the petitioner any additional information it requires for the issuance of its order. Following receipt of the petition, the Commission must either dismiss the petition, hold a hearing, or issue its declaratory order within 60 days where no additional information is requested or where such additional information is promptly provided, and serve a copy of it by mail on the petitioner. The Commission shall not issue a declaratory order where additional information has been requested and has not been provided

#### **47.1-603 Number of copies of petition.**

A person filing a petition for declaratory order must file an original and seven copies with the Director. The Director may reject the petition if it is not submitted with the proper number of copies. An additional copy must be filed with the Attorney General.

### **BASIS AND PURPOSE FOR RULE 7**

The purpose of Rule 7 is to provide specific guidelines in compliance with section 12-47.1-401 (1), C.R.S., regarding gaming activities and receipt of nonpecuniary items of insignificant value by members of the Commission, employees of the Division, and immediate family members of such persons, and by certain public officials. The statutory basis for Rule 7 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., 12-47.1-302, C.R.S., and 12-47.1-401, C.R.S.

### **RULE 7 CONFLICTS OF INTEREST ADOPTED, 20 AUGUST 1991**

#### **47.1-701 Prohibitions on gaming.**

No Commission member, officer, agent, or employee of the Commission or the Division may participate in any gaming authorized by this article. Violation of this section, knowingly, by a licensee or the licensee's officer, agent, or employee is grounds for disciplinary action against the licensee. This section does not prohibit gaming by a Commission or Division agent or employee in the course of the agent or employee's lawful discharge of duties.

#### **47.1-702 Prohibitions on receiving items of value.**

No Commission member, officer, agent, or employee of the Commission or the Division may receive anything of value from a licensee or an officer, agent, or employee of a licensee. No Commission member, officer, agent or Division member, officer, agent, or employee of the Commission or the Division may receive an item of value from an applicant for a license or an officer, agent, or employee of an applicant for a license. This section does not apply to items of insignificant value that are distributed

without charge to the general public by a licensee or applicant for a license. A violation of this section by a licensee or any of the licensee's officers, agents, or employees is a ground for disciplinary action against the licensee. A violation of this section by an applicant for a license or any of the applicant's officers, agents, or employees is a ground for denial of an application.

#### **47.1-703 Prohibitions on giving items of value.**

No licensee or applicant for a license shall give anything of value to any member, employee, or agent of the Commission, the Division, the Colorado Bureau of Investigation, the District Attorneys for Teller and Gilpin Counties, or the state Division of Fire Safety, or to any municipal or county fire, safety, electrical, or building inspectors or officials, or to any member of the local historic preservation commissions within the cities of Central, Black Hawk, and Cripple Creek. This section does not apply to items of insignificant value that are distributed without charge to the general public by a licensee or applicant for a license.

### **BASIS AND PURPOSE FOR AMENDMENTS TO RULE 8**

The purpose of amendments to Rule 8 is to establish wagering rules for blackjack. The statutory basis for amendments to Rule 8 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., and 12-47.1-302, C.R.S.

### **RULE 8 RULES OF BLACKJACK**

#### **47.1-801 Blackjack (21) Rules.**

- (1) The game of blackjack (21) authorized pursuant to Article 47.1 of Title 12, C.R.S., including all approved variations thereof, shall be permitted and conducted according to the rules and provisions set forth in this Rule 8, promulgated by the Commission (hereinafter collectively "the rules of blackjack"). The rules of blackjack shall be followed by all licensees and by all persons participating in any game of blackjack.
- (2) If a player has a disability which prevents such player, or a dealer, from complying with every provision found in this Rule 8, the retail licensee shall be permitted to make reasonable accommodations to the disabled player, even if in apparent violation of Rule 8. Such reasonable accommodations shall not promote cheating, fraudulent acts, nor the use of unauthorized devices by any person.
- (3) The Division may promulgate internal control minimum procedures to provide minimum standards for licensees in the conduct of blackjack games and the exercise of licensee discretion in these rules. (47.1-801 temp. 5/13/93, perm. 6/30/93; (1) amended, (2)-(3) added perm 12/30/98)

#### **47.1-802 Definitions for Blackjack.**

The following definitions apply to all the rules of blackjack and to all games of blackjack conducted by licensees:

- (1) "Blackjack" means an ace and an additional card with a point value of ten, dealt as the initial two cards to a player or the dealer.
- (2) "Burn" means to remove one or more cards from the top of the deck or the front of a shoe and place it, or them, in the discard rack.
- (3) "Button" means an object, which, in tournament play only, is used to indicate the dealing and betting order among the players.
- (4) "Deal" means the distribution of the playing cards to the players and the dealer.



- (5) "Dealer" means the person responsible for dealing the cards at a blackjack table.
- (6) "Hard total" or "hard point count total" means the total point count of a hand which contains no aces or which contains aces that are each counted as one in value;
- (7) "Hole card" means a card dealt face down to the dealer which remains face down until all the players other than the dealer have received all the cards they have requested.
- (8) "Layout" or "table layout" means the felt, cloth, or other material covering the playing surface of a blackjack table.
- (9) "Shoe" means a dealing device that has a compartment in which two or more decks of cards are stacked and which permits cards to be dealt one at a time.
- (10) "Shuffling shoe" means an electro-mechanical device which continuously reshuffles the cards and/or which randomly inserts previously dealt and discarded cards back into the card stack, and which is integrated with a card shoe which holds the continuously changing card stack.
- (11) "Soft total" or "soft point count total" means the total point count of a hand containing one or more aces when one ace is counted as eleven in value. (47.1-802 amended perm 12/30/98)

#### **47.1-803 Blackjack table—Physical characteristics.**

Blackjack must be played at a table having on one side places for not more than seven players and on the opposite side, a place for the dealer.

- (1) A blackjack table, while in play, must have a chip tray, a discard rack, a drop slot and drop box, and a tip box, except that no tip box shall be required if tips are not accepted at the table. The table may have a no-peek device. A blackjack table which uses digital cards or digital representations of cards is not required to have a discard rack. Blackjack tables must have an identifying number, assigned by the retail licensee, on the top surface of the table or a table accessory. This table number must be visible to surveillance personnel and must be able to be captured on surveillance video of table activity.
- (2) The layout must have specific areas marked in which to place wagers, and may have imprinted on it the name and logo of the establishment. A layout used for an approved variation game may have additional markings which identify the game, the holder of intellectual property rights to the game, the distributor of the game, any special markings needed for play of the game, and any other markings approved by the Director.
- (3) The following notices shall appear either on the table layout or on table signage clearly visible to every player at the table:
  - (a) One of these statements, in substantially this form: "dealer must draw to 16 and stand on all 17's," Or alternatively, "dealer must draw to soft 17."
  - (b) On blackjack tables used for games other than face up blackjack, the following notices shall appear in substantially this form:
    - (i) "Blackjack pays 3 to 2" (substitute higher odds according to fact); and
    - (ii) "Insurance pays 2 to 1," (substitute higher odds and restrictions on insurance according to fact).
  - (c) Minimum and maximum table betting limits, and if applicable, minimum and maximum table

betting limits for special circumstances.

- (d) A statement that players may request a copy of all blackjack rules.
  - (e) If applicable, any restrictions on surrender.
  - (f) If applicable, any restrictions on doubling down.
  - (g) If applicable, any restrictions on splitting aces or the number of cards which can be drawn to split aces.
  - (h) If applicable, any special payment schedule or payoff odds.
  - (i) If applicable, any restrictions on tipping the dealer.
- (4) Notice of the provisions of (3)(d) through (3)(i), above, if applicable at all times at every blackjack table offered by the retail licensee, may be provided by wall signage meeting the requirements of regulation 47.1-804, rather than by table signage. (47.1-1204 amended, perm. 11/30/96. 47.1-1204 repealed and readopted as 47.1-803, with amendments, perm. 12/30/98; 47.1-803 (1) amended perm 10/30/2002 47.1-803 (1) amended perm 03/30/03)

#### **47.1-804 Posting and furnishing of rules.**

Basic blackjack rules and house rules governing play of blackjack must be clear and legible and posted in conspicuous and conveniently accessible locations available to all players in the blackjack area. A retail licensee must furnish, upon the request of any player, a complete legible set of all the rules of play and betting for blackjack, including this Rule 8 and all house rules for play of blackjack. (47.1-831 renumbered as 47.1-804 and amended, perm. 12/30/98)

#### **47.1-805 Dealing shoes and shuffling devices.**

A dealing shoe must be designed and constructed to maintain the integrity of the game. Dealing shoes and shuffling devices in the establishment must be inspected each gaming day before cards are placed in them to ensure that the shoe or other device is not damaged, is operating properly, and has not been compromised in any manner which might affect the integrity of the game. (47.1-1210 repealed and readopted as 47.1-805, with amendments, perm. 12/30/98)

#### **47.1-806 Cards.**

- (1) The values of the cards contained in a deck of cards are as follows:
- (a) A card from 2 to 10 has its face value;
  - (b) A jack, queen, or king has a value of 10; and
  - (c) An ace may have a value of either 1 or 11 unless a value of 11 would give a player or the dealer a score in excess of 21, in which case it has a value of one.
- (2) A standard blackjack deck shall contain 52 cards in four suits (hearts, diamonds, clubs, and spades) with each suit consisting of numerical cards from 2 to 10 and a jack, a queen, a king, and an ace. Two or more decks of cards may be combined for play at blackjack.
- (3) If permitted or required by the rules of a blackjack variation game, a joker may be added to make a 53 card deck, and two or more such decks may be combined for play of the game. One or more jokers may be added to a deck, or combination of decks, for short term promotional play with the

advance approval of the Director. When jokers are in use, the licensee must provide signage describing the card value(s) or usage of the jokers.

- (4) Upon written application of a retail licensee, the Director may permit the licensee to use non-standard decks of cards, or decks of cards of alternative card content, for short term promotional play. (47.1-803 renumbered as 47.1-806 and amended, perm. 12/30/98)

#### **47.1-807 Wagers.**

- (1) Before the first card is dealt for a round of play, a player may make a wager of not more than five dollars, wagers must be paid as winning wagers if any of the following events occur:
- (a) The sum of the values of the player's cards is 21 or less and the sum of the values of the dealer's cards is more than 21;
  - (b) The sum of the values of the player's cards exceeds the sum of the values of the dealer's cards, and the sum of the values of neither the player's cards nor the dealer's cards exceed 21; or
  - (c) The player has blackjack and the dealer does not.
- (2) Wagers will be lost whenever the player does not hold a winning hand, except when the value of the player's hand is equal to the value of the dealer's hand. The dealer will collect all losing wagers, except in the case of irregularities described in regulation 47.1-828. (47.1-804 renumbered as 47.1-807 and amended, perm. 12/30/98)

#### **47.1-808 Push and Exceptions.**

A wager is void and returned to the player when the sum of the value of the player's cards is equal to the sum of the value of the dealer's cards or when both the dealer and the player have blackjacks. A player's wager is lost if the dealer has a blackjack and the sum of the value of the player's cards is 21 and not a blackjack. A player's wager is lost when the values of both the player's cards and the dealer's cards exceed 21. (47.1-805 renumbered as 47.1-808 and amended, perm. 12/30/98)

#### **47.1-809 Wagering rules.**

Except when splitting pairs, doubling down, surrendering, or making an insurance wager, no wager may be increased, decreased, or withdrawn after the first card of a round has been dealt. All wagers at blackjack must be made by placing gaming chips, tokens, coins, valid match play coupons, or any combination thereof, on the appropriate areas of the blackjack layout. (47.1-806 renumbered as 47.1-809 and amended, perm. 12/30/98)

#### **47.1-810 Payment of wagers.**

Winning wagers must be paid at odds of at least one to one with the exception of blackjack, which must be paid at odds of at least three to two. If a retail licensee intends to pay winning wagers at odds higher than three to two for blackjacks, or at odds higher than one to one for all winning hands other than blackjacks, the odds or amounts of such payments shall be posted on table signage, or shall appear on the table layout. (47.1-807 renumbered as 47.1-810 and amended, perm. 12/30/98)

#### **47.1-811 Handling of wagers.**

Except for splitting pairs, surrendering, making an insurance wager, and doubling down, once the first card of the hand has been received by the first player to receive a card, no player may handle, remove, or alter any wagers that have been made until the hand has been completed. After a wager on the insurance

line, a surrender, a wager to double down, or a wager to split pairs has been confirmed by the dealer, no player may handle, remove, or alter the wagers until the player's hand has been settled by the dealer. (47.1-808 renumbered as 47.1-811 and amended, perm. 12/30/98)

#### **47.1-812 Insurance wagers.**

- (1) If the first card dealt to the dealer is an ace, a player may make an insurance bet which wins if the dealer's hole card is a king, queen, jack, or ten and loses if the dealer's hole card is an ace, two, three, four, five, six, seven, eight, or nine. An insurance bet is made by placing on the insurance line of the layout an amount not more than half the amount staked on the player's initial wager. A player may bet an amount in excess of half the initial wager to the next unit that can be wagered in chips, if because of the value of chip denominations, half the initial wager cannot be bet. Insurance wagers must be placed immediately after the second card is dealt to each player, after the dealer's card is exposed, and before any additional cards, beyond the second card, are dealt to the dealer. All winning insurance wagers must be paid at odds of two to one. All losing insurance wagers must be collected by the dealer immediately after the dealer draws a second card or discloses the hole card and before the dealer draws any additional cards.
- (2) At the discretion of the retail licensee, if a player holds a blackjack and the dealer's face up card is an ace, the player may expose the player's hand, if the cards were not dealt face up, and call for "even money." The dealer will pay the player's wager at odds of one to one, and shall collect the player's cards. (47.1-809 renumbered as 47.1-812; (2) added, perm. 12/30/98)

#### **47.1-813 Doubling down.**

A retail licensee may allow a player to double down on the player's hand, which is to make an additional wager, not exceeding the player's original wager, on the first two cards dealt to the player, or the first two cards of any split pair. One additional card only must be dealt to the hand on which the player has elected to double down. At the discretion of the retail licensee, the additional card may be dealt either face up or face down. If a dealer obtains blackjack after a player doubles down, the dealer must collect only the amount of the original wager of the player and shall not collect the additional amount wagered in doubling down. (47.1-810 renumbered as 47.1-813 and amended, perm. 12/30/98)

#### **47.1-814 Splitting Pairs.**

If the first two cards dealt to a player are identical in value, the player may split the hand into two separate hands by making a wager on the second hand equal to the player's original wager. If a player splits pairs, the dealer must deal a second card to the first hand so formed and must complete the player's decisions on that hand before dealing cards to the second hand. After an additional card is dealt to a split pair, the player must stand, draw, double down, or split again. A player may not split pairs, including pairs of aces, more than three times in a round of play on any one hand. At the discretion of the retail licensee, a player splitting aces may have only one card dealt to each ace. If the dealer obtains blackjack after a player splits pairs, the dealer may only collect the amount of the original wager of the player and may not collect the additional amount wagered in splitting pairs. (47.1-811 renumbered as 47.1-814 and amended; perm. 12/30/98)

#### **47.1-815 Inspection and presentation of cards.**

- (1) After receiving the cards at the table, the dealer must sort and inspect the cards. The dealer must ensure that the decks are complete, and that no cards are flawed, scratched, or marked in any way.
- (2) The dealer must spread out the cards, faced upward on the table, by deck, according to suit, and in sequence, in such a manner that each individual card can be identified. The casino surveillance system shall video record this process.

- (3) The dealer must inspect, present, shuffle, and place the cards into a shoe, if a shoe is to be used, only at the blackjack table where the cards will be dealt.
- (4) Any time cards have been removed from the playing surface of a blackjack table and are subsequently returned to any table for play, the dealer must reinspect and present the cards in the manner described above. (47.1-812 renumbered as 47.1-815; amended; and (2)–(4) added; perm. 12/30/98)
- (5) This regulation 47-1-815 shall not be applicable to dealers who are dealing at blackjack tables which use digital cards or digital representations of cards.

#### **47.1-816 The shuffle and reshuffle.**

- (1) Following presentation and inspection of cards, the dealer must turn the cards face downward on the table, mix them thoroughly using a “wash” or similar technique, shuffle them, and then stack them.
- (2) After each stack of cards is dealt, the dealer must reshuffle the cards so that they are randomly intermixed. A reshuffle of the cards must take place at the conclusion of the hand during which the cutting card is reached. In lieu of this procedure, the dealer may use an approved shuffling shoe.
- (3) If cards are dealt from the hand from a one or two deck stack, and no cutting card has been placed in the deck, the dealer shall reshuffle the cards after the conclusion of the hand during which the dealer has determined that there are insufficient cards remaining to deal another hand.
- (4) At the discretion of the retail licensee, the dealer may reshuffle the cards after the conclusion of any hand. (47.1-814 renumbered as 47.1-816; amended; and (3)–(4) added; perm. 12/30/98)
- (5) At blackjack tables using digital cards or digital representations of cards, all shuffles shall be performed by using the electronic features of the game.

#### **47.1-817 Cut.**

After the cards have been shuffled, the dealer must offer the stack of cards, with the backs facing away from the dealer, to a player to be cut. The dealer must make a reasonable attempt to alternate the cut among all players. If every player at the table declines the cut, the dealer must announce a “house cut” and must personally cut the cards.

- (1) The person cutting the cards must cut the cards by placing the cutting card in the stack.
- (2) Once the cutting card has been inserted, the dealer must take all cards in front of the cutting card and place them on the back of the stack.
- (3) If a shoe is used, the cutting card must be reinserted into the stack of cards at any position desired by the retail licensee and the cards must then be placed into the dealing shoe for the beginning of play.
- (4) If the cards are to be dealt from the hand using either one or two decks of cards, reinsertion of the cutting card into the cut deck shall be at the discretion of the retail licensee.
- (5) The procedures described above shall not be required when the dealer uses an approved shuffling shoe, nor when the dealer is dealing at a table which uses digital cards or digital representations of cards. (47.1-815 renumbered as 47.1-817; amended; and (4)–(5) added; perm. 12/30/98)

#### **47.1-818 Procedure for dealing cards.**

Cards may be dealt either from the hand, from a dealing shoe specifically designed for the purpose and located on the table to the left of the dealer, or using the electronic dealing features of a table which uses digital cards or digital representations of cards. A dealer must remove cards, other than digital cards, from the shoe or the deck and then place them on the appropriate area of the layout. Where the dealer deals the cards by hand, the dealer must protect the deck to avoid exposure of the cards and may not fan the cards nor spread the deck while dealing. (47.1-817 perm. 12/30/94. Renumbered as 47.1-818 and amended, perm. 12/30/98)

#### **47.1-819 Burn procedure.**

At the discretion of the retail licensee, the dealer may burn one or more cards. A new dealer who comes to the table may also burn one or more cards before the new dealer deals cards to the players. At the discretion of a retail licensee, the burn cards may be disclosed upon request. (47.1-818 renumbered as 47.1-819 and amended; perm. 12/30/98)

#### **47.1-820 The deal.**

At the beginning of a round of play, the dealer must, starting with the player to the dealer's left and continuing clockwise around the table, deal the cards in the following order:

- (1) One card face downward or upward to each player who has made a wager;
- (2) One card face downward or upward to the dealer;
- (3) a second card, face downward or upward to each player who has made a wager; and
- (4) A second card face downward to the dealer.
- (5) If the dealer's first card was dealt face downward, it shall now be turned face upward. (47.1-819 perm. 12/30/94. Renumbered as 47.1-820 and amended, perm. 12/30/98)

#### **47.1-821 The play.**

- (1) After two cards have been dealt to each player and to the dealer, each player must double down, surrender, split pairs, stand, draw, or make an insurance wager.
- (2) A player must indicate the player's intentions by the use of hand signals made over the layout, inside the table rail (bumper).
  - (a) A player who has been dealt the player's cards face down who wishes to stand may tuck the player's cards under the player's wager in lieu of making any other hand signal.
  - (b) A player whose intentions are clear by the placement of an additional wager need not make any additional hand signal.
  - (c) A player whose signal for action is not clear may be asked to verbally clarify the player's intent ( e.g., is an additional wager from a player's holding a pair intended to be a double down wager or is it a wager for splitting pairs?).
- (3) The dealer must wait for a player's signal of intention before dealing additional cards to the player or before moving on to the next player, unless the player's card count is exactly twenty-one or exceeds twenty-one. If a player has not signaled the player's intention within a reasonable period of time, the dealer shall verbally ask the player to do so. If the player fails to act within a

reasonable period of time, the dealer may move on to the next player without action on the earlier player's hand. (47.1-819 renumbered as 47.1-820; amended; and (2)(a)–(3) added; perm. 12/30/98)

- (4) When play is at a blackjack table which is equipped with buttons or other electronic means for the player to signal the player's intention, the player shall use the electronic feature provided.

#### **47.1-822 The pickup.**

- (1) When the point count of a player's hand exceeds twenty-one, the player will reveal the hand and the dealer will immediately pick up the hand and place the cards in the discard rack. At the conclusion of a round of play, all cards on the layout must be picked up by the dealer so that they can be readily arranged to indicate each player's hand in case of question or dispute. Each dealer must consistently pick up cards in only one direction during any shift. After the players' cards have been collected, the dealer must pick up the dealer's cards and add them to the stack of players' cards in such a manner that the dealer's cards will be located on the top of the discard stack when placed in the discard rack. After the pickup, all players' cards and the dealer's cards must be placed in the discard rack.
- (2) When the dealer uses an approved shuffling shoe, the shuffling shoe shall serve as the discard rack. (47.1-821 renumbered as 47.1-822; amended; and (2) added; perm. 12/30/98)
- (3) When play is at a blackjack table which uses digital cards or digital representations of cards, the electronic features of the game shall substitute for the pickup and discard of players' cards.

#### **47.1-823 Dealer's hole card.**

The dealer may not look at, expose, nor permit the exposure of the face of the dealer's hole card until after all cards requested by the players have been dealt to them unless the dealer's face up card is an ace or has the value of ten. If the dealer's face up card is an ace, the dealer may not look at the face of the dealer's hole card until the dealer has called for insurance wagers and all intended insurance wagers have been placed, or until even money in lieu of insurance has been called for and has been paid. (47.1-822 renumbered as 47.1-823 and amended; perm. 12/30/98)

#### **47.1-824 Prohibited acts.**

- (1) No licensee or other person may remove, add, or alter any cards except as provided by this rule, and no dealer or other employee of the retail licensee shall permit any person to engage in such activity.
- (2) The dealer shall not look at, nor expose to any person, the face of a card before it is dealt.
- (3) A player may not use any person, device, object, process, or procedure, other than the player's own unrecorded mental acuity, which is designed or intended to:
  - (a) Project the outcome of the game;
  - (b) To keep track of the cards played; or
  - (c) To analyze or predict the probability of the occurrence of an event relating to the game.
- (4) Nothing in this section shall prohibit a player from using a strategy card, except when the retail licensee has posted notice prohibiting such use, pursuant to regulation 47.1-427.
- (5) No dealer or pit supervisor shall advise a player about game strategy nor recommend the proper play

of a hand while the player has a wager still pending on the outcome of the hand. (47.1-824 amended and (2)–(5) added; perm. 12/30/98)

#### **47.1-825 Point counts.**

A player is responsible for correctly computing the point count of the player's hand, and no player may rely on the point counts announced by the dealer.

#### **47.1-826 Drawing of additional cards by players and dealers.**

- (1) A player may elect to draw additional cards if the player's hard point count total is less than 21. a player with blackjack or a hard or soft point count total of 21 may not draw additional cards.
  - (2)(a) A dealer must draw additional cards to the dealer's hand until the dealer has a hard total of 17 or a hard or soft total of 18, 19, 20, or 21.
  - (b) At the discretion of the retail licensee, the dealer shall either:
    - (i) stand when the dealer has a soft total of 17; or
    - (ii) be required to draw additional cards when the dealer has a soft total of 17. Thereafter, no additional cards may be drawn.
- (3) A dealer may not draw additional cards to the dealer's hand, regardless of the point count, if decisions have been made on all players' hands and the point count of the dealer's hand will have no effect on the outcome. (47.1-826 amended; perm. 12/30/98)

#### **47.1-827 Players wagering on more than one hand.**

A retail licensee may permit a player to wager on more than one hand to be played by such player or may limit multiple play. All hands played by any one player must be in contiguous playing positions at the table; there shall be no other players seated at positions between the hands being played by a player. (47.1-827 amended; perm. 12/30/98)

#### **47.1-828 Irregularities.**

- (1) When any dealing irregularity occurs, the dealer shall notify the pit supervisor, who shall direct the dealer to take the proper corrective action, and shall observe such action being taken. The pit supervisor, and not the dealer, must make all decisions concerning disputed play. If an irregularity occurs which is not described below, the pit supervisor shall determine the most appropriate action which the supervisor believes to be fair and equitable. Such action may include voiding a player's hand by calling it a push, or voiding the hand for all players at the table by calling every hand a push. If an irregularity occurs at a blackjack table which uses digital cards or digital representations of cards and the electronic features of the game do not permit the irregularity to be handled as provided below, the pit supervisor shall determine the most appropriate action which the supervisor believes to be fair and equitable.
- (2) If the dealer fails to deal a first card to a player, no replacement card shall be dealt. The player may not play in that round and the player's wager is void. The player may be included in the next deal.
- (3) If the dealer accidentally fails to deal a player's second card to a player who should have received a card, but deals a card to the next player, the dealt card shall play where dealt. The player who did not receive a card shall be dealt a replacement card after all other players have received their cards. The dealer shall never back up the position of a card which has been dealt in order to give it to a preceding player.



- (4) When the dealer has acted on a player's hand in a manner other than in the manner reasonably indicated by the player's hand signal, the pit supervisor may direct the hand to be played as dealt, or may require the player to choose between the options of:
  - (a) Standing and playing the hand as dealt;
  - (b) Taking a push; or
  - (c) Taking additional cards after all other players have acted on their hands.

The decision must be made by the player before the dealer's hand is exposed.

- (5) If the dealer's hole card is accidentally exposed to one or more players, the card shall be turned face up and exposed to all players and the game shall continue in the same manner as if the card had not been exposed.
- (6) A card found turned face upward in the shoe or deck may not be used in the game and must be placed in the discard rack.
- (7) A card drawn in error without its face being exposed must be used.
- (8) After the initial two cards have been dealt to each player and a card is drawn in error and exposed to the players, the card must be dealt to the players or dealer. Any player refusing to accept such a card may not have additional cards dealt to such player during the round. If the card is refused by the player and the dealer cannot use the card, the card must be burned.
- (9) If the dealer has a hard 17 or a higher value hand and accidentally draws a card, the card must be burned.
- (10) If the dealer misses dealing the first or second card to the dealer, the dealer must continue dealing the first two cards to each player, and then deal the correct number of cards to the dealer.
- (11) If there are insufficient cards remaining in the shoe or deck to complete a round of play, the cards in the discard rack must be shuffled and cut; and the dealer must complete the round of play. (47.1-828 amended and (1)–(5) added, perm. 12/30/98)

#### **47.1-829 Surrender.**

At the discretion of a retail licensee, a player may discontinue play on the player's hand and surrender the player's cards by forfeiting half the player's original wager. The player must surrender after receiving the player's first two cards and before the player receives additional cards to the player's hand. (47.1-829 amended; perm. 12/30/98)

#### **47.1-830 Proposals for variations.**

- (1) Upon written application of a retail licensee, the Director may approve variations in shuffle and deal.
- (2) Upon written application to the Division, a retail licensee may request variations in other rules of blackjack. Any such variations shall be reviewed by the Division and shall be brought to the Commission for approval or denial. Any approval shall be made by the Commission through the promulgation of temporary and/or permanent rules and regulations. (47.1-830 amended; perm. 12/30/98)

#### **47.1-831 Procedure for accepting cash at blackjack table.**

A dealer who receives currency or coins ("cash" ) from a player at a blackjack table in exchange for chips or coins must do the following:

- (1) The cash must be spread on top of the blackjack table by the dealer accepting it, in full view of the player;
- (2) The amount of cash must be stated by the dealer accepting it; and
- (3) Immediately after an equivalent value of chips, tokens, or coins has been given to the player, the cash must be taken from the top of the blackjack table and placed by the dealer into the drop box, except that quarters and half dollar coins may be placed in the chip tray. (47.1-832 renumbered as 47.1-831 and amended; perm. 12/30/98)

#### **47.1-832 Multiple action blackjack.**

Except as provided by this Rule 47.1-832, multiple action blackjack shall follow all rules for blackjack play set forth by this Rule 8.

- (1) Multiple action blackjack may be played only on tables displaying the multiple action blackjack layout. In addition to any special markings utilized by the game, the inscriptions required by regulation 47.1-803 shall appear on the cloth covering the blackjack table.
- (2) A player may wager on any one, two, or three hands. Bets do not have to be equal; the initial bet on each hand played may not exceed five dollars. Wagers on all hands to be played must be placed before first hand is dealt.
- (3) Cards are dealt to all players and all player hands are played out during the first hand or round of play. However, wins and losses are determined, losing wagers are collected, and winning wagers are paid off only at the end of the actual hand of play for which a wager has been placed. Each hand is a separate wager and cannot be combined with other hands.
- (4) If a player does not have a wager on the second or third hand, the player's cards are to be discarded at the end of the first hand. If a player does not have a wager on the third hand, the player's cards are to be discarded at the end of the second hand.
- (5) The dealer takes an up card on the first round of dealing, and does not take a hole card on the second or third rounds. The dealer will use this same up card in three consecutive dealer hands, after players have acted on their hands.
- (6) When a player hits and breaks his hand, the hand is closed and the dealer picks up the wager on bet #1 only. The dealer then completes his hand in turn for bet #1. The dealer then slides his up card to spot #2. The dealer picks up all the wagers on broken hands for spot #2. The dealer then completes his hand on #2. The dealer moves the up card over to spot #3, and picks up all broken hand wagers for spot #3, and then picks up all closed hands and puts the cards in the discard rack. The dealer then completes his hand on #3.
- (7) If a player wishes to split cards of same value, the player must match his wager on each and all wagers played.
- (8) A player may double down on any one or more of all wagers played.
- (9) When a player has a blackjack and the dealer has either an ace or 10, each wager for the hand and each insurance wager, if applicable, must be acted upon individually depending on the outcome of the dealer's cards for each hand of play.

- (10) When a player splits pairs and the dealer has either an ace or 10, and the player breaks on either hand, the hand is to be closed but the wagers left until the dealer hits out each of the dealer's hands. When the dealer makes a blackjack, the dealer shall take only the original wager on that round.
- (11) Dealer tips offered as bets may be placed above any one or more of all wagers played. (47.1-833 temp. 5/13/93, perm. 6/30/93. Renumbered as 47.1-832, perm., 12/30/98)

#### **47.1-833 The play—Face Up Blackjack.**

Face Up Blackjack is an authorized blackjack variation game which shall follow the standard rules of blackjack, except as follows:

- (1) All of the cards dealt to the dealer shall be dealt face up.
- (2) Blackjacks must be paid at odds of at least one to one, and need not be paid at odds any higher than are paid for any other winning hands.
- (3) In the event of a push, a player's wager is lost.
- (4) There shall be no insurance wagers, nor even money paid in lieu of insurance. (47.1-834 added, perm. 11/30/96. Renumbered as 47.1-833, perm. 12/30/98)

#### **47.1-834 The play — Competition 21.**

Competition 21 is the copyrighted and patent pending blackjack variation game, the rights to which on October 1, 1996 were owned by Triad Games, L.L.C. of Golden, Colorado and which may be transferred or assigned. Competition 21 shall be dealt and played following the standard rules of blackjack, except as follows:

- (1) Competition 21 may be played only on tables displaying the Competition 21 table layout. One or more standard decks of cards shall be used, and may be dealt either from the hand or from a multideck shoe.
- (2) Each player shall place a wager in the designated betting area in front of the player's position in an amount not exceeding two dollars and fifty cents. The dealer will then deal each player one card, either face up or face down, and will lastly deal one card, face up, to the dealer.
- (3) After all players and the dealer have received their first cards, a player may surrender; upon electing to surrender, the player must announce "surrender" to the dealer. The dealer will place the player's card face down and turn the card at a 45 degree angle, signifying a surrendered hand. If the dealer does not make blackjack, the player will lose only one-half of the player's original bet. If the dealer makes blackjack, the player will lose the player's full original bet.
- (4) If a player does not surrender after receiving the player's first card, the player may choose either to stand on the one-card hand, or may choose to receive additional cards. If the player wishes to receive a second card, the player shall place an additional wager in the designated betting spot in an amount equal to the player's original wager. The dealer will then deal the player one additional card, face up.
- (5) After receiving the second card, a player may choose either to stand on the hand, or may choose to receive one or more additional cards. If the player wishes to receive a third card, the player shall place an additional wager in the designated betting spot in an amount not less than the player's original wager and not more than twice the player's original wager. The dealer will then deal the player one additional card, face up. The player may continue to receive any number of additional

cards. However, for the fourth and each subsequent card drawn, the player must place an additional wager in the designated betting spot in an amount not less than the player's preceding wager and not more than twice the player's original wager. (47.1-835 (5), temp. 02/21/97 perm. 6/30/97)

- (6) A player may place an insurance wager if the dealer's first up card is an ace. A player may wager up to one-half the amount of the player's original bet and wins the insurance bet if the dealer makes blackjack. Insurance bets shall be paid at 2 to 1. If a player wins the insurance bet, the player loses the player's original bet on the hand, unless the player also holds a blackjack, resulting in a push. All insurance bets must be placed before the second card is dealt to each player. Determination of winning insurance wagers and pay-offs will be made after the dealer has completed playing out the dealer's hand.
- (7) A player may choose to split a pair of same value cards, forming two separate playing hands. Each of the split hands is played out under the same betting structure as described above in paragraphs (4) and (5). Aces can be split only once, and each ace may receive only one additional card; a maximum of two bets per hand may be made with split aces.
- (8) A wager is void and returned to the player when the value of the player's hand is the same as the value of the dealer's hand, even when both the player and the dealer have blackjacks.
- (9) If the dealer's hand shows an ace or a ten-value card up and a player's hand breaks (exceeds 21), the player's hand will be turned face down on the layout. If the dealer draws a blackjack, only the player's original bet will be lost, even if the player has made several bets.
- (10) After all players have completed play on their hands, the dealer shall deal to the dealer a second card, face up. The dealer must continue to draw to a hand having a value of sixteen or less, and must stand on a hand having a value of seventeen or more. (47.1-835 added, perm. 11/30/96. Renumbered as 47.1-834, perm. 12/30/98)

#### **47.1-834.1 The play – Double Action Blackjack.**

Double Action Blackjack is a patented blackjack variation game, the rights to which on December 1994, are owned by Ronald Josephs, of Woodland Hills, CA, and which may be transferred or assigned. Double Action Blackjack shall be dealt and played following the rules of blackjack set forth in Rule 8, except as follows:

- (1) Double Action Blackjack may be played only on tables displaying the Double Action Blackjack layout;
- (2) Only 6 players shall be allowed at the table, with each player being allowed to wager on a first and second hand; and
- (3) The player may play only one hand. No other player shall be allowed to play the second hand.

#### **47.1- 834.2 The Play — Triple Play Blackjack.**

Triple Play Blackjack is the copyrighted and patent pending blackjack variation game, the rights to which on June 1, 1999 were owned by Action Gaming, Inc., of Las Vegas, Nevada, and which may be transferred or assigned. Triple Play Blackjack shall be dealt and played following the standard rules of blackjack, except as follows:

- (1) Triple Play Blackjack may be played only on tables displaying the Triple Play Blackjack table layout. One or more standard decks of cards shall be used, and may be dealt either from the hand or from a multi-deck shoe. Each player, other than the dealer, will play a different hand for each wager placed, except that each hand shall include the same first two cards dealt to each player.

- (2) Each player shall place one to three wagers in the designated betting areas in front of the player's position. The wagers may be in either the same or in different amounts within the posted table limits. No retail licensee shall require a player to place more than one wager.
- (3) When all wagers have been placed, the dealer will deal each player and the dealer two cards, one card at a time, in rotation around the table, beginning with the player to the dealer's left and lastly to the dealer. The players' cards shall all be dealt face up.
- (4) After all players and the dealer have received their cards, the dealer shall offer all standard play options to each of the bet positions wagered on by each player, beginning with the player to the dealer's left.
  - (a) If the dealer has been dealt an ace face up, the dealer will call for insurance and each player may place an insurance wager on any one, two, or all three of the player's wagers.
  - (b) If a player wishes to split cards of the same value, the player must place an additional wager equal to each initial wager made. If the player made one initial wager, the player will now have two separate hands to act upon. If the player made two initial wagers, splitting will create four hands to act upon. If the player made all three possible initial wagers, splitting will create six hands to act upon. After splitting the initial two cards received, a player may not re-split a hand.
  - (c) A player may double down on any one, two, or all three of the player's wagers.
  - (d) If a player does not draw to any of the player's bet positions, the initially dealt two-card hand will play for all of that player's wagers.
  - (e) If a player has a blackjack, and the dealer does not have a blackjack, the player is paid at odds of not less than 3 to 2 on all three bets. If both the player and the dealer have blackjacks, the hand is a push.
  - (f) If a player chooses to draw to the hand, for each bet position the player uses the same first two cards dealt and combines them with separate "hit" cards. The draw continues until the player chooses to stop or until the value of the hand exceeds twenty-one. Each bet position is treated as a separate hand and with respect to each wager, a player may elect to draw, or not to draw. Each hand is separate and cannot be combined with other hands.
  - (g) If a player draws to over twenty-one at a bet position, that one wager is immediately collected by the dealer, leaving the player's other wagers on the table until such time as the dealer has taken action on all other wagers and hands in play at the table, including the dealer's hand, and can evaluate winners and losers.
  - (h) When the dealer and a player have completed action on a player's hand, the dealer shall then move to the next player in rotation, offering each player all appropriate choices, until all action on all bet positions has been taken.
- (5) When the dealer has acted on all players' hands, the dealer shall play out the dealer's hand in the same manner as in standard blackjack and shall determine winning and losing hands, paying the winning wagers and collecting the losing wagers. (47.1-834.2 added, perm. 09/30/99)

#### **47.1- 834.4 The Play - Wheel of Madness.**

Wheel of Madness is the patented blackjack variation game, the rights to which on September 1, 2000 were owned by Madness Gaming Products, Inc. of Henderson, Nevada, and which may be transferred or assigned. Wheel of Madness shall be dealt and played following all standard rules of blackjack, except as

follows:

- (1) Wheel of Madness may be played only on tables displaying the Wheel of Madness table layout and equipped with the electronic controllers, hardware, and display devices necessary for the game. The electronic components, including program software, shall not be used until approved by the Division. The game may be played with four or six decks of cards, dealt from a shoe.
- (2) At the same time that a player makes the player's normal wager on a hand, the player may make an additional, optional wager in an even-dollar amount between one dollar and five dollars. At the discretion of the retail licensee, the maximum amount of the wager may be restricted to less than five dollars. The minimum and maximum amount of the wagers to be accepted shall be displayed on the layout or on table signage. This optional wager will be won only when the player is dealt a blackjack; that is, the first two cards dealt to a player must have a point value of exactly 21, and when the player's hand beats the dealer's hand.
- (3) At the discretion of the retail licensee, players who have placed Wheel of Madness wagers may be permitted to also place tip bets for the dealer on the Wheel of Madness. If such wagers are accepted, winning wagers must be paid at the same odds as players' winning wagers. The licensee may restrict the maximum amount of such tip wagers.
- (4) Insurance may not be offered or accepted on the Wheel of Madness wager. A player who has placed a Wheel of Madness wager and who is dealt a blackjack shall be qualified to press the spin button whenever the player's hand beats the dealer's hand. A player who has insured the player's blackjack hand, or who calls for even money payment against a dealer's ace up, shall be deemed to hold a winning hand and shall be qualified to press the spin button. A player who is dealt a blackjack, but who ties (pushes) the dealer's hand, also ties on the Wheel of Madness wager and the wager is neither won nor lost. The player does not qualify to press the spin button.
- (5) After every player has been dealt two cards, the dealer shall immediately collect the Wheel of Madness wagers from all players who were not dealt blackjacks. The dealer shall place the cards of players who were dealt blackjacks, face up, under their Wheel of Madness wagers.
- (6) As wagers on the standard game of blackjack are settled, the dealer shall place the spin button in front of each player who has placed a winning Wheel of Madness wager. The qualified players shall be permitted to press the spin button to spin the Wheel of Madness Bonus Wheel. If a player chooses not to press the spin button, then the dealer shall press the spin button for the player. No other person shall be permitted to press the spin button.
- (7) Pressing the spin button will cause an electromechanical or electronic wheel (the "Wheel of Madness Bonus Wheel" ) to spin, or simulate spinning, and to come to rest on a displayed bonus amount. This amount shall be paid to a winning player who has placed a one dollar Wheel of Madness Wager. If the player has made a wager greater than one dollar, the bonus amount to be paid will be determined by multiplying the amount displayed on the Wheel of Madness Bonus wheel by the amount of the wager. The bonus amount won shall be paid to the player in addition to the amount paid to the player because the player held a winning hand in the standard game of blackjack.  
(perm. 03/02/01)

#### **47.1-834.6 The play — STREAK.**

STREAK is a patented blackjack variation game, the rights to which on December 1, 2001 were owned by MAO Gaming of Ocean Springs, Mississippi, and which may be transferred or assigned. The object of the game is for the player, while playing standard blackjack, to place one or more optional wagers on the number of consecutive hands of blackjack the player will win. If the player wins at least the number of hands anticipated by the placement of the wager(s), the player wins the optional wager(s). STREAK shall be dealt and played following the standard rules of blackjack except as follows:

- (1) STREAK may be played only on tables displaying the approved STREAK table layout and equipped with one approved STREAK button for each player's position. The button shall have distinctive markings as specified by MAO Gaming, and shall display the name or logo of the retail licensee offering the game.
- (2) At the same time that a player makes the player's standard blackjack wager, the player has the opportunity to make one or more of four optional wagers in the designated wagering area at the player's position at the table. These wagers are upon the contingency that the player will win the next two, three, four, or five consecutive hands of blackjack. At the discretion of the retail licensee, the optional wagers may be limited to even-dollar amounts between one and five dollars. The minimum and maximum amounts of the optional STREAK wagers permitted shall be posted on table signage.
- (3) A player may place more than one STREAK wager, provided that all STREAK wagers are placed by the player at the same time. A player who has placed one or more STREAK wagers may not place additional STREAK wagers until all pending STREAK wagers placed by that player have been settled as winning or losing wagers. When multiple STREAK wagers are in play, the dealer shall pay the winning standard blackjack wager first and shall next pay the winning STREAK wager, after which the button shall be moved to the next STREAK betting spot.
- (4) At the discretion of the retail licensee, players who have placed STREAK wagers may be permitted to place tip bets for the dealer on one or more of their STREAK bets. If such tip wagers are accepted, winning STREAK wagers must be paid at the same odds as the players' winning wagers. The retail licensee may require tip wagers to be in an even dollar amount, and may limit the maximum amount of such tip wagers. Notice of any such restrictions shall be provided on table signage.
- (5) After all wagers have been placed, the deal and play of the game shall continue following the standard rules of blackjack.
  - (a) If a surrender option is offered by the retail licensee and a player elects to surrender a hand, the player's STREAK wager is lost and the player's winning streak is terminated.
  - (b) At the discretion of the retail licensee, players who have placed STREAK wagers may be permitted to exercise the "even money" option on their blackjack hands in lieu of insurance against a dealer ace. If even money is offered and accepted:
    - (i) The dealer shall first pay the blackjack wager;
    - (ii) The dealer shall stack the player's cards and turn them sideways, but shall not burn the cards;
    - (iii) The dealer shall finish normal insurance procedures with all players before determining the outcome of the STREAK bet. If both the dealer and a player have blackjack, it is a push for the STREAK wager. If the dealer does not have a blackjack, the STREAK bet is advanced.
- (6)
  - (a) If a player has placed one or more STREAK wagers and the player has won the player's first hand, the dealer shall, after making the required blackjack payout, place a STREAK button on the player's designated betting area labeled "2" , and shall align the edge spot on the button with the mark to the side of the "2" in the STREAK betting area.
  - (b) If a player loses a hand during the pendency of a winning STREAK wager, the dealer shall collect all remaining STREAK wagers from the player's STREAK betting area at the same time that the dealer collects the blackjack wager which has lost.

- (c) If a player has placed a STREAK wager on the designated betting area labeled “2” , the player must also win the next hand. If the player wins the second consecutive hand, the dealer shall pay the player according to one of the pay schedules found in paragraph 9 below, in addition to the standard payment for the winning hand. If no further STREAK wagers are pending for the player, the STREAK button is returned to the dealer's tray.
- (d) If a player has placed a STREAK wager on the designated betting area labeled “3” , the player must also win the next two consecutive hands. The dealer shall advance the STREAK button to the player's designated STREAK betting area labeled “3” and shall align the edge spot on the button with the mark to the side of the “3” in the STREAK betting area. If the player wins the third consecutive hand, the dealer shall pay the player according to one of the pay schedules found in paragraph 9 below, in addition to the payment for the winning hand. If no further STREAK wagers are pending for the player, the STREAK button is returned to the dealer's tray.
- (e) If a player has placed a STREAK wager on the designated betting area labeled “4” , the player must also win the next three consecutive hands. The dealer shall advance the STREAK button to the player's designated STREAK betting area labeled “4” and shall align the edge spot on the button with the mark to the side of the “4” in the STREAK betting area. If the player wins the fourth consecutive hand, the dealer shall pay the player according to one of the pay schedules found in paragraph 9 below, in addition to the standard payment for the winning hand. If no further STREAK wagers are pending for the player, the STREAK button is returned to the dealer's tray.
- (f) If a player has placed a STREAK wager on the designated betting area labeled “5” , the player must also win the next four consecutive hands. The dealer shall advance the STREAK button to the player's designated STREAK betting area labeled “5” and shall align the edge spot on the button with the mark to the side of the “5” in the STREAK betting area. If the player wins the fifth consecutive hand, the dealer shall pay the player according to one of the pay schedules found in paragraph 9 below, in addition to the standard payment for the winning hand. The STREAK button is returned to the dealer's tray.
- (7) If the player and the dealer “push” their hands, the player's STREAK wager shall be neither won nor lost, and the winning streak shall neither advance nor terminate.
- (8) If a player splits pairs on any hand during the pendency of a STREAK wager, the player must win a majority of the split hands to advance the winning streak. If the player loses more split hands than the player wins, the STREAK wager shall be lost and the winning streak terminated. Upon termination of the winning streak, all remaining STREAK wagers for a player shall be collected by the dealer. If the player wins and loses an equal number of split hands, the hands shall “push” and the player's STREAK wager shall be neither won nor lost, and the winning streak shall neither advance nor terminate.
- (9) Winning STREAK wagers shall be paid according to one of the following pay schedules, selected at the discretion of the retail licensee. The pay schedule in use shall appear on the table layout or on signage at the table.

| Player Wins            | Standard <u>Schedule</u> | Optional <u>Schedule</u> |
|------------------------|--------------------------|--------------------------|
| 2 consecutive wins pay | 3 to 1                   | 3 to 1                   |
| 3 consecutive wins pay | 7 to 1                   | 8 to 1                   |
| 4 consecutive wins pay | 17 to 1                  | 18 to 1                  |
| 5 consecutive wins pay | 37 to 1                  | 38 to 1                  |



#### **47.1- 834.8 The Play - Go Fish 21.**

Go Fish 21 is the blackjack variation game, the rights to which on March 1, 2002 were owned by John DeLello, Jr. of Golden, Colorado and which may be transferred or assigned. Go Fish 21 shall be dealt and played following all standard rules of blackjack, except as follows:

- (1) Go Fish 21 may be played only on tables displaying the Go Fish 21 table layout and equipped with the a Go Fish specialty deck of cards, a second discard rack, and Go Fish lammer necessary for the game. The game may be played with any number of decks of cards. The specialty deck shall contain exactly 14 cards, composed of 12 cards of any one suit, having a value of 3 through Ace, but not including a 2 card, plus two Jokers.
- (2) At the same time that a player makes the player's normal wager on a hand, the player may make an additional, optional wager in an even-dollar amount between one dollar and five dollars. At the discretion of the retail licensee, the maximum amount of the wager may be restricted to less than five dollars. The minimum and maximum amount of the wagers to be accepted shall be displayed on the layout or on table signage. This optional wager will be won only when the player is dealt a blackjack; that is, the first two cards dealt to a player must have a point value of exactly 21, and when the player's hand beats the dealer's hand.
- (3) At the discretion of the retail licensee, players who have placed Go Fish 21 wagers may be permitted to also place tip bets for the dealer on the Go Fish 21 wager. If such wagers are accepted, winning wagers must be paid at the same odds as players' winning wagers. The licensee may restrict the maximum amount of such tip wagers.
- (4) Insurance may not be offered or accepted on the Go Fish 21 wager.
- (5) After every player has been dealt two cards, the dealer shall immediately collect the Go Fish 21 wagers from all players who were not dealt blackjacks. The dealer shall place the cards of players who were dealt blackjacks, face up, near the players' Go Fish 21 wagers.
- (6) A player who has placed a Go Fish 21 wager and who is dealt a blackjack and beaten the dealer shall be given a Go Fish lammer by the dealer. The player shall place the lammer on one of 14 Go Fish spots, labeled with numbers "1" through "14." The number represents the location of the card in the Go Fish specialty deck. A player who has insured the player's blackjack hand, or who calls for even money payment against a dealer's ace up, shall be deemed to hold a winning hand and shall be qualified to receive a Go Fish lammer. A player who is dealt a blackjack, but who ties (pushes) the dealer's hand, also ties on the Go Fish 21 wager and the wager is neither won nor lost, and the player does not qualify to receive a Go Fish lammer.
- (7) As wagers on the standard game of blackjack are settled, the dealer shall also settle the winning Go Fish wagers. For each player who has placed a winning Go Fish wager, the dealer shall first shuffle and cut the Go Fish specialty deck, and shall then count through the cards, counting out the number of cards represented by the number selected by the player by placement of the player's Go Fish lammer. For example, if the player has placed the Go Fish lammer on the player's "5" spot, the dealer shall count down to the fifth card in the Go Fish specialty deck, and shall deal the fifth card face up on the table in front of the dealer's position at the table.
  - (a) The remainder of the Go Fish specialty deck shall be discarded in the discard rack provided for only the Go Fish cards. Once used, the faced Go Fish card is also discarded in the discard rack provided for only the Go Fish cards.
  - (b) If more than one winning Go Fish wager occurs at the table in one hand, the procedure described above shall be repeated at each winning player's position, except that if more than one player has picked the same number by placement of the Go Fish lammer, the

card drawn to that number shall play for all such players.

- (c) If the faced Go Fish card is a Joker, the dealer shall place the Joker face up on the table, and shall deal the next card and shall place it face up on the table layout adjacent to the Joker. If the second card dealt is a Joker, then the dealer shall deal a third card, and shall place it face up on the table layout adjacent to the two Jokers.

- (8) Winning blackjack wagers shall be paid according to the standard rules of blackjack. Winning Go Fish wagers shall be paid according to the following pay schedule:

| Go Fish Card                     | Pays     |
|----------------------------------|----------|
| Joker-Joker with Ace             | 125 to 1 |
| Joker-Joker with 10 through King | 75 to 1  |
| Joker-Joker with 3 through 9     | 50 to 1  |
| Joker with Ace                   | 60 to 1  |
| Joker with 10 through King       | 40 to 1  |
| Joker with 3 through 9           | 20 to 1  |
| Ace                              | 30 to 1  |
| 10 through King                  | 20 to 1  |
| 3 through 9                      | 10 to 1  |

#### **47.1-835 Blackjack tournaments.**

- (1) Blackjack tournaments may be conducted by retail licensees. At such tournament, any of the blackjack games authorized in this Rule 8 may be played. A tournament must conclude no later than four months following the first day of tournament play. If a tournament is to conclude on a date later than thirty-one days following the first day of tournament play, all prizes, including the cash equivalent of merchandise or other non-cash prizes, must be placed into escrow before the start of the tournament.
- (2) A tournament which will produce adjusted gross proceeds may be conducted by only one licensee; no two or more licensees may jointly conduct such a single tournament.
- (a) Two or more licensees may jointly conduct a tournament in which the value of all entry fees and buy-ins will be returned to the participants as prizes and will not result in taxable adjusted gross proceeds.
- (b) If one tournament is conducted by two or more licensees, one of the licensees shall be designated as being responsible for the tournament, and shall alone have the duty to insure proper escrow of prizes, if required, and for the proper award of all prizes at the tournament's conclusion. This licensee shall also be responsible for completion and maintenance of all tournament accounting records which pertain to the tournament as a whole.
- (c) Licensees participating in a tournament shall insure that no player is entered in the tournament more than once at any given time during the tournament. However, if permitted by the tournament rules, after a player has been eliminated from the tournament, the player may be allowed to re-enter the tournament as a new and separate entry. Any player found to have two or more concurrent, active entries in a tournament shall be disqualified from tournament play and shall not be eligible to receive any

tournament prize. (47.1-835 added, perm. 12/30/98)

**47.1-836 Tournament Chips Required.**

- (1) All wagers must be made with approved tournament chips provided by the licensee. Currency and coins must be exchanged for tournament chips prior to the start of play. No currency, coins, chips other than tournament chips, or other thing of value may be used as wagers. Tournament chips shall be non-negotiable, have no cash value, and shall represent tournament points only. There shall be no limitation on the size of a wager made with tournament chips. Tournament chips may never be redeemed for cash or for any other thing of value, except that the point total represented by the players' accumulations of tournament chips shall be used to determine the winners and/or final place in a tournament.
- (2) If the tournament chips in play are not imprinted with a number representing the actual number of points which the chip represents, each tournament table must display a notice visible to all players which describes the currently assigned point value to each different color of chip. The point value assigned to each color of chip may change between rounds of tournament play, but the required notice must always reflect the current values. (47.1-836 added, perm. 12/30/98)

**47.1-837 Calculation of Adjusted Gross Proceeds of Tournament Play.**

For purposes of blackjack tournament play only, the adjusted gross proceeds for the tournament shall be the total amount received by the licensee for all entrance fees and player buy-ins less the total amount paid to the winner(s) as prizes. The value of merchandise awarded as prizes shall be the actual purchase cost of the merchandise paid by the licensee. Licensees awarding prizes of merchandise shall retain purchase invoices showing the cost of such merchandise. If the value of all prizes exceeds the amount received in tournament entrance fees and buy-ins, the licensee may not declare a loss against adjusted gross proceeds. (47.1-837 added, perm. 12/30/98)

**47.1-838 Cash Receipts and Prize Awards—Accounting.**

Cash received for tournament entry fees must be kept separate and apart from all other cash received by the licensee until such time as it is counted. Cash and merchandise paid out to winners as prize money shall be accounted for on forms specified by the Division. (47.1-838 added, perm. 12/30/98)

**47.1-839 Location of Tournaments.**

Each blackjack tournament may be conducted only upon licensed premises meeting the security and surveillance requirements of the rules and regulations and of the internal control minimum procedures. (47.1-839 added, perm. 12/30/98)

**47.1-840 Qualification of Players.**

At the licensee's discretion, the licensee may establish qualification or selection criteria to limit the eligibility of players. Such criteria, if used, should be reasonably related to limited gaming. (47.1-840 added, perm. 12/30/98)

**47.1-841 Entry Fee and Player Buy-In.**

Neither the amount of the tournament entry fee nor the amount of all allowable player buy-ins may exceed five hundred dollars. If both an entry fee and buy-ins are used at a single tournament, then the combined amount of both the entry fee and all allowable buy-ins shall not exceed five hundred dollars. (47.1-841 added, perm. 12/30/98)

**47.1-842 Rules of Play.**

- (1) The rules of play of each tournament game shall follow the standard rules of play of each game as set forth in this Rule 8. The rules for the conduct of each tournament shall be reduced to writing and a copy shall be provided to all tournament players. A copy of the rules must also be provided to the local office of the Division of gaming at least five days in advance of the scheduled start of the tournament. The Division shall either approve the rules, or shall notify the retail licensee if any of the proposed tournament rules are unlawful or unacceptable to the Division.
- (2) The tournament must be structured so that a player cannot theoretically exceed wagering limitations for the tournament buy-in during the initial rounds of play in the tournament. (47.1-842 added, perm. 12/30/98)

#### **47.1-843 Conduct of Tournament.**

The following rules shall apply to all blackjack tournament play and must be included in the printed rules for each tournament:

- (1) All players will receive an equal number of tournament chips for their entry fee and/or initial buy-in.
- (2) A player's initial table and seat assignments shall be drawn randomly by means of either an electronic or manual selection process. As tables are combined following player elimination, the new seating assignments for remaining players shall also be drawn randomly by means of either an electronic or manual selection process.
- (3) A rotating button will be used to indicate the first playing position at the table. Each hand shall begin with the player who has the button. The button shall be moved one position, clockwise around the table, by the dealer, after each hand.
- (4) Players are eliminated from the tournament when they lose all their chips, or when they have too few chips remaining to be able to place a required wager.
- (5) Play will continue until either:
  - (a) The end of the final round as such final round has been defined in advance by the tournament rules; or
  - (b) Until only one player has not been eliminated. The winner(s) shall be decided by the total accumulation of points for the duration of the tournament. At the option of the retail licensee, the rules may permit a specified number of final remaining players, not exceeding four, to be permitted to unanimously agree among themselves to split the prize(s) between or among them without the necessity of continuing tournament play to finality.
- (6) The dealer shall change the decks of cards any time a new tournament round begins and any time players from different tables are combined at a common table. If either of the above circumstances does not occur following two hours of continuous play, the dealer shall change the decks of cards at least once every two hours.
- (7) Each player shall be permitted to play only one hand.
- (8) No player may allow a person to sit in on a tournament game on the player's behalf. No player may wager on another player's hand, nor may any player play other than the player's own hand.
- (9) Only tournament chips on the table at the start of a game may be played. Chips must be kept in full view of other players. Concealed chips may not be used in play.

- (10) A player may assemble chips in front of the player before acting. A player shall be considered to have made a bet if the player pushes assembled chips forward into the player's betting area and has removed the player's hand from the chips. After a bet has been made, it cannot be changed.
- (11) A hand gesture made indicating the player's intent is binding upon the player. If a player faults a dealer's action because it was different than the action intended by the player, the pit supervisor or tournament judge shall resolve the dispute in the manner described by regulation 47.1-828. (47.1-843 added, perm. 12/30/98)

#### **47.1-844 House rules for tournament play.**

House rules for the tournament, which must also be included in the printed rules, shall include as a minimum:

- (1) Inclusion of the standard house rules for play of the specific blackjack game, or in the alternative, a statement to read: "except as changed by these tournament rules, tournament play shall follow the house rules of [casino name]."
- (2) The amount of the entry fee, if any, and the amount of the initial player buy-in. The rules must also expressly state whether or not re-buys will be permitted, and if permitted, under what circumstances or conditions.
- (3) The initial amount of bets and the initial limits on bets, and a description of the manner in which the amount of betting limits will increase or progress during the tournament.
- (4) How the final round of play is to be determined, the procedure for breaking ties, and how the tournament is to be concluded.
- (5) How many prizes are to be awarded, and the exact description of each prize.
- (6) Any additional house rules which are different from the normal play of the game in the licensed establishment. (47.1-844 added, perm. 12/30/98)

#### **BASIS AND PURPOSE FOR RULE 9**

The purpose of Rule 9 is to establish procedures for the distribution of chips to blackjack tables, the removal of chips and coins from blackjack tables, and to establish drop and count procedures related to blackjack gaming in compliance with section 12-47.1-302 (1) (q). The statutory basis for Rule 9 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., and 12-47.1-302, C.R.S.

#### **RULE 9 MINIMUM PROCEDURES FOR DROP, COUNT, AND DISTRIBUTION FOR BLACKJACK**

##### **47.1-901 Drop Procedures.**

At the close of each shift, each blackjack table's chip, token, and coin inventory must be counted and the total of each denomination of chips, tokens, and coins must be recorded together with their grand total on a table inventory form, in compliance with the requirements set forth in the internal control minimum procedures established by the Division. A final fill or credit may be made to restore the table bank to its beginning total. This is accomplished by using a fill or credit slip when chips or tokens are added to or removed from a table's chip tray.

At the end of a shift, all locked single-shift drop boxes must be removed from the blackjack tables by the drop team members who must transport them directly to the count room or other secure area for counting. If not counted immediately, the drop boxes must be locked securely until the count takes place.

At the end of a shift, the corresponding section of all multiple-shift drop boxes must be locked before the appropriate section for the new shift is enabled. At the end of each gaming day, all locked multiple-shift drop boxes must be removed from the blackjack tables by the drop team members who must transport them directly to the count room or other secure area for counting. If not counted immediately, the drop boxes must be locked securely until the count takes place.

#### **47.1-902 Count procedures.**

The count of blackjack revenue must be performed by the count team, in compliance with the requirements set forth in the internal control minimum procedures established by the Division. The drop boxes must be individually emptied on the count room table. Each empty drop box must be viewed by at least one other member of the count team to confirm that it is empty. amend perm. 03/02/01

As the contents of a drop box are counted and verified by the count team, the count must be recorded in ink on the master games report. Corrections on soft count documentation must be made by crossing out the error and entering the correct figure and by obtaining the initials of at least two count team members.

Immediately after the master games report has been completed, all members of the count team must attest by signature to the accuracy of the blackjack drop count. All cash counted must be given to the cashier for verification. The cashier who verifies the count must certify by signature as to the accuracy of the money delivered and received.

After verification by the cashier, the master games report with the necessary supporting documents must promptly be delivered to the retail licensee's accounting department and held there as a permanent record.

#### **47.1-903 Keys.**

The following keys must be controlled in such a manner that access to blackjack drop boxes requires at least two persons:

- (1) Count room keys;
- (2) Drop box rack keys;
- (3) Drop box table release keys;
- (4) Drop box contents keys; and
- (5) Duplicate keys.

#### **47.1-904 Procedure for distribution of chips to blackjack tables.**

All requests for fills needed at a blackjack table must be generated in the blackjack pit, and proper procedures must be in place to ensure adequate documentation of the transaction between the pit and the cage.

#### **47.1-905 Procedure for removing chips or coins from blackjack tables.**

All requests for credits needed at a blackjack table must be generated in the blackjack pit, and proper procedures must be in place to ensure adequate documentation of the transaction between the pit and the cage.

#### **47.1-906 Statistics.**

Individual and statistical game records reflecting drop, adjusted gross proceeds, and adjusted gross proceeds-to-drop percentage amounts by table, must be maintained by the licensee. Statistics for blackjack must be maintained by shift, by day, cumulative month to date, cumulative quarter-to-date, and cumulative year to date.

#### **47.1-907 Procedures outlined in the minimum internal control procedures.**

The procedures for the drop, count, and distribution for blackjack tables are further defined in the minimum internal control procedures established by the Division as they apply to each group of licensees, as defined in regulation 47.1-1601, subparagraphs (4), (5), and (6).

### **BASIS AND PURPOSE FOR AMENDMENTS TO RULE 10**

The purpose of amendments to Rule 10 is to amend playing rules for the authorized poker games, Texas hold'em high and high-low split, and Three Card Poker; to amend the rules for the protection of hands; and to amend the rules for the conduct of poker tournaments. The statutory basis for amendments to Rule 10 is found in sections 12-47.1-201, C.R.S., 12-7.1-203, C.R.S., 12-47.1-302, C.R.S., and 12-47.1-818, C.R.S.

### **RULE 10 RULES FOR POKER**

#### **47.1-1001 Poker Rules**

- (1) The game of poker authorized pursuant to article 47.1 of title 12, C.R.S., including all variations thereof, shall be permitted and conducted according to the rules and provisions set forth in this Rule 10, promulgated by the Commission (hereinafter collectively "the rules of poker" ). The rules of poker shall be followed by all licensees and by all persons participating in any game of poker.  
(47.1-1001(1) amended 10/30/97)
- (2) Poker is dealt by a dealer on a poker table. A player bets on the cards (hand) the player holds. All the bets placed by the players are collected together in the center of the table which is known as the pot. There may be a required initial ante and there may be required blind bets by the players. After all the dealing of cards and betting has occurred for a pot and there are two or more players still in contention, there is a showdown to determine which player has the best hand. The object of the game is for a player to win the pot either by making a bet no other player is willing to match or by the player having the most valuable hand after all the betting is over. Based on the type of poker game played, the winning player may be the player who holds the hand of highest rank, lowest rank, or divided between the highest and the lowest ranking hands. At the discretion of the retail licensee, a qualifier may be used to restrict high hands, low hands, or high and low hands.  
(47.1-1001 perm. 03/31/96; amended 12/30/04)
- (3) When permitted and described by the rules of play of approved poker games, the procedures outlined in paragraph (2) above may not be applicable in whole or in part. The following are permitted when described by the rules of play of an approved game:
  - (a) The dealer may be permitted or required to play one or more hands of cards in a game. The dealer may not place a wager in any game in which the dealer is a player or participant.
  - (b) Players may be required to play against the dealer in addition to, or instead of, playing against other players.
  - (c) Players may hold winning hands if the hands qualify the players for monetary or premium returns based upon a publicly available pay schedule.
  - (d) It is possible for a player not to hold a winning hand, even when the player holds the best

hand among all players in a game, if the hand does not qualify the player for a monetary or premium return based upon a publicly available pay schedule.

- (e) There may be games in which there are either no winning non-dealer players or any number of winning players. There may be games in which there are either no losing non-dealer players, or any number of losing players.
- (f) There may be a number of betting rounds or additional wagers following the player's initial wager. A player will not necessarily receive additional cards before participating in a new betting round or making an additional wager.
- (g) It is not necessary that players' wagers be pulled into a common pot, nor will a pot necessarily be awarded to winning players.
- (h) The dealer may or may not take a rake from wagers placed by the players. (47.1-1001(3) added, perm. 11/30/96)
- (i) There may be games in which there is not a qualifying hand and a common pot is not awarded to any player; the pot may be awarded to a qualifying player in a subsequent hand. (added perm. 12/30/04)

#### **47.1-1002 Definitions for Poker.**

The following definitions apply to all the rules of poker and to all games of poker conducted by licensees:

- (1) "Ante" means a predetermined contribution to the pot before the first card of the game is dealt;
- (2) "Bet" means a player's wager to the pot on any betting round; no initial or subsequent bet may exceed \$5.00;
- (3) "Betting round" means a complete cycle in a hand of poker in which all players have called or folded;
- (4) "Blind bet" or "blind" means a bet made before the first card of the game is dealt;
- (4.25) "Blind position" means the player to the left of the button;
- (4.5) "Bet or Fold" means the requirement that a player place a wager (i.e., bet) or fold his hand;
- (5) "Button" means an object which is moved clockwise around the table to denote an imaginary dealer;
- (6) "Buy-in" means a purchase of chips by a player prior to play;
- (7) "Call" means a bet made equal to the immediately preceding bet;
- (8) "Check" means to waive the right to initiate the betting in a round, but to retain the right to call or raise;
- (9) "Check and raise" means a raise after a player first checked in a round;
- (10) "Chips," in addition to the definition set forth in section 47.1-106 (6) of Rule 1, General Rules and Regulations, means tokens, 25-cent coins, or 50-cent coins;
- (11) "Community cards" means cards dealt or turned face upward which can be used by all players with a live hand to make their best hand;



- (12) "Deal" means the distribution of playing cards among the players;
- (13) "Defective Deck" means a deck that is found to have other than the proper cards or number of cards for the game being played
- (14) "Draw" means in draw poker, the taking of additional cards by a player;
- (15) "Flop" means the first three community cards dealt or turned face up at one time;
- (16) "Fold" means to discard a hand, forfeiting claim to the pot;
- (17) "Hand" means one game in a series, one deal, the cards held by a player, or the best cards a player is holding;
- (18) "Jackpot award" means a special money award, in addition to the money in the pot, paid following the occurrence of a specific pre-defined situation to qualifying individuals playing a player banked poker game, as specified by the posted jackpot rules; (47.1-1002(18) amended, perm. 11/30/96)
- (19) "Jackpot rake" means the amount, not to exceed \$2.00, which may be taken from the pot at a player banked poker game by the retail licensee expressly to build a jackpot award. The jackpot rake may be taken in addition to the standard rake; (47.1-1002(19) amended, perm. 11/30/96)
- (20) "Misdeal" means to deal a hand of poker incorrectly;
- (21) "Money on the piece" means a procedure by which a poker player may use currency visible on a poker table before a hand begins in the betting action when the player runs out of chips in the middle of a hand. The bill represents all bets, calling or raising, and is marked with chips from the action pot;
- (22) "Muck" means discards, burn cards and cards from the unused stub;
- (23) "Open" or "to open" means to make the first bet in a hand;
- (24) "Opener" means the player who makes the first bet in any betting round;
- (25) "Pot" means the total amount anted and bet by players during a game which is awarded to the winning player or players;
- (26) "Progressive pool" means a special money award, in addition to the money in the pot, contributed by players in a game for the benefit of such players and distributed according to criteria described in the rules of the game. (47.1-1002(26.5) added perm. 9/30/99)
- (27) "Raise" means a bet in an amount greater than the immediately preceding bet in that betting round. The amount of a raise may not exceed \$5.00 more than the immediately preceding bet;
- (28) "Rake" means the amount taken from the pot by the retail licensee, which amount shall not exceed the lesser of ten (10) percent of the pot or \$ 5.00; (47.1-1002(24) temp. 9/30/91, perm. 12/30/91, amended perm. 09/30/99)
- (29) "Round" means a cycle of bets made by the players following the deal of the cards;
- (30) "Qualifier" means the requirement to qualify for award of the pot, or for any portion of the pot in any game;
- (31) "Showdown" means the revealing of each player's hand after the last bet to determine the winner(s)

of the pot;

(31.5) "Shuffling device" means an electro-mechanical device which shuffles the cards; (47.1-1002 (31.5) added perm. 05/30/01)

(32) "Stake" means the funds with which a player enters the game;

(33) "Straddle" means an optional blind raise, of not more than \$5.00, made by the player directly after the last blind position;

(34) "Substantial action" means two players putting money in the pot, or three players acting by making a statement or physical gesture of intent to fold or put money in the pot by a bet, call, or raise. A player posting a blind or straddle is not considered to have taken action at that point. The term "substantial action" shall have no applicability to house banked poker games; (47.1-1002 (28)-(34) perm. 03/31/96); 47.1-1002 (34) amended 10/30/97; 47.1-1002 amended 12/30/04)

#### **47.1-1003 Types of poker authorized.**

The retail licensee may conduct the following poker games:

- (1) Texas hold 'em high poker;
- (2) Five-card low draw poker;
- (3) Five-card high draw poker;
- (4) Five-card high-low split draw poker;
- (5) Five-card stud poker;
- (6) Seven-card low stud poker;
- (7) Seven-card high stud poker;
- (8) Seven-card high-low split stud poker;
- (9) Omaha high-low split hold 'em poker;
- (10) Omaha high hold 'em poker;
- (11) Texas hold 'em high-low split poker;
- (12) Pineapple hold 'em high poker;
- (13) Pineapple hold 'em high-low split poker;
- (14) Crazy pineapple hold 'em high poker;
- (15) Crazy pineapple hold 'em high-low split poker;
- (16) Hold 'em Eighty-eight poker;
- (17) Joker Poker;
- (18) Caribbean Stud Poker;

- (19) Caribbean Draw Poker;
- (20) Let it Ride and Let it Ride Bonus;
- (21) Colorado Hold 'em Poker;
- (22) Western Stud;
- (23) Vegas Double Action;
- (24) Prospector Poker;
- (25) Three Card Poker;
- (26) Bonus 6;
- (27) Home Run Hold 'em;
- (28) 208 Poker;
- (29) Boston 5 Stud Poker;
- (30) Player's Choice Poker;
- (31) Champion poker
- (32) Trips Poker; and

(33) Texas Hold 'Em Bonus Poker

(47.1-1003 (10)-(17) added perm. 03/31/96; 47.1-1002 (18)-(25) added perm. 11/30/96; (26) added perm. 01/30/99, (27) added perm 09/30/99; (20) amended and (28) added perm 05/30/01; (29) added perm. 11/30/01; (30) added perm 01/30/02; 47.1-1003 amended 12/30/04)

**47.1-1004 Ranking of cards in hands.**

The cards are ranked ace, king, queen, jack, ten, nine, eight, seven, six, five, four, three, and deuce. The ace is the highest ranked card in high poker and is ranked lower than a deuce in low poker, and is ranked lower than a deuce when used in an ace-5 straight in either high or low poker.

- (1) A high poker hand in a showdown consists of five cards, ranked according to the following from highest to lowest:
  - (a) Five aces—four aces of different suits and the joker;
  - (b) Five of a kind—four cards of the same rank and the joker;
  - (c) Straight flush—five cards of the same suit in sequence; an ace-high straight flush is a “royal flush” ;
  - (d) Four of a kind—four cards of the same rank;
  - (e) Full house—three cards of the same rank and two cards of the same rank;
  - (f) Flush—five cards of the same suit;

- (g) Straight—five cards in sequence;
  - (h) Three of a kind—three cards of the same rank;
  - (i) Two pair—two cards of the same rank and two cards of one other rank;
  - (j) One pair—two cards of the same rank; and
  - (k) High card—the highest ranking card in the hand.
- (2) A low poker hand in a showdown consists of the best low qualifying hand. Straights and flushes do not impair the value of a hand for low.
- (3) If expressly permitted by the rules of play of an approved poker game, a poker hand may consist of either fewer than five cards or more than five cards. The rank of poker hands containing other than five cards shall be specified by the rules of play of each game permitting such hand. (47.1-1004(1) amended; (2)-(3) added, perm. 11/30/96; 47.1-1004(1) amended 12/30/04)

**47.1-1005 Use of joker.**

- (1) At the discretion of the licensee, a joker may be used in poker as an ace, or as any card not already in the player's hand to complete a straight flush, a flush, a straight or as the lowest card not already in the player's hand. (47.1-1005 perm. 03/31/96, amended 12/30/04)
- (2) If permitted by the rules of play of an approved poker game, one or more jokers may be added to the deck, and may be used as described above, or may be used as wild cards, representing any card in the deck. (added perm. 12/30/04)

**47.1-1006 Tie.**

Tied hands are determined solely by the five cards that make the hand, and no other cards. Ties may not be broken by the value of the side cards, nor by suit. At a showdown, if two or more hands are tied, the pot is split between the tied hands. (47.1-1006 perm. 03/31/96; amended 12/30/04)

**47.1-1007 Cards.**

- (1) When a table is opened for play, the cards in a game of poker must be verified by the dealer as one complete standard deck of 52 cards. One or more jokers may be added in certain games. The design on the backs of the cards in the deck must be identical, and no card may contain any marking, symbol, or design that enables a player to know the identity of any element printed on the face of the card. The backs of the cards may contain a logo. The backs of the cards in the deck must be designed to eliminate the ability of any person to place concealed markings on them. No retail licensee may use cards that are taped, cut, shaved, marked, defaced, bent, crimped, or deformed. (47.1-1007 perm. 03/31/96; amended 12/30/04)
- (2) If permitted by the rules of play in an approved poker game, digital or electronic representations of cards may be used. (added perm. 12/30/04)

**47.1-1008 Retail licensee to provide dealer.**

The retail licensee must provide the dealer. The dealer may not make a bet or otherwise wager on a poker game.

**47.1-1009 Shuffle and cut of the cards.**

- (1) Before play, the dealer must, in front of the players, shuffle the cards so that they are randomly intermixed. An approved mechanical shuffling device may be used to shuffle the cards. Following the shuffle, the dealer must cut the cards. The dealer must place a cutting card on the bottom of the deck to conceal the last card.
- (2) If there are not enough cards left in the deck for each player, the dealer is to deal all the cards except the last card. The dealer is to then scramble the last card and the four burn cards, cut the deck, burn a card, and deliver the remaining down cards, using the last card if necessary. The dealer may not shuffle in any cards which have been folded by the players. If there are five players remaining without a card, the dealer will not burn so that each player may receive a fresh card. If the dealer determines that by using this procedure, there will still not be enough cards for all the players, the dealer is not to give any of the players a down card. Instead, the dealer is to announce to the table that there are not enough cards to go around and a community card will be used. The dealer will then burn a card and turn a card up in the center of the table. The card plays in everyone's hand. The player who falls high on board, using the community card, initiates the action. (47.1-1009 temp. 9/30/91, perm. 12/30/91; 47.1-1009 temp. 5/13/93, perm. 6/30/93; 47.1-1009 perm. 03/31/96; 47.1-1009 amended, perm. 11/30/96; 47.1-1009 (3) amended perm. 10/30/97; 47.1-1009 amended 12/30/04; 47.1-1009(3) deleted 12/30/04)

#### **47.1-1010 Ante.**

An ante may be used in the game at the discretion of the retail licensee. The player must ante for each hand by placing chips equaling the ante in front of the player on the table before the first card of the game is dealt. The dealer must sweep the antes and place them in the pot. Once the first card is dealt to any player, the ante may not be altered, except that if a player's hand is declared dead for reasons other than the player's fault, the ante may be returned to such player. (47.1-1010 perm. 03/31/96; amended 12/30/04)

#### **47.1-1011 The deal.**

- (1) Cards may be dealt out of the hand by the dealer. A button may be moved around the table, clockwise, so that the player who has the button receives the advantage of playing and betting last. The dealer must protect the deck to avoid exposure of the cards.
- (2) The retail licensee must have two separate decks of cards available at each table, except that the second deck of cards used in house banked games may be maintained at the pit podium. The color of the backs of the cards of the two decks must be of a different predominant color. A new deck must be used for at least one complete cycle of play around the table, or for seven hands of play in house banked games, unless the deck is found to be defective. If a mechanical shuffling device is used, the deck may be changed following each hand.
- (3) If appropriate to the play of an approved poker game, a mechanical shuffling device may be used to dispense each player's cards, and/or the dealer's cards, and/or the community cards, as a group, to the dealer. The dealer shall then deal an intact group of cards from the shuffling device to each player, and/or to the dealer, and/or to the community card area, as specified by the rules of the game. (47.1-1011 temp. 9/30/91, perm. 12/30/91; 47.1-1011 perm. 03/31/96; 47.1-1010(1) amended, (2) added, perm. 11/30/96)
- (4) If appropriate to the play of an approved poker game, an approved electronic shuffling device may be used to deal each player's cards, and/or the dealer's cards, and/or the community cards. The cards are dealt and displayed as specified by the rules of the game. (47.1-1011 amended 12/30/04)

#### **47.1-1012 The play — Texas hold'em high and high-low split.**

- (1) The dealer must deal two cards to each player, face downward and one at a time. The first player to receive a card is the player to the left of the player who has the button. The last player to receive cards is the player assigned the button. After all players have received their two cards, there is a betting round. The player to the left of the last blind bettor may call, raise, or fold and each following player may call, raise, or fold in a clockwise order;
- (2) The dealer burns the top card of the deck and deals three community cards from the deck one at a time face downward and turns them face upward all at once in the center of the table. Community cards are common to the hand of every active player in the pot;
- (3) After the flop, the betting continues for another round. The first player still in the pot sitting left of the player assigned the button is the first to act and then each player in a clockwise order may act in turn until all bets are equal. Any player may call, check, raise, or fold in accordance with the house rules;
- (4) The dealer burns a card and deals a fourth community card face upward in the center of the table. Another betting round occurs. The dealer burns a card and deals a fifth community card face upward in the center of the table for the final betting round; and
- (5) After all bets are made and if there are two or more players remaining in the game, there is a showdown.
  - (a) In Texas hold 'em high, the best qualifying high hand wins the pot.
  - (b) In Texas hold 'em high-low split, the best qualifying high hand and the best qualifying low hand split the pot.
    - (i) If there is no qualifying low hand, a player who wins high receives the entire pot.
    - (ii) A player who wins in one direction and ties a player in the other direction receives three-quarters of the pot.
    - (iii) A player who wins in both directions without a tie receives all of the pot.
    - (iv) Aces may be used for either high or low. At the discretion of the casino, a qualifier may be used to restrict the low hands. Straights and flushes do not impair the value of a hand for low.
- (6) The five community cards shall be combined with none, one, or two cards from each player to determine the player's best five card hand. (47.1-1012 temp. 9/30/91, perm. 12/30/91) (47.1-1012 amended, perm. 03/31/96; amended 12/30/04)

#### **47.1-1013 The play – Five-Card Draw poker.**

The games five-card low draw poker, five-card high draw poker, and five-card high-low split draw poker must be played according to the following rules:

- (1) The dealer shall deal five cards to each player. After the initial betting round, players either retain their pat hands or discard. The players' discards must be kept separate from the muck. Players who discard are dealt a replacement card for each card discarded. There is a final betting round followed by a showdown;
- (2) After all bets are made and if there are two or more players remaining in the game, there is a showdown.

- (a) In five-card low draw, the best qualifying low hand wins the pot. The best low qualifying hand is determined by the licensee.
- (b) In five-card high draw, the best qualifying high hand wins the pot.
- (c) In five-card high-low split draw, the best qualifying high hand and the best qualifying low hand split the pot.
  - (i) If there is no qualifying low hand, a player who wins high receives the entire pot.
  - (ii) A player who wins in one direction and ties a player in the other direction receives three-quarters of the pot.
  - (iii) A player who wins in both directions without a tie receives all of the pot.
  - (iv) Aces may be used for either high or low. At the discretion of the casino, a qualifier may be used to restrict the low hands. Straights and flushes do not impair the value of a hand for low.
  - (v) If the chips contained in the pot are not divisible by two, the player with the high hand must be awarded the odd chip after the remaining pot is split equally. (47.1-1013 amended, perm. 03/31/96; amended 12/30/04)

**47.1-1014 The play -- Five-card stud poker.**

In five-card stud poker, the player must receive one card face downward and one card face upward to form an initial hand. The player must receive three more cards dealt face upward one at a time. At the discretion of the retail licensee, the fifth card may be dealt face down. There may be a total of four betting rounds, one after each new card has been dealt. Five-card stud poker is only played at high poker. (47.1-1014 amended 12/30/04)

**47.1-1015 The play -- Seven-card stud poker.**

The games of Seven-card low stud, Seven-card high stud and Seven-card high-low stud poker must be played according to the following rules:

- (1) In seven-card stud poker, the player receives two cards dealt face downward and one card dealt face upward. The players receive three additional cards dealt face upward and a final card dealt face downward, with a betting round after each card. (47.1-1015 amended, perm. 3/31/96)
- (2) After all bets are made and if there are two or more players remaining in the game, there is a showdown.
  - (a) In Seven-card low stud, the best qualifying low hand wins the pot. The best low qualifying hand is determined by the licensee.
  - (b) In Seven-card high stud, the best qualifying high hand wins the pot.
  - (c) In Seven-card high-low stud, the best qualifying high hand and the best qualifying low hand split the pot.
    - (i) If there is no qualifying low hand, a player who wins high receives the entire pot.
    - (ii) A player who wins in one direction and ties a player in the other direction receives three-quarters of the pot.

(iii) A player who wins in both directions without a tie receives all of the pot.

(iv) Aces may be used for either high or low. At the discretion of the casino, a qualifier may be used to restrict the low hands. Straights and flushes do not impair the value of a hand for low. (47.1-1015 amended 12/30/04)

**47.1-1016 The play -- Seven-card high-low split stud poker.**

Repealed. (47.1-1016 temp. 2/15/95, perm. 3/30/95) (47.1-1016 amended, perm. 3/31/96; repealed 12/30/04)

**47.1-1017 The Play -- Omaha Hold 'Em Poker.**

The games of Omaha high-low split hold 'em and Omaha high hold 'em poker must be played according to the following rules:

(1) The dealer shall deal four cards to each player. After each player has received four cards, there is a betting round;

(2) The dealer burns the top card of the deck and deals a three card flop;

(3) After the flop, the betting continues for another round;

(4) The dealer burns a card and deals a fourth community card. Another betting round occurs. The dealer burns a card and deals a fifth community card for the final betting round. After all bets are made, and if there are two or more players remaining in the game, there is a showdown.

(a) In Omaha high hold 'em, the best qualifying high hand wins the pot.

(b) In Omaha high-low split hold 'em, the best qualifying high hand and the best qualifying low hand split the pot.

(i) If there is no qualifying low hand, a player who wins high receives the entire pot.

(ii) A player who wins in one direction and ties a player in the other direction receives three-quarters of the pot.

(iii) A player who wins in both directions without a tie receives all of the pot.

(iv) Aces may be used for either high or low. At the discretion of the casino, a qualifier may be used to restrict the low hands. Straights and flushes do not impair the value of a hand for low.

(c) In order for a player to win, a player must use two cards from the player's hand combined with three cards only from the community cards to make the best five card hand. A player may use any two cards from the player's hand for high and the same two or any two cards for low. (47.1-1017 temp. 2/15/95, perm. 3/30/95) (47.1-1017 amended, perm. 3/31/96; amended 12/30/04)

**47.1-1017.2 The play -- Pineapple hold 'em poker.**

The games of Pineapple hold 'em high poker and Pineapple hold 'em high-low split poker must be played according to the following rules:

(1) The dealer shall deal three cards to each player. After all players have received three cards, there is a



betting round. The dealer will ask for cards, and each player must discard one card to the dealer and retain only two cards in the player's hand. Any player with more than two cards in the player's hand after the flop has a dead hand and shall have no claim on any part of the pot.

- (2) The dealer burns the top card of the deck and deals a three card flop;
- (3) After the flop, there is another betting round;
- (4) The dealer burns a card and deals a fourth community. Another betting round occurs. The dealer burns a card and deals a fifth community card;
- (5) After all bets are made and if there are two or more players remaining in the game, there is a showdown.
  - (a) In Pineapple hold 'em high, the best qualifying high hand wins the pot.
  - (b) In Pineapple hold 'em high-low split, the best qualifying high hand and the best qualifying low hand split the pot.
    - (i) If there is no qualifying low hand, a player who wins high receives the entire pot.
    - (ii) A player who wins in one direction and ties a player in the other direction receives three-quarters of the pot.
    - (iii) A player who wins in both directions without a tie receives all of the pot.
    - (iv) Aces may be used for either high or low. At the discretion of the casino, a qualifier may be used to restrict the low hands. Straights and flushes do not impair the value of a hand for low.
- (6) Five community cards shall be combined with none, one, or two cards from each player to determine the player's best five card hand. (47.1-1017.2 added, perm. 3/31/96; amended 12/30/04)

#### **47.1-1017.4 The play -- Crazy pineapple hold 'em poker.**

The games of Crazy pineapple hold 'em high poker and Crazy pineapple hold 'em high-low split poker must be played according to the following rules:

- (1) The dealer shall deal three cards to each player. After all players have received three cards, there is a betting round;
- (2) The dealer burns the top card of the deck and deals a three card flop;
- (3) After the flop, there is another betting round. The dealer will ask for cards, and each player shall discard one card to the dealer and retain only two cards in the player's hand. Any player with more than two cards in the player's hand after the fourth community card has been dealt has a dead hand and shall have no claim on any part of the pot;
- (4) The dealer burns a card and deals a fourth community card. Another betting round occurs. The dealer burns a card and deals a fifth community card for the final betting round;
- (5) After all bets are made and if there are two or more players remaining in the game, there is a showdown.
  - (a) In Crazy pineapple hold 'em high, the best qualifying high hand wins the pot.

- (b) In Crazy pineapple hold 'em high-low split, the best qualifying high hand and the best qualifying low hand split the pot.
  - (i) If there is no qualifying low hand, a player who wins high receives the entire pot.
  - (ii) A player who wins in one direction and ties a player in the other direction receives three-quarters of the pot.
  - (iii) A player who wins in both directions without a tie receives all of the pot.
  - (iv) Aces may be used for either high or low. At the discretion of the casino, a qualifier may be used to restrict the low hands. Straights and flushes do not impair the value of a hand for low.
- (6) Five community cards shall be combined with none, one, or two cards from each player to determine the player's best five card hand. (47.1-1017.4 added, perm. 3/31/96; 47.1-1017.4 amended, temp. 4/19/96, perm. 09/30/1996; amended 12/30/04)

#### **47.1-1017.6 The play - Hold 'em Eighty-eight.**

Hold 'em Eighty-eight is the copyrighted and patented poker variation game, the rights to which are owned by Hold 'em Eighty-eight, Inc. of Morrison, Colorado. Hold 'em Eighty-eight must be played according to the following rules:

- (1) Hold 'em Eighty-eight may be played only on tables displaying the eighty-eight hold 'em layout. A single deck of cards and a dealer button will be used.
- (2) Each player will make an initial bet in the amount specified at the table by the retail licensee, and will place the bet in the front circle in front of the player's position.
- (3) Following shuffle and cut, the dealer burns a card and deals two cards to each player, face downward and one at a time. The first player to receive a card is the player to the left of the player who has the button. The last player to receive cards is the player assigned the button.
- (4) The dealer burns the top card of the deck and deals the three card flop in the center of the table. The dealer then burns the top card of the deck and deals one final community card face down in the center of the table. Community cards are common to the hand of every active player in the pot.
- (5) After the flop, a player must either fold or place one additional final wager in an amount equal to or greater than the initial amount wagered in the front circle, but not more than five dollars. At the discretion of the retail licensee, the final wager may be either in a fixed amount, or in an amount determined and placed by the player to the left of the player who has the button. No player may raise the amount of the final wager. If a player folds, the player's initial wager is pulled to the middle and the hand mucked. If a player places the final wager, the wager is placed in the second circle in front of each player's position.
- (6) The dealer turns over the fourth community card, pulls the bets into the pot, and takes the rake.
- (7) All players remaining in the game show their cards and the player holding the highest hand wins the pot. Each player makes such player's best five-card hand, using either one card from the player's hand together with four community cards, or both cards from the player's hand together with three community cards. If two or more players have a tying hand, the pot is split among them. (47.1-1017.6 added, perm. 3/31/96; 47.1-1017.6 amended, temp. 4/19/96, perm. 09/30/96)

#### **47.1-1017.8 The play -- Joker poker.**

Joker Poker is the copyrighted and patented poker variation game, the rights to which are owned by Casino Gaming Concepts, Inc. of Commerce, California. Joker poker must be played according to the following rules:

- (1) Joker Poker may be played only on tables displaying the joker poker layout. A single deck of cards and a dealer button will be used.
- (2) The maximum number of players at the table is seven. Each player will make a bet in an amount between the table minimum and the table maximum, as posted at the table, and will place the bet in the designated circle in front of the player's position.
- (3) Following shuffle and cut, the dealer deals one card at a time to each player and continues dealing in rotation until each player has five cards. The first player to receive a card is the player to the left of the player who has the button. The last player to receive a card is the player assigned the button.
- (4) After all cards have been dealt, each player chooses one card from the player's hand to be a wild card. The player places the selected wild card face down in the front box printed on the layout in front of the player, and places the remaining four cards in the back box printed on the layout in front of the player.
- (5) After all hands are tabled, the dealer opens the players' hands one at a time, left to right, by turning the wild card face up and placing the wild card on top of the four back cards. The dealer then turns all five cards over and the wild is found face down on the bottom of the other four. The back four cards are found facing up and overlapping the wild card.
- (6) The dealer announces the final value of the winning hand and collects wagers from the players that have lower ranked hands. The wagers collected from each player with a non-winning hand shall not be greater than the amount wagered by the player(s) with the winning hand.
- (7) Collected wagers are pulled together into the pot and the rake is taken.
- (8) The dealer pays the remainder of the pot to the player(s) with the winning hand(s). In the event of identical hands between players, the pot is split. (47.1-1017.6 added, perm. 3/31/96)

#### **47.1-1017.10 The play -- Caribbean Stud Poker.**

Caribbean Stud Poker is the copyrighted, trademarked, and patented poker variation game, the rights to which on June 1, 1999 were owned by Mikohn Gaming Corporation of Las Vegas, Nevada and which may be transferred or assigned. Caribbean Stud Poker must be played according to the following rules:

- (1) Caribbean Stud Poker may be played only on approved tables equipped with the necessary electronic equipment and signage, and which displays the Caribbean Stud Poker table layout. A single deck of cards will be used. Players do not play against other players. Each player may play only one hand following each shuffle of the deck.
- (2) Each player must make an ante wager by placing the wager in the designated "ante" wagering area in front of the player's position. The ante wager may not exceed two dollars and fifty cents.
- (3) Each player may place an additional, optional wager by placing a token in the designated coin-in slot in front of the player's ante.
  - (a) The optional wager will allow the player to participate in play for a progressive jackpot. As tokens are accepted, the progressive meter will advance by a predetermined amount for each token placed through the coin-in slots. A player wins a progressive jackpot award if

the player has made the optional wager and holds a hand having a value of flush or better. Multiple Caribbean Stud Poker games and/or Caribbean Draw poker games may be linked together with a common progressive jackpot.

- (b) In the event that two or more players qualified to receive progressive jackpot payments hold royal flushes in the same hand, the royal flush progressive jackpot may be divided equally between or among the qualified players.
  - (c) After all progressive wagers have been made and before the dealer starts to deal the cards, the dealer operates a key pad by which the dealer locks out the coin-in mechanism. After the hand is completed, the dealer will clear the lockout so the players may wager on the progressive jackpot for the next hand.
  - (d) As the terms "jackpot," "jackpot award," and "progressive jackpot" are used in these rules of play for Caribbean Stud, the terms shall apply to Caribbean Stud only. A retail licensee may not discontinue offering a Caribbean Stud jackpot until the highest progressive jackpot award has been won by a qualified player or players. If a licensee wishes to discontinue offering a progressive jackpot award, the licensee may petition the Director for permission to either reduce the qualifications or criteria for winning the award, allowing the award to be paid more quickly, or to transfer the award liability to the jackpot offered by a different game. If a retail licensee intends to close its business while having a progressive jackpot award liability, the licensee may petition the Director for permission to transfer the award liability, together with the award fund, to another retail licensee offering a comparable jackpot award.
- (4) Any dealer tip delivered as a wager shall be placed on the "ante" only, and may not exceed the value of the player's ante. The dealer may not accept a tip wager on the "bet" area.
- (5) Immediately prior to the commencement of play and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals five cards to each player and to the dealer, either face downward and one at a time in clockwise rotation among the players and the dealer, or in a five card group dispensed by a mechanical shuffling device. The fifth card dealt to the dealer only, which shall be the bottom card of the group of cards dispensed by the shuffling device, shall be dealt or turned face up. The first player to receive a card, or cards, is the player to the left of the dealer; the dealer receives cards last. After all cards have been dealt, the dealer shall place the remaining cards into the discard rack without exposing the cards.
- (6) An incorrect number of cards dealt to any player constitutes a dead hand for that player only. The player receiving the misdealt cards retains the player's ante and any bet. An incorrect number of cards dealt to the dealer constitutes a misdeal to the table and the players may play their hands for the purposes of the progressive jackpot only. If there are no progressive jackpot hands, all hands at the table are dead and the players retain their antes and bets.
- (7) The player now picks up the player's cards and must decide either to fold (surrender ante) or to bet (bet equals two times ante).
- (a) If the player folds, the ante wager is lost. In any player order, the dealer collects first the ante and then the cards from each player who has folded. As the cards are collected, the dealer will spread them, count them, and then place them in the discard rack.
  - (b) If the player wishes to play the hand, the player must make an additional wager, equal to exactly twice the amount of the ante, by placing the wager in the "bet" area, behind the ante, in front of the player's position.

- (8) The dealer turns over the dealer's remaining cards and creates the best possible poker hand. The dealer must have a hand consisting of an ace and a king, or better, to have a qualifying hand. If the hand is qualifying, the dealer moves the poker hand forward allowing the players to see the hand.
- (9) If the dealer does not have a qualifying hand, the dealer will announce "no hand" and immediately pay all the ante wagers at the rate of 1 to 1 (even money).
- (a) The dealer will then spread, count, and collect each player's cards individually. The cards of players who have a hand qualifying for a progressive jackpot payment will be left on the table face up.
  - (b) A games supervisor will verify the hands, if any, which qualify for a progressive jackpot payout, will announce the amount, and will pay the player.
- (10) When all player wagers have been made, the dealer will compare the dealer's hand to the hand of each player who has made both "ante" and "bet" wagers. The higher poker hand, between each player and the dealer, wins.
- (a) Tied hands result in a push and no action.
  - (b) The antes of winning hands are paid at the rate of 1 to 1 (even money).
  - (c) The bets of winning players' hands are paid according to the following payment schedule, which shall be displayed by table signage or on the table layout:
- |                      |                     |
|----------------------|---------------------|
| Royal flush pays     | 100 to 1            |
| Straight flush pays  | 50 to 1             |
| Four of a kind pays  | 20 to 1             |
| Full house pays      | 7 to 1              |
| Flush pays           | 5 to 1              |
| Straight pays        | 4 to 1              |
| Three of a kind pays | 3 to 1              |
| 2 pairs pays         | 2 to 1              |
| 1 pair or less pays  | 1 to 1 (even money) |
- (d) The dealer compares hands, pays winning wagers, and takes losing wagers, beginning with the player to the dealer's right and moving counterclockwise around the table.
  - (e) After paying or taking each wager, the dealer must spread the player's cards, count them, and place them in the discard rack before the dealer moves on to the next player. The cards of players who have a hand qualifying for a progressive jackpot payment will be left on the table face up.
  - (f) A games supervisor will verify the hands, if any, which qualify for a progressive jackpot payout, will announce the amount, and will pay the player. The player's card will then be collected and placed in the discard rack.
  - (g) Player hands qualifying for progressive jackpot payments shall be paid according to the following payment schedule, which shall be displayed by table signage or on the table layout:

Royal flush pays 100% of the displayed progressive jackpot; Straight flush pays either

10% of the displayed progressive jackpot or pays \$5,000 (licensee chooses payout option at the time the game is put into play);

|                     |       |
|---------------------|-------|
| Four of a kind pays | \$500 |
| Full house pays     | \$100 |
| Flush pays          | \$50  |

(47.1-1017.10 added, perm. 11/30/96, amended perm. 09/30/99.)

#### **47.1-1017.12 The play -- Caribbean Draw Poker.**

Caribbean Draw Poker is the copyrighted, trademarked, and patented poker variation game, the rights to which on June 1, 1999 were owned by Mikohn Gaming Corporation of Las Vegas, Nevada and which may be transferred or assigned. Caribbean Draw Poker must be played according to the following rules:

- (1) Caribbean Draw Poker may be played only on approved tables equipped with the necessary electronic equipment and signage, and which displays the Caribbean Draw Poker table layout. A single deck of cards will be used. Players do not play against other players. Each player may play only one hand following each shuffle of the deck.
- (2) Each player must make an ante wager by placing the wager in the designated "ante" wagering area in front of the player's position. The ante wager may not exceed two dollars and fifty cents.
- (3) Each player may place an additional, optional, wager by placing a token in the designated coin-in slot in front of the player's ante.
  - (a) The optional wager will allow the player to participate in play for a progressive jackpot. As tokens are accepted, the progressive meter will advance by a predetermined amount for each token placed through the coin-in slots. A player wins a progressive jackpot award if the player has made the optional wager and holds a hand having a value of flush or better. Multiple Caribbean Stud Poker games and/or Caribbean Draw Poker games may be linked together with a common progressive jackpot.
  - (b) In the event that two or more players qualified to receive progressive jackpot payments hold royal flushes in the same hand, the royal flush progressive jackpot may be divided equally between or among the qualified players.
  - (c) After all progressive wagers have been made and before the dealer starts to deal the cards, the dealer operates a key pad by which the dealer locks out the coin-in mechanism. After the hand is completed, the dealer will clear the lockout so the players may wager on the progressive jackpot for the next hand.
  - (d) As the terms "jackpot," "jackpot award," and "progressive jackpot" are used in these rules of play for Caribbean Draw, the terms shall apply to Caribbean Draw only. A retail licensee may not discontinue offering a Caribbean Draw jackpot until the highest progressive jackpot award has been won by a qualified player or players. If a licensee wishes to discontinue offering a progressive jackpot award, the licensee may petition the Director for permission to either reduce the qualifications or criteria for winning the award, allowing the award to be paid more quickly, or to transfer the award liability to the jackpot offered by a different game. If a retail licensee intends to close its business while having a progressive jackpot award liability, the licensee may petition the Director for permission to transfer the award liability, together with the award fund, to another retail licensee offering a comparable jackpot award.
- (4) Any dealer tip delivered as a wager shall be placed on the "ante" only, and may not exceed the value

of the player's ante. The dealer may not accept a tip wager placed on the "bet" area.

- (5) Immediately prior to the commencement of play and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals five cards to each player and to the dealer, face downward and one at a time in clockwise rotation among the players and the dealer. The first player to receive a card is the player to the left of the dealer; the dealer receives cards last.
- (6) An incorrect number of cards dealt to any player constitutes a dead hand for that player only. The player receiving the misdealt cards retains the player's ante and any bet. An incorrect number of cards dealt to the dealer constitutes a misdeal to the table and the players may play their hands for the purposes of the progressive jackpot only. If there are no progressive jackpot hands, all hands at the table are dead and the players retain their antes and bets.
- (7) After all players have received five cards, they will review them to determine whether they will fold or call.
  - (a) If the player folds, the ante wager is lost. In any player order, the dealer collects first the ante and then the cards, face down, from each player who has folded. As the cards are collected, the dealer will spread them, count them, and then place them in the discard rack.
  - (b) If the player wishes to call, the player must make an additional wager, equal to exactly twice the amount of the ante, by placing the wager in the "bet" area, behind the ante, in front of the player's position.
- (8) Each player must now decide whether to stand (that is, keep the hand the player was dealt) or to draw (discard and have replaced up to two cards).
  - (a) The player places the cards to be discarded and replaced, if any, face down on the table in front of the player on the layout area marked "cards."
  - (b) The player holds or maintains control over the player's cards which are not to be discarded.
- (9) After all players have placed a call bet and all players have placed their discards face down, players may declare to the dealer that they have won a payout for the progressive jackpot. Those players' hands are then displayed face up and the dealer pays any and all progressive jackpot winners from left to right.
  - (a) Progressive jackpot payouts are based on the initial five cards of each player. Any additionally drawn cards do not qualify for the progressive jackpot feature of the game.
  - (b) A games supervisor will verify the hands, if any, which qualify for a progressive jackpot payout, will announce the amount, and will pay, or instruct the dealer to pay, the player. The player's card will then be collected and placed in the discard rack.
  - (c) Player hands qualifying for progressive jackpot payments shall be paid according to the following payment schedule, which shall be displayed by table signage or on the table layout:

Royal flush pays 100% of the displayed progressive jackpot; Straight flush pays either 10% of the displayed progressive jackpot or pays \$5,000 (licensee chooses payout option at the time the game is put into play);

|                     |       |
|---------------------|-------|
| Four of a kind pays | \$500 |
| Full house pays     | \$100 |

Flush pays

\$50

- (10) After all jackpot payouts have been paid, the dealer will verify that each player has discarded not more than two cards, will collect the discards face down, and will deposit the discards into the discard rack.
- (11) Starting with the player to the left of the dealer and moving clockwise, the dealer will deal the appropriate number of draw cards to each player who has discarded, until each player has a total of five cards.
- (12) The dealer will turn over the dealer's five cards and must use the following dealer draw rules to make the best possible poker hand. If the dealer is required to discard, the dealer must first discard the appropriate number of cards to the discard rack before dealing the replacement cards.
- (a) The dealer must stand with any of these card combinations: straight flush, flush, straight, four of a kind, and full house.
- (b) The dealer must discard and draw one card with any of these card combinations: two pairs (the dealer keeps the pairs and discards the fifth card); any hand less than one pair that has a four card flush or a four card straight (the dealer keeps the four cards to the flush or straight and discards the fifth card). In the event that the dealer has both four cards to a straight and a different combination of four cards to a flush, the dealer must play four cards to the flush. If the dealer has multiple straight options, the dealer must play for the open end straight.
- (c) The dealer must discard and draw two cards with any of these card combinations: three of a kind, one pair (the dealer keeps the highest of the other three cards), and no pair (the dealer discards the lowest two cards). If the hand includes a pair as well as a four card flush or a four card straight, the dealer must keep the pair plus the highest of the three remaining cards.
- (13) Using standard poker rank, the dealer must hold at least a pair of eights to qualify to play the hand. If the dealer does not have a qualifying hand, the dealer will announce "no hand" and immediately pay all the ante wagers at the rate of 1 to 1 (even money), collect the cards, and start a new game.
- (14) If the dealer has a pair of eights, or better, the dealer will compare the dealer's hand to the hand of each player who has made both "ante" and "bet" wagers. The higher poker hand wins. If the player's and the dealer's hands are the same rank, it is a push and the player retains both the ante and the bet.
- (a) The antes of winning hands are paid at the rate of 1 to 1 (even money).
- (b) The bets of winning players' hands are paid according to the following payment schedule, which shall be displayed by table signage or on the table layout:

|                      |          |
|----------------------|----------|
| Royal flush pays     | 100 to 1 |
| Straight flush pays  | 50 to 1  |
| Four of a kind pays  | 20 to 1  |
| Full house pays      | 7 to 1   |
| Flush pays           | 5 to 1   |
| Straight pays        | 3 to 1   |
| Three of a kind pays | 2 to 1   |



2 pairs or lower pays                      1 to 1 (even money)

- (c) The dealer compares hands, pays winning wagers, and takes losing wagers, beginning with the player to the dealer's right and moving counterclockwise around the table.
- (d) After paying or taking each wager, the dealer must spread the cards, count them, and place them in the discard rack before the dealer moves on to the next player.
- (e) Tied hands result in a push and no action. (47.1-1017.12 added, perm. 11/30/96, amended perm. 09/30/99)

**47.1-1017.14 The play -- Let it Ride and Let it Ride Bonus with the option of a 3 Card Bonus optional bet.**

Let it Ride and Let it Ride Bonus are the copyrighted, trademarked, and patented poker variation games, the rights to which on October 1, 1996 were owned by Shuffle Master Gaming of Las Vegas, Nevada and which may be transferred or assigned. 3 Card Bonus is copyrighted, patent pending and pending trademark application. Let it Ride and Let it Ride Bonus with the option of a 3 Card Bonus optional bet must be played according to the following rules:

- (1) Let it Ride may be played only on tables displaying the Let it Ride or the Let it Ride Bonus table layouts. Let it Ride Bonus may be played only on tables displaying the Let it Ride Bonus table layout. The only difference between the games is the available optional Bonus wager and pay schedules. Both Let It Ride and Let It Ride Bonus with the 3 Card Bonus optional bet may be played only on tables displaying the Let it Ride with 3 Card Bonus or Let it Ride Bonus with 3 Card Bonus table layouts. The only difference between Let it Ride and Let it Ride Bonus and the two games with the 3 Card Bonus optional bet is an available optional bet and pay schedules. A single deck of cards will be used. Players do not play against the dealer or against any other player. Each player may play only one hand following each shuffle of the deck. Winning hands are determined and paid according to one of the pay schedules, which shall be displayed as part of the table layout.
- (2) Each player must make three equal bets by placing the bets in the three designated wagering circles in front of the player's position, except as provided in (A), below. In the Bonus game, players may also place an optional bonus wager in the designated area in the amount of one dollar. A player will win the bonus wager if the player holds a hand, which qualifies for a bonus payout according to the separate bonus pay schedule. A player may not place a bonus wager without first having made the basic game wager. For the 3 Card Bonus optional bet, players may also place a bet in the area designated by the words 3 Card Bonus in front of the player's position. A player will win the 3 Card Bonus optional bet if the player holds a hand which qualifies for a 3 Card Bonus payout according to the separate 3 Card Bonus pay schedules.
  - (a) The amount of a player's contract wager, that wager which is placed in the wagering circle labeled with a dollar symbol ("\$\$\$"), when combined with the one dollar bonus wager, may not exceed five dollars. That is, if the player places a bonus wager, the player may place no more than four dollars in wagering circle "\$\$."
  - (b) The amount of the wagers required to be placed in each of the two wagering circles identified as "1" and "2" shall be equal to the combined amounts that the player has placed in wagering circle "\$\$" and the bonus wager spot.
  - (c) If the house rules require a minimum wager, that minimum shall have been met when the combined amount that the player has placed in wagering circle "\$\$" and the Bonus wager is equal to, or greater than, the house minimum.

- (3) Any dealer tip delivered as a wager shall be placed as a single wager only above the player's third wagering area (marked as "\$" ), to be settled at the end of play of the hand at the odds listed and in accordance with the pay schedule.
- (4) Immediately prior to the commencement of play and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals three cards to each player and two cards to the dealer, either face downward and one at a time in clockwise rotation among the players and the dealer (the dealer does not receive a card in the third rotation), or in a three card group dispensed by a mechanical shuffling device. The first player to receive a card, or cards, is the player to the left of the dealer; the dealer receives cards last. If a mechanical shuffling device, which dispenses cards in three card groups, has been used, the dealer plays the top two cards of the group dealt to the dealer. The bottom card of the three-card group is not played and is placed in the discard rack without being viewed. The dealer's remaining two cards will be used as community cards. After all cards have been dealt, the dealer shall place the remaining cards into the discard rack without exposing the cards.
- (5) An incorrect number of cards dealt to any player constitutes a misdeal with respect to that player only, voiding the player's wager(s). Exposed cards dealt to a player do not constitute a misdeal. The dealer will turn the card(s) over and continue to deal. If a player's card falls from the table, that player's hand is dead and the player's wager(s) are void. An incorrect number of cards dealt to the dealer, or exposed cards dealt to the dealer, constitutes a misdeal to the table, and all players' wagers are void. (47.1-1017.14 (5) added and subsequent paragraphs renumbered perm 05/30/01)
- (6) After a player has looked at the player's three cards, all 3 Card Bonus optional bets will be paid according to a pay schedule for player's with a qualifying hand prior to the play of Let it Ride or Let it Ride Bonus. If the player has a pair or better, the player will show his three cards to the dealer and the dealer shall pay the player according to the 3 Card Bonus pay schedule. If the player does not have a pair or better, the player will not reveal his hand and will indicate a loss by making a left-to-right or right-to-left waving motion with their cards and the dealer shall collect the player's 3 Card bonus optional bet. The dealer will then resume the play of Let it Ride or Let it Ride Bonus. The player may ask for the player's first bet back, or may let all of the player's wagers remain in play. Players must indicate their decisions by use of hand signals from a position over the tabletop. The players act in order, beginning with the first player to the dealer's left and moving clockwise. If a player chooses to withdraw bet number 1, the dealer shall move the player's wager toward the player, who shall then remove the wager from the gaming area. After all players have acted, the first of the dealer's cards is then turned up for all players to see and to use as a community card. (47.1-1017.14 (5) amended perm. 10/30/97)
- (7) After the first community card, the player may ask for the player's second bet back, or may let all of the player's wagers remain in play. The players again act in order, beginning with the first player to the dealer's left and moving clockwise. If a player chooses to withdraw bet number 2, the dealer shall move the player's wager toward the player, who shall then remove the wager from the gaming area. After all players have acted, the second of the dealer's cards is then turned up for all players to see and to use as a second community card. Each player now has a complete five-card hand, using the three cards the player was dealt together with the two community cards.
- (8) After the second community card has been turned face up, the dealer shall, beginning with the player to the dealer's right, turn each player's three cards face up. The dealer shall examine each player's hand, in combination with the two community cards, to determine if the player's hand is a winning or a losing hand. In order to qualify as a winning hand for the basic payout, a player's hand must contain a pair of tens or better. A player who has placed a bonus wager is also paid a bonus amount according to the bonus pay schedule.
- (9) All losing wagers shall be immediately collected by the dealer, and all losing hands shall be collected and placed in the discard rack.

(10) After all losing wagers have been collected, all winning hands shall be paid. All winning hands shall remain face up on the layout until all winning wagers have been paid by the dealer. Each winning wager shall be paid in accordance with the pay schedule. The dealer shall pay all winning wagers beginning with the player farthest to the right of the dealer and continuing counterclockwise around the table. Payments to winners shall be made according to the following pay schedules. The retail licensee may choose any one of the four pay schedules for the basic game, and either of the two Bonus pay schedules for the Bonus game. The selected pay schedules must appear on the table layout or on signage at the table.

(a) Basic Game Pay Schedules:

|                             | Pay        | Pay        | Pay        |
|-----------------------------|------------|------------|------------|
|                             | Schedule 1 | Schedule 2 | Schedule 3 |
| Royal flush pays            | 500 to 1   | 100 to 1   | 500 to 1   |
| Straight flush pays         | 100 to 1   | 50 to 1    | 200 to 1   |
| Four of a kind pays         | 25 to 1    | 30 to 1    | 50 to 1    |
| Full house pays             | 15 to 1    | 15 to 1    | 11 to 1    |
| Flush pays                  | 10 to 1    | 9 to 1     | 8 to 1     |
| Straight pays               | 5 to 1     | 6 to 1     | 5 to 1     |
| Three of a kind pays        | 3 to 1     | 3 to 1     | 3 to 1     |
| Two pairs pay               | 2 to 1     | 2 to 1     | 2 to 1     |
| Pair of 10's or better pays | 1 to 1     | 1 to 1     | 1 to 1     |

(b) Bonus Game Pay Schedules:

|                      | Pay         | Pay        |
|----------------------|-------------|------------|
|                      | Schedule 1  | Schedule 2 |
| Royal flush pays     | 10,000 to 1 | 5,000 to 1 |
| Straight flush pays  | 2,000 to 1  | 2,000 to 1 |
| Four of a kind pays  | 100 to 1    | 100 to 1   |
| Full house pays      | 75 to 1     | 75 to 1    |
| Flush pays           | 50 to 1     | 50 to 1    |
| Straight pays        | 25 to 1     | 25 to 1    |
| Three of a kind pays | 8 to 1      | 8 to 1     |
| Two pairs pay        | 4 to 1      | 4 to 1     |

(11) Payments to winners of the 3 Card Bonus optional bet shall be made according to the following pay schedules. The retail licensee may choose from any of the following pay schedules. The selected pay schedule must appear on signage on the table.

|                      | Pay        | Pay        | Pay        |
|----------------------|------------|------------|------------|
|                      | Schedule 1 | Schedule 2 | Schedule 3 |
| Straight flush pays  | 40 to 1    | 40 to 1    | 40 to 1    |
| Three of a kind pays | 30 to 1    | 30 to 1    | 30 to 1    |
| Straight pays        | 6 to 1     | 5 to 1     | 6 to 1     |
| Flush pays           | 4 to 1     | 4 to 1     | 3 to 1     |
| Pair pays            | 1 to 1     | 1 to 1     | 1 to 1     |

| .                    | Pay        | Pay        | Pay        |
|----------------------|------------|------------|------------|
| .                    | Schedule 4 | Schedule 5 | Schedule 6 |
| Mini royal pays      | 50 to 1    | 50 to 1    | 50 to 1    |
| Straight flush pays  | 40 to 1    | 40 to 1    | 40 to 1    |
| Three of a kind pays | 30 to 1    | 30 to 1    | 30 to 1    |
| Straight pays        | 6 to 1     | 5 to 1     | 6 to 1     |
| Flush pays           | 4 to 1     | 4 to 1     | 3 to 1     |
| Pair pays            | 1 to 1     | 1 to 1     | 1 to 1     |

- (12) After paying all winning wagers, the dealer shall collect the cards of the winning players and the community cards and place them in the discard rack together with the remaining cards from the deck which have already been placed in the discard rack. (47.1-1017.14 added, perm. 11/30/96, amended perm 05/30/01)

#### **47.1-1017.16 The play -- Colorado Hold'em Poker.**

Colorado Hold'em Poker is the copyrighted and trademarked poker variation game, the rights to which on October 1, 1996 were owned by Colorado Hold'em, Ltd., of Colorado Springs, Colorado and which may be transferred or assigned. The object of the game is for each player to combine two cards from the player's hand with three community cards to create a winning poker hand. Colorado Hold'em Poker must be played according to the following rules:

- (1) Colorado Hold'em Poker may be played only on tables displaying the Colorado Hold'em layout. A single deck of cards will be used. Players do not play against other players or against the dealer. Each player may play only one hand following each shuffle of the deck.
- (2) Each player will make an initial bet in the amount specified at the table by the retail licensee, and will place the bet in the betting area marked "ante" in front of the player's position.
- (3) Immediately prior to the commencement of play and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals three cards to each player, either face downward and one at a time in rotation among players, or in a three card group dispensed by a mechanical shuffling device. The first player to receive a card, or cards, is the player to the left of the dealer.
- (4) The dealer now deals the three card flop, face down, in front of the dealer.
- (5) Continuation of play shall follow the procedures set forth in paragraph (6), or in the alternative, the procedures set forth in paragraph (7). The choice of play variation shall be at the sole discretion of the retail licensee, but a licensee offering two or more Colorado Hold'em tables must use the same variation at all such tables. (amended perm. 09/30/00)
- (6) Play Variation 1. (amended perm. 09/30/00)
  - (a) Upon receiving three cards, if the player believes that the player cannot make a winning hand, the player may place all three cards in the area marked "fold" and shall surrender the player's ante. (amended perm. 09/30/00)
  - (b) A player who has not folded must place an additional bet, equal to the amount of the ante bet, in the area marked "Bet." The player must select one card from the player's hand and place it in the area marked "Discard." (amended perm. 09/30/00)

- (c) If the three cards held by the player before discarding are "three of a kind," or constitute a "three card straight flush," the player is not required to discard a card. Before the dealer has turned over the flop, the player may turn the player's cards face up and declare "three of a kind" or "three card straight flush," as appropriate. The player shall be paid according to the payout schedule on the amount of the ante bet, and play on that hand shall be concluded.
- (d) After all players have made their choices, the dealer will turn the three community cards face up, and will determine the poker hand held by each player when the player's two cards are combined with the three community cards. If a player does not hold a hand qualifying for payment as a winning hand, both the ante bet and the second bet shall be taken by the dealer.
- (e) Hands qualifying for payment shall be paid by the dealer according to one of the following payout schedules, a version of which shall be selected by the licensee. The payout schedule to be used shall appear on the table layout or on table signage:

| <u>Qualifying hand</u>                     | <u>Version 4</u> | <u>Version 4A</u> | <u>Version 4B</u> |
|--------------------------------------------|------------------|-------------------|-------------------|
| Royal flush                                | 1000 to 1        | 500 to 1          | 500 to 1          |
| Straight flush                             | 200 to 1         | 200 to 1          | 100 to 1          |
| Four of a kind                             | 40 to 1          | 40 to 1           | 40 to 1           |
| Full house                                 | 11 to 1          | 11 to 1           | 11 to 1           |
| Flush                                      | 8 to 1           | 8 to 1            | 8 to 1            |
| Straight                                   | 5 to 1           | 5 to 1            | 5 to 1            |
| Three card straight flush<br>(on the deal) | 5 to 1           | 5 to 1            | 5 to 1            |
| Three of a kind (on the<br>deal)           | 5 to 1           | 5 to 1            | 5 to 1            |
| Three of a kind                            | 3 to 1           | 3 to 1            | 3 to 1            |
| Two pairs pays                             | 2 to 1           | 2 to 1            | 2 to 1            |
| Pair of 10's or better                     | 1 to 1           | 1 to 1            | 1 to 1            |
| Pair of 7's to 9's                         | Push             | Push              | Push              |

(7) Play Variation 2.

- (a) After each player has examined the player's cards, the dealer shall, beginning with the player to the dealer's left and moving clockwise around the table, determine if each player wishes to continue play with only the initial bet at risk, or to continue play and also make an additional bet exactly equal to the initial bet, or to declare an immediate winning hand.
- (b) To continue play, either with or without having placed an additional bet, the player must select one card from the player's hand and place it in the area marked "discard."
- (c) If the three cards held by the player before discarding are "three of a kind" or constitute a "three card straight flush," the player is not required to discard a card. Before the dealer has turned over the flop, the player may turn the player's cards face up and declare "three of a kind" or "three card straight flush," as appropriate. The player shall be paid according to the payout schedule on the amount of the ante bet, and play on that hand shall be concluded.
- (d) After all players have made their choices, the dealer will turn the three community cards face up, and will determine the poker hand held by each player when the player's two cards

are combined with the three community cards. If a player does not hold a hand qualifying for payment as a winning hand, both the ante bet and the second bet shall be taken by the dealer.

- (e) Hands qualifying for payment shall be paid by the dealer according to the following payout schedule, which shall appear on the table layout or on table signage:

| <u>Qualifying hand</u>                     | <u>Version 5</u> |
|--------------------------------------------|------------------|
| Royal flush                                | 500 to 1         |
| Straight flush                             | 100 to 1         |
| Four of a kind                             | 25 to 1          |
| Full house                                 | 10 to 1          |
| Flush                                      | 8 to 1           |
| Straight                                   | 5 to 1           |
| Three card straight flush<br>(on the deal) | 5 to 1           |
| Three of a kind (on the<br>deal)           | 5 to 1           |
| Three of a kind                            | 3 to 1           |
| Two pairs pays                             | 2 to 1           |
| Pair of jacks or better                    | 1 to 1           |
| Pair of 9's or 10's                        | Push             |

(8) Optional bonus bet

- (a) A retail licensee may, in its discretion, offer to each player in a Colorado hold'em game the option to make an additional 'bonus wager' that the player will receive a poker hand with a rank of a pair of jacks or better.
- (b) Each player who has made an initial wager may make an additional bonus wager in the amount of one dollar wager by placing the wager on or in the designated bonus wagering area at the time the initial wager is placed.
- (c) A bonus wager shall have no bearing on any other wager made by a player in the game.
- (d) Hands qualifying for payment shall be paid by the dealer according to one of the following bonus payout schedules, a version of which shall be selected by the licensee. The payout schedule to be used shall appear on the table layout or on table signage:

| <u>Qualifying Hand</u>                     | <u>Version B1</u> | <u>Version B1C</u> |
|--------------------------------------------|-------------------|--------------------|
| Royal flush                                | 10,000 to 1       | 2,000 to 1         |
| Straight flush                             | 1000 to 1         | 500 to 1           |
| Four of a kind                             | 100 to 1          | 100 to 1           |
| Full house                                 | 50 to 1           | 50 to 1            |
| Flush                                      | 30 to 1           | 30 to 1            |
| Straight                                   | 20 to 1           | 20 to 1            |
| Three card straight flush<br>(on the deal) | 5 to 1            | 5 to 1             |
| Three of a kind (on the<br>deal)           | 5 to 1            | 5 to 1             |
| Three of a kind                            | 3 to 1            | 3 to 1             |

|                         |        |        |
|-------------------------|--------|--------|
| Two pairs pays          | 1 to 1 | 1 to 1 |
| Pair of jacks or better | push   | push   |

(47.1-1017.16 amended perm. 09/30/00)

#### **47.1-1017.18 The play -- Western Stud.**

Western Stud is the copyrighted, trademarked, and patented poker variation game, the rights to which on January 1, 2001 were owned by The Old West Gaming Company, Inc. of Las Vegas, Nevada and which may be transferred or assigned. Western Stud must be played according to the following rules: (47.1-1017.18amend. perm. 03/02/01)

- (1) Western Stud may be played only on tables displaying the Western Stud table layout. A single deck of cards will be used. Players do not play against other players. Each player may play only one hand following each shuffle of the deck.
- (2) Each player must place an ante wager in the designated wagering area in front of the player's position.
- (3) Any dealer tip delivered as a wager may be placed in front of the ante wager. If the player continues play with an additional wager, the player may also place an additional dealer tip, equal to the first dealer tip, in front of the additional wager.
- (4) Immediately prior to the commencement of play and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals four cards to each player, and four cards to each of two separate hands to the dealer. The cards are to be dealt face downward and one at a time in rotation among the players and the two dealer hands. The first player to receive a card is the player to the left of the dealer; the dealer receives cards last.
- (5) When all cards have been dealt, the players may examine their hands to determine if they want to beat the dealer's high hand, the dealer's low hand, both the dealer's high and low hands, or decide not to play and forfeit their ante wagers. Straights and flushes do not impair the value of hands for low.
  - (a) A player must place the player's cards face down in the "high," "low," or "both" decision box on the table layout in front of the player's position, or if the player decides not to play, shall slide the cards under the player's ante wager.
  - (b) A player who opts to play against one of the dealer's hands must place an additional wager equal to the ante wager.
  - (c) A player who opts to play against both of the dealer's hands must place two additional wagers, each of which must be equal to the full value of the player's ante wager. When a player plays against both of the dealer's hands, each of the two wagers are considered separate wagers against each of the dealer's hands. In settling the hand, half the value of the ante wager will be considered as having been placed against each of the dealer's two hands.
- (6) Each player may place an additional optional wager called the "River bet." The River bet need not match the ante wager, and shall not exceed the amount of the ante wager. A player can win a River bet regardless of the outcome of the player's high or low, or both high and low wagers; that is, the hand can be lost and the River bet won. Only one River bet payout may be made to a player in a single game, that for the highest paying hand held. Upon a player's winning, the River bet will be paid based on the value of the player's hand as it appears on the following payment

schedule, which shall be displayed on table signage or as part of the table layout:

|                          |         |
|--------------------------|---------|
| Royal flush pays         | 25 to 1 |
| Straight flush pays      | 15 to 1 |
| Four of a kind pays      | 5 to 1  |
| Full house pays          | 5 to 1  |
| Flush pays               | 2 to 1  |
| Straight pays            | 2 to 1  |
| Any 8 or better low pays | 1 to 1  |

- (7) When all players have acted, the dealer collects all hands that have been placed under the ante wagers, places the cards into the discard rack or muck, and collects the ante wagers from the folded hands. The dealer then completes the deal by dealing out a fifth and final card to each remaining player and to each of the dealer's two hands in the same rotation as the deal. The players' final cards are dealt above the decision boxes and are not commingled with the players' original cards.
- (8) The dealer now exposes the two dealer hands, one at a time. The higher standard poker hand must play high for the dealer; the remaining hand must play low for the dealer. If the dealer's higher hand does not have an ace and a king, or better, the high hand does not play and all wagers on high are a push, receiving no action. All wagers on low will always receive action against the dealer's low hand.
- (9) Beginning with the first player to the left of the dealer, the dealer turns over each player's first four cards, keeping the cards within the decision box. The dealer then turns over the player's fifth card, leaving it where it was dealt, and verbally announces the value of the hand. The player's River bet, if any, is settled first and then the ante and additional wagers on the hand are settled. Players' winning ante and additional wagers on the high and low hands are paid at the rate of 1 to 1 (even money). If a player and the dealer have identical value hands, the hand is a push, receiving no action. The player's cards are then removed and placed into the discard rack or muck. The dealer continues this process with each player's hand, in rotation, until all wagers have been settled and all cards have been collected. (47.1-1017.18 added, perm. 11/30/96; 47.1-1017.18 (2)-(9) amended perm. 10/30/97)

#### **47.1-1017.20 The play -- Vegas Double Action.**

Vegas Double Action is the copyrighted and patented poker variation game, the rights to which on June 1, 1999 were owned by Action Gaming, Inc. of Las Vegas, Nevada, and which may be transferred or assigned. Vegas Double Action must be played according to the following rules: (This paragraph amended perm. 09/30/99)

- (1) Vegas Double Action may be played only on tables displaying the Vegas Double Action table layout. A single deck of cards will be used. Players do not play against the dealer or against any other player. Each player may play only one hand following each shuffle of the deck. Winning hands are determined and paid according to the payment schedules which shall be displayed on table signage or as part of the table layout.
- (2)
  - (a) In standard play, each player must place a wager in the designated wagering area in front of the player's position, which shall be a wager on the final outcome of the player's five card hand. The player may place an optional "Stud bet" in the designated Stud bet wagering area in front of the player's position, which shall be a wager on the hand formed by the dealer's five cards. The dealer's cards will also be played as community draw cards.



- (b) At the discretion of the retail licensee, players may be required to place a Stud bet on the dealer's hand in addition to a wager on the player's own hand. If players are so required, the total combined amount required to be wagered by the player shall not exceed five dollars. Nothing shall prevent a player, at the player's option, from betting more than any required minimum, up to a maximum bet of five dollars on the player's hand and five dollars on the dealer's (Stud bet) hand.
- (3) Any dealer tip delivered as a wager may be placed on either one of, or both, the player's hand and the dealer's (Stud bet) hand, provided that the player has placed a personal wager on the same hand.
- (4) Immediately prior to the commencement of play and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals five cards to each player, either face downward and one at a time in rotation among the players, or in a five card group dispensed by a mechanical shuffling device. The first player to receive a card, or cards, is the player to the left of the dealer.
- (5) After each player has received and viewed the player's cards, the player is permitted to discard from zero to five unwanted cards by placing the discards in the designated area at the top right of each player's position. If a player discards all five cards, the dealer will indicate that the player is still in the hand by moving that player's bet to the discard area. Players shall tuck the live cards that they wish to hold under the wager.
- (6) When all players have completed their intended play, the dealer will deal the next five cards face up on the numbered community card spots in numerical order starting from left to right. These five cards will be used as community draw cards, as well as to determine the winners of the optional Stud bets. After all cards have been dealt, the dealer shall place the remaining cards into the discard rack without exposing the cards. If the Stud hand has a value of less than a pair of 6's, all Stud bets are lost, and the dealer will collect each Stud bet in clockwise order starting with the player to the dealer's left.
- (7) The dealer will now determine winners of the draw hand. Beginning with the first player to the left of the dealer, the dealer will turn over each player's cards. The dealer will then proof the hand by pushing forward the correct number of community cards required to make a five card hand by combining the player's held cards with the correct number of replacement cards from the board. The player's draw cards from the community cards must be used in numbered order and from the far right as viewed from the player's position.
- (8) If the player's hand has a value of less than a pair of jacks, the wager is lost. The dealer will collect the losing bet and then collect the player's cards, placing them face down in the discard rack. Players disagreeing with the dealer's determination of rank of hand should present their case before the hand is discarded.
- (9) If the player's hand has a value of a pair of jacks or better, but less than two pair, the hand is a push and no action will be taken with respect to the wager. The dealer will collect the player's cards in the manner described above.
- (10) If the player's hand has a value of two pair or better, the dealer will announce the rank of hand to the player, pay off the player's wager according to the payment schedule below, and collect the player's cards in the manner described above.

|                     |          |
|---------------------|----------|
| Royal flush pays    | 200 to 1 |
| Straight flush pays | 50 to 1  |
| Four of a kind pays | 25 to 1  |
| Full house pays     | 7 to 1   |
| Flush pays          | 4 to 1   |

|                      |                     |
|----------------------|---------------------|
| Straight pays        | 3 to 1              |
| Three of a kind pays | 2 to 1              |
| Two pairs pays       | 1 to 1 (even money) |

- (11) After settling the draw hand, the dealer will announce the Stud hand, that is, the value of the hand formed by the five community cards. If the hand has a value of a pair of 6's or better, each player who placed a Stud bet is paid according to the following payment schedule:

|                            |                     |
|----------------------------|---------------------|
| Royal flush pays           | 1000 to 1           |
| Straight flush pays        | 500 to 1            |
| Four of a kind pays        | 100 to 1            |
| Full house pays            | 20 to 1             |
| Flush pays                 | 15 to 1             |
| Straight pays              | 10 to 1             |
| Three of a kind pays       | 3 to 1              |
| Two pairs pays             | 2 to 1              |
| Pair of 6's or better pays | 1 to 1 (even money) |

(47.1-1017.20 added, perm. 11/30/96)

#### **47.1-1017.22 The play -- Prospector Poker.**

Prospector Poker is the copyrighted, trademarked, and patent pending poker variation game, the rights to which on October 1, 1996 were owned by Black Hawk Gaming & Development Company, Inc. of Boulder, Colorado and which may be transferred or assigned. Prospector Poker must be played according to the following rules:

- (1) Prospector Poker may be played only on tables displaying the Prospector Poker table layout. A shoe containing eight decks of cards will be used. Players do not play against each other. Each player may play only one hand during each dealing round. Determination of winners of low, high, and tied hands is made by considering the point value of the hand. For point value, cards have the following numerical value: aces count 1; number cards 2 through 10 count face value; face cards count 10 each.
- (2) Prior to the commencement of play, the dealer shall shuffle the cards, offer the cut to a player, and load the shoe. All wagers must be placed before cards are dealt.
- (3) Players must make a "poker" wager by placing a bet in the designated wagering circle marked with the letter "P," located in front of each player's position. A player's six card hand will be made by combining the three cards dealt to the player with the three cards dealt to the dealer's gold box. The value or rank of a player's final hand will determine whether or not the player is a winner.
- (4) In addition to the poker wager, a player may place an additional optional wager in either the "Hi" or the "Low" gold wagering area; in either the "Hi" or the "Low" silver wagering area; or in both a gold and a silver wagering area, in front of the player's position.
  - (a) A player's gold bet causes the player's three card hand to be played against the dealer's gold hand; a player's silver bet causes the player's three card hand to be played against the dealer's silver hand.
  - (b) A player's high bet is won if the player's three card hand is higher than the dealer's three card hand. The winning hand is paid at 1 to 1 odds.

- (c) A player's low bet is won if the player's three card hand is lower than the dealer's three card hand. The winning hand is paid at 1 to 1 odds.
- (d) A hand played for high which is a tie hand is won by the dealer if the point value of the hand is 20 or higher, and is a push if the point value of the hand is 19 and lower. A player may not win a tied high hand.
- (e) A hand played for low which is a tie hand is won by the dealer if the point value of the hand is 20 and lower, and is a push if the point value of the hand is 21 and higher. A player may not win a tied low hand.
- (5) When all wagers have been placed, the dealer deals three cards to each player and to the dealer's silver and gold boxes, face upward and one at a time in rotation among the players and the dealer. The first player to receive a card is the player to the left of the dealer; the dealer's gold box receives cards last.
- (6) Beginning with the first player to the dealer's right and working counterclockwise in rotation, the dealer determines the outcome on all silver bets, taking losing wagers and paying all winners. The dealer then discards the three cards in the dealer's silver hand.
- (7) Beginning with the first player to the dealer's right and working counterclockwise in rotation, the dealer determines the outcome on all gold bets, taking losing wagers and paying all winners. The dealer's gold hand remains on the table.
- (8) Beginning with the first player to the dealer's right and working counterclockwise in rotation, the dealer determines the rank of each player's six card hand made by combining the player's three cards with the dealer's three card gold hand. Winning poker wagers will be paid according to the following payment schedule, which shall be displayed on table signage or as part of the table layout:
- |                                      |                     |
|--------------------------------------|---------------------|
| Six of a kind pays                   | 1,000 to 1          |
| Royal flush pays                     | 500 to 1            |
| Five or six card straight flush pays | 100 to 1            |
| Five of a kind pays                  | 25 to 1             |
| Six card flush pays                  | 10 to 1             |
| Four of a kind pays                  | 7 to 1              |
| Full house pays                      | 7 to 1              |
| Six card straight pays               | 6 to 1              |
| Five card flush pays                 | 5 to 1              |
| Three pairs pays                     | 4 to 1              |
| Five card straight pays              | 3 to 1              |
| Three of a kind pays                 | 3 to 2              |
| 2 pairs pays                         | 1 to 1 (even money) |
| Pair of aces or kings is a           | push                |
- (9) The dealer removes all cards from the layout and places them in the discard rack, leaving the dealer's gold hand on top.
- (10) If a player is dealt too many cards, only that player's hand will be void. If a dealer's hand is dealt too many cards, all hands will be void. If a hand has been dealt too few cards, the hand may be completed by dealing a replacement card to the short hand after all other cards have been dealt

to all other players' and dealer's hands. (47.1-1017.22 added, perm. 11/30/96)

#### **47.1-1017.24 The play -- Three Card Poker.**

Three Card Poker is the copyrighted, trademarked, and patent pending poker variation game, the rights to which on June 1, 1999 were owned by Shuffle Master Gaming of Las Vegas, Nevada, and which may be transferred or assigned. Three Card Poker must be played according to the following rules: (This paragraph amended perm. 09/30/99)

- (1) Three card poker may be played only on tables displaying the three card poker layout. A single deck of cards will be used. Each player may play only one hand following each shuffle of the deck. The rank of hands in three card poker, from highest to lowest, is: straight flush, three of a kind, straight, flush, pair, and high card.
- (2) Each player will make at least one initial bet in the amount specified at the table by the retail licensee, and will place the bet(s) in either one of, or both, the "pair plus" and the "ante" wagering areas in front of the player's position. The pair plus bet is placed to play for hand value only; the ante bet is placed to play against the dealer; both bets may be placed if the player wishes to play both ways.
- (3) Any dealer tip delivered as a wager may be placed on either one of, or both, the "pair plus" or "ante" hands, provided that the player has placed a personal wager on the same hand(s). If a player continues play with a "play" wager, the dealer's tip on the "ante" may remain in play whether or not the player adds a "play" tip wager for the dealer.
- (4) Immediately prior to the commencement of play and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals three cards to each player and to the dealer, either face downward and one at a time in rotation among the players and the dealer, or in a three card group dispensed by a mechanical shuffling device. The first player to receive a card, or cards, is the player to the left of the dealer; the dealer receives cards last.
- (5) An incorrect number of cards dealt to a player constitutes a misdeal to that player only. The player receiving the misdealt cards retains the player's ante and any bet. An incorrect number of cards dealt to the dealer constitutes a misdeal for the hand, and all players retain their antes and any bets. Any number of exposed cards does not constitute a misdeal. If the dealer exposes a card, the dealer will turn the card over and continue dealing. (47.1-1017.24 (5) amended perm. 10/30/97)
- (6) Wagers are collected or paid in this order: play, ante bonus (if applicable), ante, pair plus.
- (7) For the dealer's hand to qualify to play against the players' hands, the dealer's hand must have a value of queen high or better. If the dealer's hand does not qualify to play, all ante bets are won by the players and paid at the rate of 1 to 1. If the dealer's hand does not qualify to play, all play bets are pushes.
- (8) If a player has placed an "ante" wager and does not wish to play, the player has the option to fold and forfeit the ante bet. If a player who has placed a pair plus wager does not receive at least a pair, the wager is lost and the player should fold the player's cards. After all players who wish to fold have folded, the dealer collects the ante and/or the pair plus wagers and the cards from each player who folded. All bets will be collected in the order in which the players fold. As the dealer collects the cards, the cards are spread face down to count them, and then placed in the discard rack. A player may view the folded hands upon request.
- (9) If a player who has placed an "ante" wager wishes to stay in the hand, the player must place an

additional wager in an amount equal to the ante in the “play” wagering area in front of the player’s position, and will place the player’s hand under the wager in the “play” area.

- (10) After all players have acted, the dealer exposes the dealer’s cards and creates the best possible three card poker hand, ranking the cards from the dealer’s left to the right and allowing the players to see the hand.
- (a) If the dealer does not have a qualifying hand, there is no action on the play bets; the ante bonuses are paid on all straights or better; all ante bets are paid, and all pair plus wagers are paid or taken.
- (b) If the dealer has a qualifying hand, the play wagers are paid or taken; the ante bonuses are paid on all straights or better; the ante is paid or taken; and the pair plus wagers are paid or taken.
- (11) If after ranking the cards, the dealer finds that the dealer’s first two cards are a tie with a player’s, the third card will determine the winner. A tied hand is a push on the play and on the ante; however, the bonus on the ante and the pair plus wagers are always paid if applicable.
- (12) If a player beats the dealer’s qualifying hand, the player wins the player’s ante and play bets, both of which are paid at the rate of 1 to 1. If the dealer’s hand has a higher poker rank than the player’s hand, the player loses both the player’s ante and play bets. Tied hands are pushes.
- (13) The following hands are always paid a bonus on the ante as the bonus does not play against the dealer: straight flush, three of a kind, and straight.
- (14) If a player has bet on “pair plus,” and the player’s hand contains a pair or better, the player wins, regardless of the dealer’s hand. If the player’s hand contains less than a pair, the player loses.
- (15) The retail licensee may offer the game using any one of the following seventeen pairs of pay schedules. Pay schedules 5 through 17, when used with their respective table layouts, are to be used only as per written agreement between each licensee and Shuffle Master, Inc. of Las Vegas, Nevada. The pay schedules in use, or payouts derived from the pay schedules, must be displayed on the table layout or on signage at the table:

|                 | Pay Schedule 1 |           | Pay Schedule 2 |
|-----------------|----------------|-----------|----------------|
| Player Hand     | Ante Bonus     | Pair Plus | Ante Bonus     |
| Straight flush  | 5 to 1         | 40 to 1   | 4 to 1         |
| Three of a kind | 4 to 1         | 30 to 1   | 3 to 1         |
| Straight        | 1 to 1         | 6 to 1    | 1 to 1         |
| Flush           | .              | 4 to 1    | .              |
| One Pair        | .              | 1 to 1    | .              |
|                 | Pay Schedule 3 |           | Pay Schedule 4 |
| Player Hand     | Ante Bonus     | Pair Plus | Ante Bonus     |
| Straight flush  | 5 to 1         | 40 to 1   | 5 to 1         |
| Three of a kind | 4 to 1         | 30 to 1   | 4 to 1         |
| Straight        | 1 to 1         | 5 to 1    | 1 to 1         |
| Flush           | .              | 4 to 1    | .              |
| One Pair        | .              | 1 to 1    | .              |
|                 | Pay Schedule 5 |           | Pay Schedule 6 |
| Player Hand     | Ante Bonus     | Pair Plus | Ante Bonus     |

|                 |                 |                 |                |
|-----------------|-----------------|-----------------|----------------|
| Mini Royal      | 50 to 1         | .               | 50 to 1        |
| Straight flush  | 8 to 1          | 40 to 1         | 8 to 1         |
| Three of a kind | 6 to 1          | 30 to 1         | 6 to 1         |
| Straight        | .               | 6 to 1          | .              |
| Flush           | .               | 4 to 1          | .              |
| One Pair        | .               | 1 to 1          | .              |
| .               | Pay Schedule 7  | .               | Pay Schedule 8 |
| Player Hand     | Ante Bonus      | Pair Plus       | Ante Bonus     |
| Mini Royal      | 50 to 1         | .               | 50 to 1        |
| Straight flush  | 8 to 1          | 40 to 1         | 8 to 1         |
| Three of a kind | 6 to 1          | 30 to 1         | 6 to 1         |
| Straight        | .               | 5 to 1          | .              |
| Flush           | .               | 4 to 1          | .              |
| One Pair        | .               | 1 to 1          | .              |
| .               | Pay Schedule 9  | Pay Schedule 10 |                |
| Player Hand     | Ante Bonus      | Pair Plus       | Ante Bonus     |
| Mini Royal      | 5 to 1          | 50 to 1         | 4 to 1         |
| Straight flush  | 5 to 1          | 40 to 1         | 4 to 1         |
| Three of a kind | 4 to 1          | 25 to 1         | 3 to 1         |
| Straight        | 1 to 1          | 6 to 1          | 1 to 1         |
| Flush           | .               | 4 to 1          | .              |
| One Pair        | .               | 1 to 1          | .              |
| .               | Pay Schedule 11 | Pay Schedule 12 |                |
| Player Hand     | Ante Bonus      | Pair Plus       | Ante Bonus     |
| Mini Royal      | 5 to 1          | 50 to 1         | 5 to 1         |
| Straight flush  | 5 to 1          | 40 to 1         | 5 to 1         |
| Three of a kind | 4 to 1          | 25 to 1         | 4 to 1         |
| Straight        | 1 to 1          | 5 to 1          | 1 to 1         |
| Flush           | .               | 4 to 1          | .              |
| One Pair        | .               | 1 to 1          | .              |
| .               | Pay Schedule 13 |                 |                |
| Player Hand     | Ante Bonus      | Pair Plus       |                |
| Mini Royal      | 5 to 1          | 50 to 1         |                |
| Straight flush  | 5 to 1          | 35 to 1         |                |
| Three of a kind | 4 to 1          | 30 to 1         |                |
| Straight        | 1 to 1          | 5 to 1          |                |
| Flush           | .               | 4 to 1          |                |
| One Pair        | .               | 1 to 1          |                |
| .               | Pay Schedule 14 | Pay Schedule 15 |                |
| Player Hand     | Ante Bonus      | Pair Plus       | Ante Bonus     |
| AKQ Spades      | 50 to 1         | .               | 50 to 1        |

|                 |                 |                 |            |
|-----------------|-----------------|-----------------|------------|
| Mini Royal      | 10 to 1         | .               | 10 to 1    |
| Straight flush  | 4 to 1          | 40 to 1         | 4 to 1     |
| Three of a kind | 3 to 1          | 30 to 1         | 3 to 1     |
| Straight        | .               | 6 to 1          | .          |
| Flush           | .               | 4 to 1          | .          |
| One Pair        | .               | 1 to 1          | .          |
| .               |                 |                 |            |
|                 | Pay Schedule 16 | Pay Schedule 17 |            |
| Player Hand     | Ante Bonus      | Pair Plus       | Ante Bonus |
| AKQ Spades      | 50 to 1         | .               | 50 to 1    |
| Mini Royal      | 10 to 1         | .               | 10 to 1    |
| Straight flush  | 4 to 1          | 40 to 1         | 4 to 1     |
| Three of a kind | 3 to 1          | 30 to 1         | 3 to 1     |
| Straight        | .               | 5 to 1          | .          |
| Flush           | .               | 4 to 1          | .          |
| One Pair        | .               | 1 to 1          | .          |

(47.1-1017.24 added, perm. 11/30/96; 47.1-1017.24 (13) and (14) amended, (15) added perm 05/30/01)

#### **47.1-1017.28 The Play -- Bonus 6.**

Bonus 6 is a patented poker variation game, the rights to which on November 1, 1998 were owned by Thomas F. Perkins, of Atlanta, Georgia, and which may be transferred or assigned. Bonus 6 must be played according to the following rules:

- (1) Bonus 6 may be played only on tables displaying the Bonus 6 table layout. A single deck of fifty-two cards will be used. Each player may play only one hand following each shuffle of the deck. Players do not play against the dealer or against any other player, but win if their hands qualify for payment according to the pay schedule which shall be displayed on table signage or as part of the table layout. Players may not discuss or expose their hands during play.
- (2) Before receiving any cards, each player must place a wager in the designated "ante" wagering area in front of the player's position. The amount of each ante shall be within the table limit range to be determined by the retail licensee, but not exceeding five dollars, and shall be posted at the table. If the retail licensee does not require a minimum wager, no table signage is required.
- (3) At the discretion of the retail licensee, a player who wishes to tip the dealer by making a bet for the dealer shall place the tip next to the player's ante wager. At the discretion of the retail licensee, a player may be permitted, but shall not be required, to place an additional tip bet for the dealer each time the player makes an additional wager. A tip bet shall not be required to be in any minimum amount, except that the second and third tip bets, if any, shall be in amounts equal to the amount of the tip bet on the ante. Dealer tip bets placed on winning hands shall be paid at the same odds as players' bets on winning hands. No insurance fee or bonus card fee shall be required or accepted on behalf of the dealer as part of the tip.
- (4) At the same time that the ante wager is placed, each player may pay an optional insurance fee by placing one-half the amount of the ante wager in the designated "insurance" area in front of the player's position. Payment of the insurance fee will give the player the right to exercise the option to receive a bonus sixth card later in the game. (amended perm. 11/30/03)
- (5) Immediately prior to each round of play, the dealer shall shuffle and cut the cards, and shall burn the top card. The dealer shall deal two cards to each player, face down, one card at a time in

clockwise rotation around the table, beginning with the player to the left of the dealer. When the final player has received the player's second card, a single card will be dealt to the dealer's position, face up, and will serve as a community card for all players.

- (6) An incorrect number of cards dealt to any player constitutes a misdeal with respect to that player only, voiding the player's wager(s) and insurance fee. An exposed card does not constitute a misdeal. The dealer will turn the card over and continue to deal. If a player's card falls from the table, that player's hand is dead and the player's wager(s) and insurance fee is void.
- (7) After each player has received their first two cards, the player may fold or may play the hand. To continue play, the player must place an additional bet equal to the player's ante bet. To fold, the player will discard the player's cards in front of the player's position. The dealer collects the cards, the ante wagers, the tip bets (if any), and the insurance fees (if any) from the players who have folded.
- (8) When all wagers have been placed, the dealer shall burn the top card then deal a third card to each player. After each player has received their third card, the player may fold or may play the hand. To continue play, the player must place an additional bet equal to the ante bet. To fold, the player will discard the player's cards in front of the player's position. The dealer collects the cards, the wagers, the tip bets, and the insurance fees (if any) from the players who have folded.  
(amended perm. 11/30/03)
- (9) When all wagers have been placed, the dealer shall burn the top card then deal a fourth card to each player. After each player has received their fourth card, the player shall take one of these actions:
  - (a) A player holding a winning hand (a hand qualifying for payment according to the payment schedule) shall tuck the player's cards under the final wager. The dealer shall collect the insurance fee, if any. A player holding a winning hand may not attempt to improve the hand by receiving a fifth dealt card, but must play the five card hand (the four cards dealt to the player combined with the community card).
  - (b) A player who does not have a winning hand and who did not pay the insurance fee shall discard the player's hand in front of the player's position. The dealer shall collect the cards, the wagers, and the tip bets (if any) from the players who have folded.
  - (c) A player who does not have a winning hand, and who paid the insurance fee but does not wish to receive a fifth dealt card, shall discard the player's hand in front of the player's position. The dealer shall collect the cards, the wagers, the tip bets, and the insurance fees from the players who have folded.
  - (d) A player who does not have a winning hand, but who paid the insurance fee described in (4) above and wishes to receive a fifth dealt card, shall pay a bonus card fee equal to the amount of the ante. The dealer shall burn the top card and beginning with the player to the dealer's left the dealer shall expose each player's hand. The dealer shall verify that the hand is not a winning hand, and will deal a fifth card, face down, to the player. The dealer will then collect the insurance and Bonus 6 fees from the player, and will continue in like manner with all remaining players at the table. If the dealer determines that a player holds a winning five card hand, including the community card, a fifth card will not be dealt to the player, and the dealer will tuck the player's hand under the ante wager. The dealer shall collect the insurance fee from the player, and shall push the Bonus 6 fee back to the player. (amended perm. 11/30/03)
- (10) The dealer will expose each player's final card, beginning with the player to the right of the dealer, and working counter-clockwise around the table. For each player, either the cards and wagers on non-winning hands will be collected, or the best five-card winning poker hand formed from the



cards dealt to the player combined with the community card will be identified and will be paid.

- (11) Only the highest ranked hand held by a player shall be paid as a winning hand. Hands shall be settled and paid according to one of the following pay schedule options:

Option A

|                            |            |
|----------------------------|------------|
| Royal flush pays           | 1,000 to 1 |
| Straight flush pays        | 100 to 1   |
| Four of a kind pays        | 50 to 1    |
| Full house pays            | 20 to 1    |
| Flush pays                 | 6 to 1     |
| Straight pays              | 4 to 1     |
| Three of a kind pays       | 3 to 1     |
| Two pairs                  | 2 to 1     |
| Pair of 6's or higher pays | 1 to 1     |

Option B

|                            |          |
|----------------------------|----------|
| Royal flush pays           | 500 to 1 |
| Straight flush pays        | 100 to 1 |
| Four of a kind pays        | 30 to 1  |
| Full house pays            | 15 to 1  |
| Flush pays                 | 7 to 1   |
| Straight pays              | 4 to 1   |
| Three of a kind pays       | 3 to 1   |
| Two pairs                  | 2 to 1   |
| Pair of 6's or higher pays | 1 to 1   |

or

Option C (Double plus Bonus (6) Poker)

|                                  |          |
|----------------------------------|----------|
| Royal flush pays                 | 500 to 1 |
| Straight flush pays              | 100 to 1 |
| Four aces pays                   | 100 to 1 |
| Four twos through fours<br>pays  | 75 to 1  |
| Four fives through kings<br>pays | 50 to 1  |
| Full house pays                  | 20 to 1  |
| Flush pays                       | 6 to 1   |
| Straight pays                    | 4 to 1   |
| Three of a kind pays             | 3 to 1   |
| Two pairs                        | 2 to 1   |
| Pair of 6's or higher pays       | 1 to 1   |

#### **47.1- 1017 .30 The Play -- Home Run Hold 'em**

Home Run Hold 'em is the copyrighted and patented poker variation game, the rights to which on June 1, 1999 were owned by the Gilpin County Collective Braintrust, Inc. of Golden, Colorado, and which may be transferred or assigned. Home Run Hold 'em must be played according to the following rules:

- (1) The object of the game is for each player to make the best possible five card hand out of the seven cards dealt to the player and as community cards. The player holding the high hand at showdown wins the pot. The first player in the game to win four hands qualifies to receive all, or a portion of, a progressive pool.
- (2) Home Run Hold 'em must be played only on tables displaying the Home Run Hold 'em table layout and equipment.
  - (a) A single deck of cards will be used.
  - (b) A button will be used to indicate the dealer position.
  - (c) Special markers termed "base runners" shall be used to indicate the number of hands a player has won since the start of the game or since the game's progressive pool was most recently awarded.
  - (d) A transparent box shall be placed on the table layout to hold the progressive pool.
  - (e) Each player may play only one hand following each shuffle of the deck.
  - (f) Tip bets may not be placed for the benefit of the dealer.
  - (g) At the discretion of the retail licensee, a jackpot award may also be offered.
- (3) The retail licensee shall decide whether to offer a blind or ante variation. Each player shall make an initial bet by placing the bet in front of the player's position in the ante variation. The player or players in the blind positions, being the first one or two places before the button, shall place an initial blind bet in the betting area. All players in either variation shall make a strike out wager by placing the bet in front of the player's position. The minimum amounts of each of the two wagers shall be determined by the retail licensee, except that the sum of the two wagers shall not exceed five dollars, and the amount of the strike out wager must equal or exceed the amount of the ante or blind wager.
- (4) After all wagers have been placed, the dealer collects the ante or blind wagers and places them in the pot on the table layout. The strike out wagers may be gathered at this time and kept separate from the pot until a winner is determined. The winner's strike out wager shall be returned to the winning player, and the remainder is placed into the home run progressive pool.
- (5) Prior to dealing, and after each hand has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals two cards to each player, face downward and one card at a time in rotation among the players. The first player to receive a card is the player to the left of the player who is assigned the dealer button, and the last player to receive cards is the player assigned the button. The dealer then deals three cards, face down, in the flop area on the table layout, and immediately turns them over and leaves them face up on the layout in the ante variation. These three cards are community cards, common to the hands of every active player in the pot. In the blind variation, there shall be a betting round before the three card flop, in which players may call or raise the blind bet, or fold.
- (6) Beginning with the player to the left of the button, the dealer will offer the player the opportunity to

check, bet, or fold, and will continue check, bet, call, raise, or fold to each subsequent player in the game.

- (a) A player who wishes to fold should surrender the player's cards to the muck. The dealer then picks up the cards and mucks them into the discard rack or discard area.
  - (b) A player who wishes to bet on the player's hand shall place a wager on the layout in front of the player.
  - (c) A player who wishes to raise shall place a raising wager on the layout in front of the player.
- (7) When all bets and raises are called, the dealer burns the top card off the deck and deals a fourth community card face upward in the designated spot on the table layout. If the dealer fails to burn a card before the deal, it shall be a harmless error, and no misdeal shall have occurred. Another betting round occurs in the same manner as the first. When all bets and raises are called, the dealer collects the wagers into the pot.
- (8) The dealer burns the top card off the deck and deals a fifth and final community card face upward in the designated spot on the table layout. If the dealer fails to burn a card before the deal, it shall be a harmless error, and no misdeal shall have occurred. Another betting round occurs in the same manner as the preceding. When all bets and raises are called, the dealer collects the wagers into the pot.
- (9) After all bets, raises, and calls have been made and if there are two or more players remaining in the game, there is a showdown. All remaining players who want to claim the pot place their cards face up. Three or more of the five face up community cards can be combined with none, one, or two cards from each player to determine each player's best five card hand. The dealer determines the winning hand, and after raking the pot, awards the pot to the winner. The dealer returns the strike out wager to the winner of the pot and the remainder is placed into the home run progressive pool.
- (a) The winning player also is awarded a base runner, which the dealer places on a base on the player's baseball diamond which appears on the table layout in front of the player. A player who wins with a four-of-a-kind shall be awarded two base runners; a player who wins with a straight flush shall be awarded three base runners; and a player who wins with a royal flush shall be awarded four base runners. No player shall at any time be awarded more base runners than needed to win the current progressive pool.
  - (b) If two or more players hold the same winning hand, the pot is split between or among the winning players, no base runners are awarded to any players, and their strike out wagers are returned.
- (10) The game continues in like manner, with the dealer button moving one player position clockwise with each new hand. The first player at the table to win four base runners wins the home run progressive pool. (47.1-1017.30 added perm. 09/30/99)
- (a) The progressive pool may first be raked, and following the rake, if any, the balance of the progressive pool is given to the winning player.
  - (b) Following the award of the home run progressive pool, the dealer collects all base runners remaining on the table, from all players.
- (11) Winning a base runner creates no future right of a player to qualify to share in the home run progressive pool at some time later than the current table play. A player who collects the player's chips and leaves the game shall return all awarded base runners to the dealer. Players are not

permitted to remove base runners from the table. Any player who places on the table layout a base runner which has not been awarded to such player in current table play commits a fraudulent act.

- (12) When it is necessary or desirable for the retail licensee to close the game or table when unawarded money remains in the progressive pool, each player at the table who has base runners on board shall be awarded a pro-rated portion of the progressive pool, based on the total number of base runners on the table. Following distribution of the progressive pool, the table may be closed.  
(47.1-1017 amended 12/30/04)

#### **47.1-1017.32 208 Poker.**

208 Poker is a copyrighted and trademarked poker variation game, the rights to which on October 20, 2000 were owned by Tim Braun and Larry Lawson, doing business as Braunson Gaming, Inc., a Colorado Corporation, and which may be transferred or assigned. 208 Poker must be played according to the following rules:

- (1) 208 Poker may be played only on an approved 208 Poker table layout. Each player may play only five cards in any one game. Each player must play with both standard house chips and tokens and with special game chips displaying the 208 Poker logo. The 208 Poker game chips may be purchased only at the 208 Poker table with cash or standard casino chips and tokens. No player may introduce into a game any 208 Poker game chips which were not purchased at the 208 Poker table during that same period of play. At the finish of play, the chips may be redeemed at the value at which they were purchased for standard casino chips and tokens only at the 208 Poker table at which the player has played.
- (2) 208 Poker is played with four standard decks of playing cards. Three of the decks, which will be commingled and dealt from a shoe or a shuffling shoe, must have a common design on the card backs. The fourth deck, which will be dealt "out of hand," must have a card back different than that on the shoe decks.
- (3) Players do not play against either the dealer nor against any other player. A player wins if the player holds a hand which qualifies for payment based upon one of the game's pay schedules, or if the player has placed an optional wager on any other event in the game which qualifies the player for payment based upon one or more of the game's applicable pay schedules. All pay schedules, or the payoff odds for all possible outcomes, must be displayed on the table layout or on table signage.
- (4) Players may place wagers on three distinct components of the game, all of which are concurrently applicable in each hand of play.
  - (a) The primary game is wagering on the value of a five card poker hand. Each player's five card hand is formed by two cards dealt to the player, combined with three community cards which all players have in common. A player must place an Ante wager on the player's five card hand to play any part of the game of 208 poker. An optional jackpot wager may also be placed on the outcome of the five card hand.
  - (b) The second game component is a wager on the value of a three card poker hand formed by the three community cards. All wagers on the three card hand are optional and retail licensees may not require players to place any such wagers.
  - (c) The third game component is wagering on one or more of the value, face, and suit of each individual card of the three community cards. There are three opportunities to place these wagers, once in advance of each community card being dealt. All wagers on the individual cards are optional and retail licensees may not require players to place any

such wagers.

- (5) At the start of play, the dealer shall combine and shuffle three decks of cards, and shall place them in a dealing or shuffling shoe. The dealer shall shuffle the fourth deck and retain it to deal by hand.
- (6) Players must place an ante bet on the outcome of the five card hand, using standard house chips and tokens, on the designated spot in front of the player on the table layout. Each player may place an additional, optional, Jackpot wager in an amount not greater than one dollar on the outcome of the five card hand. Each player may also place an additional, optional, wager on the final constitution of a three card hand formed by three community cards which will later be dealt. The jackpot wager and the three card wager may be made using only the special 208 Poker game chips.
- (7) A tip bet for the dealer, based upon the outcome of the five card hand, may be placed using standard house chips or tokens by placing the tip adjacent to a player's ante bet, and upon winning, shall be paid at the same odds as the player's bet. Tip bets for the dealer, to be paid upon the player winning an optional wager, may be placed using only coins and tokens by placing the tips on any of the proposition outcomes upon which the player has also placed a wager. Tips may also be given directly to a dealer using either standard house chips and tokens or using the 208 Poker game chips. The dealer must exchange 208 Poker game chip tips to house chips and tokens or coins before dropping the tips in the tip box.
- (8) Using the "out of hand" single deck, the dealer will burn the top card and then deal two cards face down to each player who has placed an ante wager, one card at a time in clockwise rotation around the table, beginning with the player to the dealer's left. The dealer will not receive any cards. After all players have been dealt two cards, this deck shall be set aside in a discard rack and shall not be used further in the game.
- (9) An incorrect number of cards dealt to any player constitutes a misdeal with respect to that player only, voiding the player's wager(s). Exposed cards dealt to a player do not constitute a misdeal; the dealer will turn the card(s) over and continue to deal. If a player's card falls from the table, that player's hand is dead and the player's wagers are void.
- (10) Players who did not place a three card wager at the time they placed their ante wagers have a final opportunity to do so before the next card is dealt.
- (11) Players may now place one or more optional wagers on the nature of the next single card to be dealt. The nature of the card may include one or more features based upon the value, face, and suit of the card. These wagers may be placed using only the special 208 Poker game chips.
- (12) When all wagers have been placed, the dealer shall burn the front card from the card stack in the shoe and will turn the next card face up and place on the designated community card spot on the table layout. After this card has been placed on the layout, a marker shall be placed on the image of the corresponding card on the table layout.
- (13) The dealer will collect all non-winning wagers which have been placed on the nature of the first community card. Winning wagers will be paid according to the following pay schedule:

|                                                  |         |
|--------------------------------------------------|---------|
| Value and suit of card                           | 48 to 1 |
| Value of card, except for<br>sevens, of any suit | 11 to 1 |
| Suit of card, except for<br>sevens               | 3 to 1  |
| Three-way split deck                             | 2 to 1  |
| Over 7 or under 7 in                             | 1 to 1  |

value

- (14) When all wagers on the first community card have been settled, players shall be instructed to remove their winning payments from the table layout, and will be given the opportunity to place one or more optional wagers on the nature of the second single card to be dealt as a community card. The procedure for wagering, dealing, and settling these wagers shall follow the procedures described in paragraphs (11) through (13), above.
- (15) When all wagers on the second community card have been settled, players shall be instructed to remove their winning payments from the table layout, and will be given the opportunity to place one or more optional wagers on the nature of the third and final single card to be dealt as a community card. The procedure for wagering, dealing, and settling these wagers shall follow the procedures described in paragraphs (11) through (13), above.
- (16) When all wagers on the third community card have been settled, the dealer shall determine if the value of the three card hand formed by the three community cards qualifies for payment under the pay schedule, and whether any players have placed wagers on the winning outcome. The dealer shall first collect all non-winning wagers, and shall then pay off all wagers qualifying for payment according to the following pay schedule. "Identical" shall mean exactly alike, having both the same suit and the same numeric or face value.

|                                |            |
|--------------------------------|------------|
| Any three of an identical kind | 2,500 to 1 |
| Royal flush                    | 2,000 to 1 |
| Straight flush                 | 300 to 1   |
| Any A+K+Q                      | 200 to 1   |
| Any three of a kind            | 125 to 1   |
| Any straight                   | 20 to 1    |
| Any flush                      | 15 to 1    |
| Any identical two cards        | 15 to 1    |

- (17) When all wagers on the three card hand have been settled, the dealer shall determine the best five card hand which can be made for each player by combining the two cards dealt to the player together with the three community cards. A player holds a winning hand if the hand qualifies for payment according to the applicable pay schedule provided below. Beginning with the player to the dealer's right, and moving counter-clockwise around the table, the dealer shall turn each player's cards face up in front of the dealer to read the best poker hand. Payment shall be made only on the single highest paying qualifying hand held by a player within each pay group. Cards which do not form a winning hand shall be placed face down in front of the non-winning players, and the dealer shall collect the players' wagers.

- (a) Players' jackpot wagers qualifying for payment shall be paid according to the following pay schedule. "Identical" shall mean exactly alike, having both the same suit and the same numeric or face value.

|                                                  |            |
|--------------------------------------------------|------------|
| Five of a kind, with four identical cards        | 5,000 to 1 |
| Four of an identical kind                        | 3,000 to 1 |
| Five of a kind                                   | 2,500 to 1 |
| Full house identical                             | 1,500 to 1 |
| (Three identical cards with two identical cards) | -          |

- (b) Players' ante wagers qualifying for payment shall be paid according to the following schedule. "Identical" shall mean exactly alike, having both the same suit and the same numeric or face value.

|                                  |            |
|----------------------------------|------------|
| Royal flush                      | 1,000 to 1 |
| Straight flush                   | 250 to 1   |
| Three of an identical kind       | 25 to 1    |
| Four of a kind                   | 20 to 1    |
| Flush                            | 10 to 1    |
| Any two pairs of identical cards | 8 to 1     |
| Full House                       | 6 to 1     |
| Straight                         | 6 to 1     |
| Three of a kind                  | 2 to 1     |
| Two pairs                        | 1 to 1     |
| Any two identical cards          | 1 to 1     |
| Any pair                         | Push       |

- (18) When all hands have been settled, the dealer may start a new game. Not more than three games may be dealt out of one shuffle of the shoe, except that if two or more identical cards, which were dealt from the shoe, appear in the same hand, then the shoe decks must be reshuffled prior to the next game being dealt. When a shuffling shoe is used by the dealer, the shoe decks need not be reshuffled by hand at any time during play. The single deck of cards used in the game must always be shuffled before each new game.
- (19) No player may play with more than one color of 208 Poker game chips, and each player shall play with a different color of 208 Poker game chips. 208 Poker chips shall have a value of 25 cents each, unless the retail licensee shall allow a player to declare and buy in at a higher per-chip value. A lammer shall be used by the dealer to indicate the value of each color of chip in play, if other than 25 cents. All 208 Poker chips should be redeemed by the dealer at the end of a player's period of play at the table. Any chips not redeemed at the 208 Poker gaming table during the same period of play in which they were purchased may be redeemed at a later time at a 208 Poker game table or by a casino cashier at value of 25 cents each, regardless of the value at which they may have been purchased.

(47.1-1017.32 added perm. 05/30/01)

#### **47.1-1017.34 The Play – Boston 5 Stud Poker.**

Boston 5 Stud Poker is a patented poker variation game, the rights to which on July 1, 2001 were owned by John Feola, doing business as New Vision Gaming of north reading, Massachusetts, and which may be transferred or assigned. Boston 5 Stud Poker must be played according to the following rules:

- (1) Boston 5 Stud Poker may be played only on tables displaying the Boston 5 Stud Poker table layout. A single deck of fifty-two cards will be used. The object of the game is for each player to get a better five card poker hand than the dealer's hand, and to get a five card hand qualifying for payment according to an optional Ante bonus pay schedule. With the three card optional bonus bet, the object is for the player to get a three card hand qualifying for payment according to the Option Bonus pay schedule. Players may play only one hand of cards with each shuffle of the deck.

- (2) Table limits shall be posted at the table. Prior to any cards being dealt, each player must place a wager not to exceed five dollars in the circle marked 1st Wager. Also at this time, a player may place a bet on either, or both, of two optional bets: the Ante Bonus bet and/or the three card Optional Bonus bet. A player who places an Ante Bonus bet in the "Ante Bonus" betting circle will be eligible for an award as listed in the Ante Bonus pay out schedule. The Ante Bonus bet will be half of the 1st Wager amount. A player who places a three card Optional Bonus bet in the "Optional bonus" betting circle will be eligible for an award as listed on the three card Optional Bonus payout schedule. The three card Optional Bonus bet may be made in any whole dollar amount between one and five dollars.
- (3) At the discretion of the retail licensee, a player who wishes to tip the dealer by placing bets for the dealer shall place the tip(s) above or adjacent to the player's wagers at the same time that the player places the player's wagers. A tip bet can only be placed where a player bet has been made. A tip bet shall not be required to be in any minimum amount, but the amount of each tip bet may not exceed the amount of each of the player's specific wagers placed. Players may be permitted to place a tip bet for the dealer on any or all of the following bets: the three card Optional Bonus bet, the optional Ante Bonus bet and the 1st Wager bet. An Ante Bonus tip bet is not required to be in an amount of half of the player's 1st Wager bet. Only when a player has placed a tip bet on the 1st Wager, the player may, but is not required to, place an additional tip bet for the dealer on the 2nd Wager at the same time that the player places the player's 2nd Wager. Dealers' tip bets placed on tying hands shall push, and dealers' tip bets on winning hands shall be paid at the same odds as players' bets on winning hands.
- (4) Immediately prior to each round of play, the dealer shall shuffle and cut the cards. At the discretion of the retail licensee, the dealer may burn the top card. The dealer shall deal three cards to each player and to the dealer, all three at the same time, face down, in clockwise rotation around the table, beginning with the player to the left of the dealer and lastly to the dealer.
- (5) An incorrect number of cards dealt to any player constitutes a misdeal with respect to that player only, voiding the player's wager(s). Exposed cards dealt to a player do not constitute a misdeal; the dealer will turn the card(s) over and continue to deal. If a player's card falls from the table, that player's hand is dead and the player's wagers are void.
- (6) If the dealer misses dealing one card to the dealer, the dealer shall, after all other cards have been dealt to the players, take the next card from the deck stub to complete the dealer's hand. If the dealer fails to deal two cards to the dealer, then the entire hand is a misdeal; all wagers are void and all cards are collected. An exposed card dealt to the dealer does not constitute a misdeal, and the exposed card will be played as dealt.
- (7) After all players have received their three cards, the dealer shall ask the players if they hold cards qualifying for a three card optional Bonus payment, and if so, the players will expose their three card hands. Players who fail to declare and show their three card hands qualifying for payment at this time shall not be permitted to do so at any later time in the game. The dealer will collect all wagers on hands not qualifying for a three card Optional Bonus payment, and will pay all winning hands according to the following pay schedule:

|                 | three card optional |
|-----------------|---------------------|
| Player Holds:   | Bonus pay schedule  |
| Straight flush  | 40 to 1             |
| Three of a kind | 30 to 1             |
| Straight        | 6 to 1              |
| Flush           | 4 to 1              |
| Pair            | 1 to 1              |



- (8) Each player then has the option either to fold or to continue playing. Players who do not fold must make an additional wager in an amount equal to the 1st Wager by placing the additional wager in the 2nd Wager circle in front of the player's position.
- (9) After all players have had the opportunity to place their wagers, the dealer shall pick up the wagers and cards from players who have folded. The dealer shall begin with the player to the dealer's right and continue in a counterclockwise rotation around the table, first picking up wagers, and then repeating the rotation picking up cards. The dealer shall not show the cards, and shall place them in the discard rack.
- (10) At the discretion of the retail licensee, the dealer may burn the top card from the deck. The dealer shall deal two more cards, both at the same time, face down, in clockwise rotation around the table, to each remaining player and lastly to the dealer. The remainder of the deck will be placed in the discard rack.
- (11) The dealer then turns the dealer's five cards face up and determines the best poker hand held by the dealer. Each player's cards are then turned over by the dealer and are compared to the dealer's hand. The dealer begins with the player to the dealer's right and continues in a counterclockwise rotation around the table. The higher five card poker hand wins between the dealer and each player. In the event of a tie, the hands push and the player's 1st and 2nd Wagers are neither won nor lost.
- (12) When a dealer's five card hand beats a player's five card hand, the dealer collects both the 1st and 2nd Wagers. When a player's hand beats the dealer's hand, the player retains both the player's wagers placed on the 1st and 2nd Wagers and is paid at odds of 1 to 1 on the 1st and 2nd Wagers.
- (13) A player who has placed an optional Ante Bonus bet is eligible to receive an Ante Bonus award when the player holds a five card hand qualifying for payment pursuant to the Ante Bonus pay schedule below. A player who receives payment for an Ante Bonus award retains that player's Ante Bonus bet. If a player does not receive an Ante Bonus award, the dealer collects that player's Ante Bonus bet.

| Player Holds:   | Ante Bonus pay schedule |
|-----------------|-------------------------|
| Royal flush     | 1000 to 1               |
| Straight flush  | 200 to 1                |
| Four of a kind  | 100 to 1                |
| Full House      | 25 to 1                 |
| Flush           | 15 to 1                 |
| Straight        | 8 to 1                  |
| Three of a kind | 5 to 1                  |
| Two Pairs       | 2 to 1                  |

- (14) After all wagers have been settled, the dealer shall pick up all cards from the table, beginning with the player to the dealer's right and continuing in a counterclockwise rotation around the table. Players may not touch any wagers placed or recover any winnings until the completion of each game.

#### **47.1-1017.36 The Play – Player's Choice Poker.**

Player's Choice Poker is the copyrighted and patented poker variation game, the rights to which on December 1, 2001 were owned by John Feola, doing business as New Vision Gaming of Medford, Massachusetts, and which may be transferred or assigned. Player's Choice Poker must be played

according to the following rules:

- (1) Player's Choice Poker may be played only on tables displaying the Player's Choice Poker table layout. A single deck of fifty-two cards will be used to deal either six three-card hands or six five-card hands, at the discretion of the retail licensee. The object of the game is for each player to choose one or more hands of cards which will qualify for payment pursuant to a pay schedule. More than one hand can qualify for payment and players may wager on more than one hand. More than one player may wager on the same hand.
- (2) Before the dealer deals any cards, each player must place a wager on one or more of the six numbered circles in front of the player's position, with each circle representing the hand of cards the player is wagering on.
- (3) At the discretion of the retail licensee, a player who wishes to tip the dealer by placing bets for the dealer shall place the tip(s) above or below the player's wagers at the same time that the player places the player's wagers. A tip bet shall not be required to be in any minimum amount, and the amount of each tip bet shall not exceed the amount of the player's own wager on the same hand. Winning tip bets shall be paid at the same odds as winning players' bets.
- (4) Immediately before each round of play, the dealer shall shuffle and cut the cards. At the discretion of the retail licensee, the dealer may burn the top card. The dealer shall deal one card at a time, either face down or face up (at the discretion of the retail licensee), in rotation to each hand until either three cards or five cards are dealt to each of the six hands, as appropriate for the variation of play being used.
- (5) An incorrect number of cards dealt to any hand constitutes a misdeal with respect to that hand only, voiding all players' wagers on that hand. When the cards are dealt face down, exposed cards do not constitute a misdeal and the dealer will turn the card(s) over and continue to deal. If a card falls from the table, that hand is dead and the all players' wagers on the hand are void.
- (6) After all six hands have been dealt, the dealer shall announce each hand's value or rank and shall determine whether each hand qualifies for an award according to the pay schedule in use, which must appear on the table layout or on signage at the table. The dealer shall collect all losing wagers and shall pay all winning wagers according to the one of the following pay schedules:

(a) Three-Card Hands (only the highest ranked hand qualifying for payment shall be paid on each different wager):

|                 |         |
|-----------------|---------|
| Straight flush  | 40 to 1 |
| Three of a kind | 30 to 1 |
| Straight        | 6 to 1  |
| Flush           | 4 to 1  |
| Pair            | 1 to 1  |

(b) Five-Card Hands (only the highest ranked hand qualifying for payment shall be paid on each different wager):

|                |          |                                   |
|----------------|----------|-----------------------------------|
| Royal flush    | \$5,000  | Without regard to amount of wager |
| Straight flush | \$1,000  | Without regard to amount of wager |
| Four of a kind | 150 to 1 | -                                 |
| Full house     | 50 to 1  | -                                 |
| Flush          | 30 to 1  | -                                 |

|                 |         |   |
|-----------------|---------|---|
| Straight        | 15 to 1 | - |
| Three of a kind | 5 to 1  | - |
| Two pairs       | 2 to 1  | - |
| One pair        | 1 to 1  | - |

- (7) After all wagers have been paid, the dealer shall place the cards from all hands in the discard rack and may reshuffle the deck for the next game. (added perm. 01/30/02)

#### **47.1-1017.37 The play – 3-5-7 Poker.**

3-5-7 Poker is the trademarked poker variation game, the rights to which on November 21, 2003, were owned by Gaming Entertainment, Inc., Las Vegas, Nevada. 3-5-7 Poker must be played according to the following rules:

- (1) 3-5-7 Poker may be played only on tables displaying the 3-5-7 Poker table layout. A single deck of fifty-two (52) cards will be used. Each player may play only one 3-5-7 Poker hand following each shuffle of the deck. Each hand of 3-5-7 Poker consists of three games: 3-card poker, 5-card poker, and 7-card poker. Each hand of 3-5-7 Poker shall be complete after the dealer has settled all wagers made on the hand.
- (2) Before receiving any cards, each player shall place a wager in the designated area on the layout. A player may wager on any one, two, or all three games in the hand. The amount of each wager shall be within the table limit, to be determined by the retail licensee, but not exceeding five dollars, and shall be posted at the table. If the retail licensee does not require a minimum wager, no table signage is required. A player who wishes to tip the dealer by making a bet for the dealer shall place the tip-bet next to the player's wager for that game. Each retail licensee may allow or not allow tip-bets according to its policy. All tip-bets allowed shall be paid according to the posted pay schedule for player wagers.
- (3) Immediately prior to each round of play, the dealer shall shuffle and cut the cards. The dealer shall deal a total of three cards face downward to each player who has made a wager and four community cards face downward to be used by all players in one of the following methods:
  - (a) The dealer will deal one card face down on the table and then deal a second card, also face down, on top of the first card. The dealer will deal a third card face down and scoop the three card stack and deliver the cards, still face down, to the first player. This procedure is repeated for each player that has made a wager on the game. The dealer then deals four community cards into the designated position on the layout for community cards. The dealer will place the remainder of the deck into the discard rack.
  - (b) The dealer will deal a card face down into the designated area for the first community card to the dealers left. The dealer will then deal one card face down in a clockwise rotation, from left to right, to each player who has made a wager. The dealer will then deal a second community card face down into the appropriate position on the layout and a second card face down in rotation to each player. This procedure is repeated for a third community card and a third player card. A final (fourth) community card is dealt face down to the appropriate position on the layout and the remainder of the deck is placed into the discard rack.
- (4) If a shuffle device is used, the licensee shall have a second deck of cards at the table which are of a predominately different color back. As one deck is being shuffled by the machine, the other deck is in use. The decks are alternated between hands. The dealer shall deliver cards from the shuffling device in groups of three to each player and the dealer. To set the community cards, the

dealer places the first group of three cards on the table, burning the bottom card and retaining two cards. The dealer places a second group of three cards on the table, once again burning the bottom card and retaining two cards. These four remaining cards are placed into the white and yellow rectangles, constituting the community cards.

- (5) An incorrect number of cards dealt to any player or the dealer constitutes a misdeal; all wagers are void and all cards are picked up and re-shuffled. An exposed card does not constitute a misdeal. The dealer will turn the card over and continue to deal. An exposed community card will constitute a misdeal; all remaining wagers are void. If a player's card falls from the table, that player's hand is dead and that player's wager(s) is void.
- (6) At the discretion of the retail licensee, a player who has made a wager on all three games may be allowed to surrender half the wager on the 7-card game. The surrender option is only available for the 7-card wager.
- (7) After each player has received and viewed the player's first three cards, and has made the surrender decision, the player shall place the cards face down behind his wager or tuck the cards under the first wager. The dealer will expose, and spread each player's cards in front of the player's wagers on the layout, from right to left in a counter clockwise rotation. All wagers are also settled from right to left in a counter clockwise rotation.
  - (a) The dealer shall settle each player's 3-card Poker wager by placing non-winning wagers in the table tray and paying winning wagers according to the posted pay schedule. If a player has not placed a wager on 5-card or 7-card games, the player's cards shall be removed and placed in the discard rack.
  - (b) After all wagers on the 3-card Poker game have been settled, the dealer shall turn the first two community cards face up on the layout and announce "5-card Poker." The 5-card Poker hand shall consist of the player's 3-card poker hand and the first two community cards turned up by the dealer. The dealer shall settle each player's 5-card poker wager by placing non-winning wagers in the table tray and paying winning wagers according to the posted pay schedule. If a player has not placed a wager on the 7-card game the player's cards shall be removed and placed in the discard rack.
  - (c) After all wagers on the 5-card Poker game have been settled, the dealer shall turn the last two community cards face up on the layout and announce "7-card Poker." The 7-card Poker hand shall consist of the player's 3-card poker hand and the four community cards turned up by the dealer. The dealer shall settle each player's 7-card poker wager by placing non-winning wagers in the table tray and paying winning wagers according to the posted pay schedule. The dealer shall then remove all of the remaining cards and place them in the discard rack for the next hand.
- (8) Optional Player Banked Pot. In an optional version of play, the retail licensee may allow each player to place an optional additional wager on each 3-card, 5-card, and 7-card game of a posted amount, not to exceed five dollars. At the beginning of each game the optional additional wagers for that game are pulled to the center of the table in a pot and awarded, by the dealer, to the player with the best hand. No player may make an optional additional player-banked pot wager without having first made a pay schedule wager on that game. Only players who have made the optional additional wager for the player banked pot are eligible to win that pot.
  - (a) In the 3-card game, optional wagers are collected into a pot prior to the player's 3-card hand being exposed, and the pot is awarded prior to pay schedule wagers being settled for the 3-card game. The retail licensee may collect a rake on the player-banked pot of not more than 10% or five dollars, whichever is less. The amount of rake must be posted at the table.

- (b) In the 5-card game, optional wagers are collected into a pot prior to the first two community cards being exposed, and the pot is awarded prior to pay schedule wagers being settled for the 5-card game. The retail licensee may collect a rake on the player-banked pot of not more than 10% or five dollars, whichever is less. The amount of the rake must be posted at the table.
- (c) In the 7-card game, optional wagers are collected into a pot prior to the last two community cards being exposed, and the pot is awarded prior to pay schedule wagers being settled for the 7-card game. The retail licensee may collect a rake on the player-banked pot of not more than 10% or five dollars, whichever is less. The amount of the rake must be posted at the table.
- (d) If only one player has placed an additional optional player banked wager the dealer shall return the wager to the player as void. Two or more player must place the wager to form a pot.
- (9) Any rake collected by the retail licensee shall be placed into the table tray and included in the calculation of AGP.
- (10) The dealer shall collect all losing wagers and shall pay all winning wagers according to one of the following pay tables. The appropriate pay table shall be printed on the table layout or provided on table signage:

**'3' BET**

Payout Schedule 1

|                |         |
|----------------|---------|
|                | -       |
| Straight Flush | 40 to 1 |
| 3 of a Kind    | 30 to 1 |
| Straight       | 6 to 1  |
| Flush          | 4 to 1  |
| One Pair       | 1 to 1  |

Payout Schedule 2

|                |         |
|----------------|---------|
|                | -       |
| Straight Flush | 40 to 1 |
| 3 of a Kind    | 25 to 1 |
| Straight       | 6 to 1  |
| Flush          | 4 to 1  |
| One Pair       | 1 to 1  |

**'5' BET**

Payout Schedule 3

|                   |             |
|-------------------|-------------|
|                   | -           |
| Royal Flush       | Pays (to 1) |
| Straight Flush    | 500         |
| 4 of a Kind       | 100         |
| Full House        | 40          |
| Flush             | 15          |
| Straight          | 8           |
| 3 of a Kind       | 6           |
| Two Pair          | 4           |
| Pair 6s or better | 3           |
|                   | 1           |

Payout Schedule 4

|                   |             |
|-------------------|-------------|
|                   | -           |
| Royal Flush       | Pays (to 1) |
| Straight Flush    | 500         |
| 4 of a Kind       | 100         |
| Full House        | 40          |
| Flush             | 12          |
| Straight          | 9           |
| 3 of a Kind       | 6           |
| Two Pair          | 4           |
| Pair 6s or better | 3           |
|                   | 1           |

**'7' BET**

Payout Schedule 5

|                |             |
|----------------|-------------|
|                | -           |
| Royal Flush    | Pays (to 1) |
| Straight Flush | 100         |
| 4 of a Kind    | 20          |
| Full House     | 7           |
| Flush          | 5           |
| Straight       | 4           |
|                | 3           |

Payout Schedule 6

|                |             |
|----------------|-------------|
|                | -           |
| Royal Flush    | Pays (to 1) |
| Straight Flush | 100         |
| 4 of a Kind    | 25          |
| Full House     | 15          |
| Flush          | 6           |
| Straight       | 4           |
|                | 3           |

|                                           |   |        |   |
|-------------------------------------------|---|--------|---|
| 3 of a Kind                               | 2 | -      | 2 |
| Ten-high Two Pair<br>(Payout Schedule 5)  | - | 1 to 1 | - |
| Jack-high Two Pair<br>(Payout Schedule 6) | - | 1 to 1 | - |

(47.1-1017.37 added perm. 11/30/04)

#### **47.1-1017.38 Trips Poker.**

Trips Poker is the trademarked poker variation game, the rights to which on September 6, 2004, were owned by Digideal in Spokane Valley, Washington. Trips Poker must be played according to the following rules:

- (1) Trips Poker may be played only on tables displaying the Trips Poker table layout. A single deck of fifty-two (52) virtual cards is used plus two (2) jokers, which are used as wild cards.
- (2) Trips Poker is played on the proprietary Digital Card System platform of the Digideal Corporation.
- (3) Trips Poker is a bet or fold game. All bets are equal and raises are not allowed.
- (4) All cards are dealt face up.
- (5) The objective of the game is to build a qualifying hand out of five (5) cards that contains three (3) of a kind (Trips) or better.
- (6) Before receiving any cards, each player places an initial wager in the designated area on the layout. After the wagers are placed, the dealer presses the deal button and the virtual cards are electronically shuffled. No initial wagers may be placed after this has occurred.
- (7) For each round of betting the dealer may prompt the players to either bet or fold. The dealer will then pull all bets to the center of the table prior to dealing the cards. The dealer deals two cards for the first round and one card for each subsequent round until five cards are dealt to each player. The player must place a wager before additional cards can be dealt to them.
- (8) If a player chooses to fold they have a chance to reenter the game in consecutive, subsequent rounds if no other player has a qualifying hand. If all players fold, the dealer presses the deal button, collects the appropriate rake, and the pot rolls over to the next round.
- (9) If a player sits out a hand by not placing an initial wager that player is no longer eligible to play another hand until the pot is won and it is time for a new round to begin.
- (10) If no player has a qualifying hand (three of a kind or higher) the pot rolls over to the next round. At the end of a non-winning round, the dealer will award up to 95 percent (casino option of between 5 percent and 95 percent in increments of 5 percent) of the pot to the player with the highest poker hand. In the event there are two or more hands of equal value, the Hi Hand payout is divided evenly among those hands.
- (11) If one or more players have a qualifying hand, the highest hand is awarded the pot. In the event there are two or more hands of equal value, the Hi Hand payout is divided evenly among those hands.
- (12) Before the pot or payout for the high hand is awarded, the dealer collects a rake. The house may collect a rake for each hand of poker dealt. The rake is dropped in the drop box.

- (13) The casino has the option to end the game after round 5 regardless of whether three of a kind or better has been attained. In the event the casino decides to end the game after completion of the fifth round, the player's screen will display "final round" and the entire pot will be awarded to the highest poker hand.
- (14) Any licensee offering this game must have a pre-established contingency plan in regard to how the pot will be awarded if it has not been won by the time the casino closes. The plan must allow for the pot to be awarded prior to 2 a.m.
- (15) Table stakes do not apply to this game. A player is not allowed to go all in. The inability of a player to make a bet results in a mandatory fold.
- (16) Inadvertent dealer action resulting in the folding of a player or multiple player hands will result in the player's wager(s) being returned to them for that round. Play will then continue in a normal fashion with each player understanding that the carry over pot total found on their player screen and the corresponding Hi Hand payout award will be incorrect until the pot is won. It will be the responsibility of the dealer and/or supervisor to keep a manual count of the pot total and to subsequently do a manual calculation of the Hi Hand payout.

#### **47.1-1017.39 Texas Hold 'Em Bonus Poker.**

Texas Hold'Em Bonus Poker is the trademarked poker variation game, the rights to which on January 1, 2004, were owned by Mikohn Gaming Corporation in Las Vegas, Nevada. Texas Hold'Em Bonus Poker must be played according to the following rules:

- (1) Texas Hold'Em Bonus Poker may be played only on tables displaying the Texas Hold'Em Bonus Poker table layout. A single deck of fifty-two (52) cards is used. Players play against the dealer but not any other players. The objective of the game is to beat the dealer by making a higher ranking five card poker hand utilizing the five community cards and the player's two hole cards. Neither of the player's hole cards needs to be used in the final hand. Table stakes does not apply to this game.
- (2) Each player must make an initial wager on the ante (blind). At this time the player has the option to make an additional bonus wager. The bonus wager does not have to equal the ante bet. Winning bonus wagers are paid according to a paytable that must be prominently displayed at the table.
- (3) Immediately prior to each round of play, the dealer shall shuffle and cut the cards. The dealer will deal two cards to each player and the dealer position area, one at a time face down in a clockwise manner starting to the dealer's left.
- (4) After each player and the dealer have received two cards, there is a betting round. Each player can decide to stay in the game by making a bet, equal to the ante wager on the flop bet or fold, forfeiting both their ante and bonus wagers. If a player folds the dealer will collect the ante and bonus wagers and place the player's two cards into the discard rack.
- (5) The dealer then burns one card, deals three community cards from the deck, and turns them face upward in the designated flop area. Community cards are common to the hand of every active player in the pot and the dealer.
- (6) After the flop, each player has the option to check or bet before the turn card is dealt. A player can make a bet, equal to the ante wager, on the turn. Should a player choose to check (not bet), the player is still active in the game. The turn bet is an optional bet.
- (7) The dealer then burns one card and deals another community card face upward in the designated turn area.

- (8) After the turn, each player has the option to check or bet before the river card is dealt. A player can make a bet, equal to the ante wager, on the river. Should a player desire to check (not bet), the player is still active in the game. The river bet is an optional bet.
- (9) The dealer then burns one card and deals another community card face upward in the designated river area.
- (10) The dealer then returns the remaining cards in the deck to the discard rack, exposes their two hole cards and sets their best five card poker hand utilizing the five community cards and the dealer's two hole cards.
- (11) Starting to the dealer's right, the dealer exposes each player's two hole cards, one player at a time. If the player made the optional bonus wager, the dealer takes or pays the player's bonus wager according to the posted pay table. The dealer then sets the players best five card poker hand, utilizing the five community cards and the players two hole cards. There is a showdown between the player and the dealer with the best high hand winning. If the player wins, the player is paid even money on the flop, turn and river bets with the ante wager being paid even money on a straight or higher. The ante wager is a push on a winning hand lower than a straight. If the dealer's hand is higher, the dealer takes all of the player's wagers. The dealer then collects the player's two cards and places them in the discard rack and moves on to the next player.
- (12) Winning bonus wagers shall be paid according to a payment schedule prominently displayed on the table. Either of the following payment schedules may be used.
- (13) If a player's card goes off the table, that player's hand is considered dead. The player will retain all wagers and the dealer will place the player's cards in the discard rack.
- (14) If a dealer exposes any of the dealer's cards this will be considered a misdeal for the entire table. All player's wagers will be retained.
- (15) If the player or a dealer exposes any of the player's cards, the dealer will turn over the exposed card and the hand will continue.
- (16) If the dealer deals out an incorrect number of cards for the flop, the dealer will muck the flop cards and shuffle them along with the burn card and the remainder of the deck. The dealer will cut the cards, burn the top cards and flop three cards face up. The same procedure will apply to any mistakes during the turn and river; however, all cards placed prior to the mistake will remain in play. Folded cards will not be included in the shuffle.
- (17) If the dealer forgets to burn a card at any time the hand will remain in play and each player will have the option to continue the hand or fold. The players that fold will retain all wagers and the cards will be placed in the discard rack.
- (18) If the turn and/or the river cards are exposed prematurely prior to the player having a chance to act on the hand, the player will be given a chance to either check or place a wager.
- (19) In all instances, the dealer will notify the floor supervisor prior to correcting any mistakes.

|                                         |            |
|-----------------------------------------|------------|
| Schedule I                              | -          |
| A-A (Player's hand) & A-A (Dealer hand) | 1,000 to 1 |
| A-A (Player's hand only)                | 30 to 1    |
| A-K (Suited)                            | 25 to 1    |
| A-Q or A-J (Suited)                     | 20 to 1    |
| A-K (Unsuited)                          | 15 to 1    |



|                                |         |
|--------------------------------|---------|
| K-K or Q-Q or J-J (High Pairs) | 10 to 1 |
| A-Q or A-J (Unsuited)          | 5 to 1  |
| 10-10 through 2-2 (Low Pairs)  | 3 to 1  |

|                                |         |
|--------------------------------|---------|
| Schedule II                    | -       |
| A-A                            | 30 to 1 |
| A-K (Suited)                   | 25 to 1 |
| A-Q or A-J (Suited)            | 20 to 1 |
| A-K (Unsuited)                 | 15 to 1 |
| K-K or Q-Q or J-J (High Pairs) | 10 to 1 |
| A-Q or A-J (Unsuited)          | 5 to 1  |
| 10-10 through 2-2 (Low Pairs)  | 3 to 1  |

#### **47-1-1017.40. The play – Champion Poker.**

Champion Poker is the trademarked poker variation game, the rights to which are owned by Gaming Entertainment, Inc., Las Vegas, Nevada. Champion Poker must be played according to the following rules: Eff. 11/30/2006

- (1) Champion Poker may be played only on tables displaying the Champion Poker table layout. A single deck of fifty-two (52) cards will be used. Each player may play only one Champion Poker hand following each shuffle of the deck. Each hand of Champion Poker consists of two games: A 5 Card (or 7 Card) Hold Em Bonus and Texas Hold Em (ante blind). Players must bet on the 5 Card (or 7 Card) Hold Em Bonus game in order to play Texas Hold Em or they may bet the 5 Card (or 7 Card) Hold Em Bonus game only. Each hand of Champion Poker shall be complete after the dealer has settled all wagers made on the hand.
- (2) Before receiving any cards, each player shall place a wager in the designated area on the layout. A player may wager on the 5 Card (or 7 Card) Hold Em Bonus game only or they may wager on the 5 Card (or 7 Card) Hold Em Bonus game and the Texas Hold em (ante blind) game. The Texas Hold Em wager (ante blind) and the 5 Card (or 7 Card) Hold Em Bonus wager must be equal and shall be within the table limit, to be determined by the retail licensee, but not exceeding five dollars, and shall be posted at the table. If the retail licensee does not require a minimum wager, no table signage is required. A player who wishes to tip the dealer by making a bet for the dealer shall place the tip-bet next to the player's wager for that game. Each retail licensee may allow or not allow tip-bets according to its policy. All tip-bets allowed shall be paid according to the posted pay schedule for player wagers.
- (3) Immediately prior to each round of play, the dealer shall shuffle and cut the cards. the dealer shall deal two (2) cards face downward to each player who has made a Hold Em Bonus wager, two (2) cards face downward to be used as the Dealer hand and five (5) community cards face downward to be used by all players. Specific dealing procedures should be in line with the standard dealing practices at each casino. Once all cards have been dealt, the dealer will place the remainder of the deck into the discard rack.
- (4) If a shuffle device is used, the licensee shall have a second deck of cards at the table, which are of a predominately different color back. As the machine is shuffling one deck, the other deck is in use.

The decks are alternated between hands. The dealer shall deliver cards from the shuffling device in accordance with the dealing option chosen by each casino.

- (5) An incorrect number of cards dealt to any player or the dealer constitutes a misdeal; all wagers are void and all cards are picked up and re-shuffled. A misdeal would occur if either Dealer card were exposed. An exposed community card will constitute a misdeal; all remaining wagers are void. If a player's card falls from the table, that player's hand is dead and that player's wager(s) is void.
- (6) Players must bet on the 5 Card (or 7 Card) Hold Em Bonus game in order to play Texas Hold Em, or they may bet the 5 Card (or 7 Card) Hold Em Bonus game only. The Texas Hold Em (ante blind) wager and the 5 Card (or 7 Card) Hold Em Bonus wager must be equal. If the player chooses to make the Texas Hold Em (ante blind) bet, the player will have two additional decisions to make. The first decision is made after the player receives his two (2) cards - the player may choose to play or fold. If the player chooses to play, he must match the ante blind wager; if he chooses to fold the player will forfeit his ante blind wager. The second decision is made after the community three card flop cards are exposed - the player may choose to raise by placing a third wager in the raise circle equal to the play wager. After all cards have been dealt, face down, the dealer first determines whether or not any of the players wish to forfeit their ante blind wager or continue to play Texas Hold Em. If the player chooses to play, he will place a bet in the "Play" circle equal to his "ante blind" bet. If the player chooses not to play, he will forfeit his "ante blind" wager; however, the 5 Card (or 7 Card) Hold Em Bonus wager will remain in action. Upon players making this first decision, the dealer will proceed to expose the three (3) flop community cards and determine if any players choose to "Raise" the Texas Hold Em wager. Once the "Raise" wagers are made, the dealer will proceed to either settle the 5 Card Hold Em bonus wagers, based on the posted pay table or expose the final two (2) Community Cards known as the turn and the river and settle all 7 Card Hold Em Bonus wagers based on the posted pay table. Beginning to the dealer's right, the dealer will say "Five Card Bonus" (or "Seven Card Bonus"). After the Hold Em Bonus wagers are settled, the dealer will then expose his two cards. From these seven cards the dealer and the player make the best five-card poker hand where the higher of the dealer's and each player's hands wins. The dealer's best five-card poker hand should be isolated from the five (5) community cards. Ties are pushes. The winning players are paid even money on all wagers, i.e., the ante blind, play and raise wagers. In addition, if the casino opts for the 5 Card Hold Em Bonus game, the players are eligible for an ante bonus if the player has made a Texas Hold 'em (ante blind) wager and the best five of the player's seven cards form a full house or better, the player will receive an additional bonus paid on the ante. The outcome of the player hand versus the dealer hand has no bearing on the ante bonus; the ante bonus is paid as long as the player has a full house or better. Once the dealer settles all bets he moves on to the next game.
- (7) The dealer shall collect all losing 5 Card (or 7 Card) Hold Em Bonus wagers and shall pay all winning 5 Card (or 7 Card) wagers according to the following pay tables. The pay tables shall be printed on the table layout or provided on table signage:

#### Pay Schedules for Five-Card Hold 'Em Bonus

##### Payout Schedule A

|                |          |
|----------------|----------|
| Royal Flush    | 200 to 1 |
| Straight Flush | 50 to 1  |
| 4 of a Kind    | 20 to 1  |
| Full House     | 10 to 1  |
| Flush          | 8 to 1   |
| Straight       | 5 to 1   |
| 3 of a Kind    | 3 to 1   |
| Two Pair       | 2 to 1   |

Pair 8's or Better                      1 to 1

Payout Schedule B

|                    |          |
|--------------------|----------|
| Royal Flush        | 100 to 1 |
| Straight Flush     | 40 to 1  |
| 4 of a Kind        | 20 to 1  |
| Full House         | 10 to 1  |
| Flush              | 7 to 1   |
| Straight           | 4 to 1   |
| 3 of a Kind        | 3 to 1   |
| Two Pair           | 2 to 1   |
| Pair 8's or Better | 1 to 1   |

Ante bonus pay table for the Five-Card Hold Em Bonus Game

|                |         |
|----------------|---------|
| Royal Flush    | 25 to 1 |
| Straight Flush | 10 to 1 |
| 4 of a Kind    | 4 to 1  |
| Full House     | 1 to 1  |

Pay Schedules for Seven-Card Hold Em Bonus

Payout Schedule E

|                |          |
|----------------|----------|
| Royal Flush    | 100 to 1 |
| Straight Flush | 25 to 1  |
| 4 of a Kind    | 15 to 1  |
| Full House     | 6 to 1   |
| Flush          | 5 to 1   |
| Straight       | 4 to 1   |
| 3 of a Kind    | 2 to 1   |

Payout Schedule F

|                |         |
|----------------|---------|
| Royal Flush    | 50 to 1 |
| Straight Flush | 25 to 1 |
| 4 of a Kind    | 15 to 1 |
| Full House     | 6 to 1  |
| Flush          | 5 to 1  |
| Straight       | 4 to 1  |
| 3 of a Kind    | 2 to 1  |

#### Payout Schedule G

|                |         |
|----------------|---------|
| Royal Flush    | 50 to 1 |
| Straight Flush | 20 to 1 |
| 4 of a Kind    | 10 to 1 |
| Full House     | 7 to 1  |
| Flush          | 5 to 1  |
| Straight       | 4 to 1  |
| 3 of a Kind    | 2 to 1  |

There is no ante bonus for the 7 card Hold em bonus game.

#### **47-1-1017.41 The play – Longhorn Hold'em.**

Longhorn Hold'em Poker is the patented, trademarked and copyrighted poker variation game, the rights to which on September 1, 2006, were owned by Stacey Perry and/or MAO Gaming Corporation both of Biloxi, Mississippi, and which may be transferred or assigned. Longhorn Hold'em must be played according to the following rules:

- (1) Longhorn Hold'em may be played only on tables displaying the Longhorn Hold'em table layout and signage. A single deck of fifty-two (52) cards is used. The objective is to make the highest ranking traditional five card poker hand utilizing one to two of the player's cards and three to four community cards. Players must place a Bonus wager. The Bonus wager is won and paid in accordance to a posted pay table. The Bad Beat Jackpot wager is an optional wager. The Bad Beat Jackpot is paid when any player holding Aces Full or better is beaten; with at least one of the qualifying cards being the player's card, not a community card. All players that placed and have not forfeited the bad beat wager share in the Bad Beat Jackpot: The player who is beaten is paid fifty percent of the posted amount, the player who beat that player is paid twenty five percent of the posted amount and the remaining players split twenty five percent of the posted amount. Players who choose to fold during the play for the pot forfeit their stake in the bad Beat Jackpot for that round of play. Any player at the table may hold a qualifying hand.

- (2) Initially, each player must make the Bonus wager. Each player has the option of placing a Bad Beat Jackpot wager.
- (3) The dealer shall shuffle and cut the cards once; after the shuffle no new players may enter the game until the start of a new round
- (4) The dealer shall deal two cards to each player, face down and one at a time. The first player to receive a card is the player to the left of the player who has the button marked " Dealer" . The last player to receive cards is the player assigned the button marked " Dealer" .
- (5) After each player has received two cards, there is a betting round. Each player can opt to stay in the game to see the first three community cards, called the Flop, by making a Pot wager. The player may choose to fold, forfeiting both their Bad Beat and Bonus wagers. If a player folds the dealer will place the Bonus wagers in the tray and drop the Bad Beat Jackpot wager in the Jackpot drop box; and place the player's two cards into the discard rack.
- (6) The dealer moves the posted Pot wagers to the area in the center of the layout marked Pot.
- (7) The dealer burns the top card of the deck and deals three community cards face up in the designated Flop section of the layout. These community cards can be common to the hand of every active player in the pot.
- (8) After the flop, the betting continues for another round. Each player can opt to stay in the game to see the next community card, called the Turn, by making another Pot wager. The player may choose to fold, forfeiting both their Bad Beat and Bonus wagers. If a player folds the dealer will place the Bonus wagers in the tray and drop the Bad Beat Jackpot wager in the Jackpot drop box; place the player's two cards into the discard rack.
- (9) The dealer moves the posted Pot wagers to the area in the center of the layout marked Pot.
- (10) The dealer burns the top card of the deck and deals a community card face up in the designated Turn section of the layout. This community card can be common to the hand of every active player in the pot.
- (11) After the Turn, the betting continues for another round. Each player can opt to stay in the game to see the next community card, called the River, by making another Pot wager. The player may choose to fold, forfeiting both their Bad Beat and Bonus wagers. If a player folds the dealer will place the Bonus wagers in the tray and drop the Bad Beat Jackpot wager in the Jackpot drop box; place the player's two cards into the discard rack.
- (12) The dealer moves the posted Pot wagers to the area in the center of the layout marked Pot.
- (13) The dealer burns the top card of the deck and deals a community card face up in the designated River section of the layout. This community card can be common to the hand of every active player in the pot.
- (14) The round is over. The player with the highest ranking poker hand wins the Pot.
- (15) The dealer will determine if any of the players win the Bonus wager. For winning hands, the dealer will pay the bet at posted odds. All losing Bonus wagers will be placed in the tray.
- (16) The dealer will determine if any of the players qualify for the Bad Beat Jackpot. If so, a Games Supervisor is called to verify the qualifying hands. Jackpot payouts will be made in accordance with all state and federal laws.

- (17) The dealer shall collect all Bad Beat Jackpot wagers, which shall be dropped in the Jackpot drop box.
- (18) The dealer will count the chips in the Pot and take a rake for the house. The dealer will then award the Pot to the winner.
- (19) After all hands are settled the dealer will pick up the cards and move the button marked "Dealer" to the next player to the right. The table is ready for the next round.
- (20) As the terms "Jackpot," and "Jackpot award," are used in these rules of play for Longhorn Hold'em, the terms shall apply to Longhorn Hold'em only.
- (21) The Bad Beat Jackpot award is seeded by the retail operator, in an amount between \$100 and \$500.
- (22) All monies collected for the Bad Beat Jackpot shall be distributed as follows: 60% is placed in the Primary Jackpot; 40 % is placed in the Secondary Jackpot, which replaces the Primary Jackpot when it is won. When the Primary Jackpot is won, the table top signage will be updated with the amount representing the total of the secondary Jackpot prior to the beginning of the next round of play. The Primary Jackpot amount is updated daily after the soft count and posted on the table top signage.

(23) Winning Bonus wagers will be paid in accordance with one of the following pay tables:

| Pay Table Schedule I. | Pay Table Schedule I. | Pay Table Schedule II. | Pay Table Schedule I. |
|-----------------------|-----------------------|------------------------|-----------------------|
| Royal Flush           | 1000 to 1             | Royal Flush            | 500 to 1              |
| Straight Flush        | 200 to 1              | Straight Flush         | 100 to 1              |
| Four of a Kind        | 30 to 1               | Four of a Kind         | 30 to 1               |
| Full House            | 6 to 1                | Full House             | 7 to 1                |
| Flush                 | 4 to 1                | Flush                  | 4 to 1                |
| Straight              | 3 to 1                | Straight               | 3 to 1                |
| 3 of a Kind           | 1 to 1                | 3 of a Kind            | 1 to 1                |
| Two Pair              | push                  | Two Pair               | push                  |

- (24) Any dealer tip delivered as a wager shall be placed on the Bonus wager only.
- (25) Required bet amounts for each wager shall be posted on signage at the table. The Bonus wager does not have to equal the Bad Beat Jackpot wager; the Pot bet does not have to equal either the Bonus wager or Bad Beat Jackpot wager.
- (26) If the dealer exposes a player's card, that player's hand is declared dead. The player's Bad Beat and Bonus wagers are returned to the player.
- (27) If the dealer exposes too many community cards during the Flop, Turn, or River the extra card(s) will be added back into the deck and the dealer will reshuffle. The dealer will continue to deal cards where he left off.
- (28) If the dealer drops a card, he shall pick up the card add it back into the deck, reshuffle and resume play where he left off.
- (29) If a dealer deals a card before wagers are made, he shall pick up the card add it back into the deck, reshuffle and resume play where he left off.

- (30) If a dealer skips a player while dealing pocket cards, the player skipped is dealt out, all moneys placed for bonus and bad beat wagers are returned to player.
- (31) Table games stakes do not apply to this game. A player is not allowed to go all in. The inability of a player to make a bet results in a mandatory fold. If the last player in fails to complete play for the bonus bet and pot, both are forfeited to the house.
- (32) At the discretion of the retail licensee, proposition players may be used.
- (33) A retail licensee may not discontinue offering Longhorn Hold'em until a qualifying player(s) has won the jackpot award. If the retail licensee wishes to discontinue offering Longhorn Hold'em the retail licensee may combine the primary and secondary jackpots and reduce the qualifying criteria for winning the award, allowing the award to be paid at once and more quickly. It is the retail licensee's responsibility to ensure all jackpot award funds are paid to the qualifying winning player(s) during the reduced criteria rounds, after the jackpot has been won.

#### **47.1-1018 Rake**

- (1) Rake may not exceed the lesser of ten (10) percent of the pot or \$5.00. Rake may only be pulled from the pot by the dealer in an obvious manner after each wager and call or at the completion of the hand. The rake must be placed and remain in a designated rake area or on the rake slide until the conclusion of the hand. The rake must then be dropped into the drop box. The designated rake area must be clearly visible to all players.
- (2) In addition to any rake authorized by paragraph (1) of this section, if a retail licensee offers a player banked jackpot award, the dealer may pull a jackpot rake which may not exceed \$2.00. The jackpot rake shall be handled in the manner described above, except that monies from the rake and the jackpot rake may not be commingled. A separate rake circle or slide and a separate drop box must be used for the jackpot rake. (47.1-1018, perm. 3/31/96; (1) amended perm. 09/30/99; amended 12/30/04)

#### **47.1-1019 Operation of the game.**

Play must proceed in a clockwise direction with each player's turn following the person on the player's immediate right, unless the rules of play of an approved variation game require or allow a different order of play. (47.1-1019 amended, perm. 10/30/96)

#### **47.1-1020 Protection of hands.**

A player must protect a held hand by holding onto it above the table or by placing one or more chips or other small object on it provided that any object placed on the hand shall not compromise the integrity of the cards or the ability to clearly view the hand. A protected hand may not be ruled dead by accidental contact with discards unless it is impossible to reconstruct completely. A player who has a protected hand taken in by the dealer or fouled by discards through no fault of the player is entitled to a refund of all of the chips the player put in the pot in that game.

#### **47.1-1021 Dealing.**

A card dealt must be the top card of the deck. After the first card of the hand has been dealt to a player, the deal continues in a clockwise direction. The order of cards may not be disturbed during the deal of a round, except in the remedy of too few cards or for the purposes of error correction in the event of an exposed card.

A card that is meant to be dealt face downward but is dealt face upward or flashed as it is dealt so that a player might know its identity or a card that is dealt off the table is dead. An exposed card meant to be

dealt face downward must be replaced. However, in stud poker, if a dealer turns the last card face up to any player, all remaining players will receive their last card face down. The player or players whose down card was exposed has the option of declaring himself "all-in". If the player chooses not to be "all-in" then betting continues as normal with the player that was high on the sixth card instituting the action. A card exposed by a player is not a dead card. (47.1-1021 temp. 9/30/91, perm. 12/30/91)(47.1-1021 temp. 5/13/93, perm. 6/30/93) (47.1-1021, perm. 3/31/96; amended perm 10/30/2002)

A card dealt prematurely, before a betting round is complete, will not play. In stud games, if the dealt cards may not be used, they are retrieved and buried in the discards. A card for each additional player is also buried in the discards, so the players receive the cards that were intended for the next round. If the mistake is made on the last downcard, when the card is taken in or might have been seen by the player, the card is kept. On the sixth card, any player who already has a seventh card may not bet or raise a player with only 6 cards.

In hold-em games, if the flop is dealt prematurely or contains too many cards, the community cards are mixed with the remainder of the deck, reshuffled, cut by the dealer, and a new flop is dealt without burning a card. If the fourth card is dealt prematurely, it is taken out of play for that round. The dealer will burn and turn what would have been the fifth card in its place. After betting action is completed, the dealer will place the premature fourth card in the unused stub, reshuffle, cut and deal the final card. If the premature card is dealt on the fifth card, the deck is reshuffled and dealt in the same manner. (47.1-1021 amended 12/30/04)

#### **47.1-1022 Misdeal.**

A misdeal causes all of the cards to be returned to the dealer for a redeal. A misdeal may not be called once substantial action has occurred. (47.1-1022, perm. 3/31/96)

#### **47.1-1023 Table stakes and "all in."**

- (1) Players in player banked games may bet only the visible portion of currency and chips in front of them on the table when the hand begins. Such players may add to their stacks at any time before the hand starts, but cannot take money that has been in play for even one hand off the table until they cash out, except that money on the table may be used for tips and to purchase food and beverages served at the table.
- (2) Once a hand in a player banked game has started, a player confronted by a bet larger than the player's table stakes may call "all in" and place the player's chips into the pot as a call. The excess part of the bet is either returned to the bettor or used to form a side pot with another player or players by matching the amount called. There is no limit on the number of side pots. Play must continue and the player who is "all in" must receive cards as other active players. The remaining players must place their bets into the side pot or pots. At the showdown, if the player who is "all in" has the best qualifying high hand, the player wins the pot. The player with the second best qualifying high hand wins the side pot. If the player who is "all in" does not have the best qualifying high hand, the player with the highest hand wins both pots.

In a high-low game, a similar procedure must be used to award the pots to the best qualifying high and best qualifying low hand.

A player who is "all in" and loses must leave the game or buy more chips.

- (3) The provisions of paragraphs (1) and (2), above, may apply to players in house banked games only when required by the specific rules of play of such games.
- (4) A player who has been awarded a pot, or any portion thereof, shall not share any portion of such winnings with any other player until the winning player has cashed out and left the game, nor



shall any licensee permit such sharing except in tournament play pursuant to rule 47.1-1058(4). A winning player is permitted to place an ante or blind for a player whom the winner has just beaten in the previous hand, unless prohibited by house rules or objected to by other players. (47.1-1023, perm. 3/31/96; 47.1-1023 (1)-(2) amended, (3)-(4) added 10/30/97; amended 12/30/04)

#### **47.1-1024 Bypassed betting.**

Players must have an opportunity to act on their hands (no action can signify surrender). Players must notify the dealer or other players that they have not acted before substantial action takes place or their hands may be forfeited. (47.1-1024, perm. 3/31/96)

#### **47.1-1025 Burned cards.**

If the dealer burns a card, it must be kept separate from the muck until all cards have been dealt. If the dealer burns a card and is unable to deal immediately, the dealer may place the burned card back on top of the deck. (47.1-1025, perm. 3/31/96; amended 12/30/04)

#### **47.1-1026 Folding.**

If a player bets but announces a fold, the player has a dead hand. In stud poker, the dealer must decide whether the act by a player of turning such player's up cards, face downward or removing them from the table is a fold. (47.1-1026 amended 12/30/04)

#### **47.1-1027 Call or raise.**

A statement by a player in turn of "call" or "raise" or of a specific bet is binding. A player who states a certain amount but puts a different value of chips into the pot must correct the bet to the stated amount. The dealer must correct all bets. (47.1-1027 temp. 9/30/91, perm. 12/30/91; amended 12/30/04)

#### **47.1-1028 Required statements.**

A player may substitute a gesture for a verbal statement of the player's action. The dealer must announce it, and the player must correct the dealer before substantial action takes place. A player may verbally state an action as "check," "call," "raise," or "fold."

Players who make a bet, decide incorrectly that they have no live hand against the play, and fold their hand, lose the pot unless their hand is declared retrievable by the dealer. (47.1-1028 temp. 9/30/91, perm. 12/30/91; amended 12/30/04)

#### **47.1-1029 Procedure for calls.**

Players who unintentionally put fewer chips into the pot than are needed to call must complete the call or withdraw the partial bet in full. If substantial action has taken place, the player is responsible for completing such player's bet, even if the player might have been unaware of the raise. Players may assemble chips in front of them before acting. A player makes a bet if such player pushes assembled chips forward or releases chips into the pot at a sufficient distance from the player to make it obvious that the intent is to bet. If the situation is unclear and a player allows the dealer to pull the player's chips into the pot without making an immediate objection, it is a bet.

A player must place the entire bet in front of the player at one time. Unless a player has placed the amount of chips required to call a bet and to signify a raise, the player may not place additional chips for a raise. (47.1-1029, perm. 3/31/96)

#### **47.1-1030 Apparent call.**

If a player calls but places a value of chips into the pot that is larger than the bet, it must be regarded as a call unless the player announces a raise. The player may clarify an apparent call as a raise only if no other player behind such player has placed chips into the pot or announced a call or raise. If a player has currency on the table, but insufficient chips to call or raise, the dealer may accept the wager as "money on the piece." (47.1-1030, perm. 3/31/96)

#### **47.1-1031 Fouled hand -- Short hands.**

- (1) A fouled hand is a hand that either has an improper number of cards, unless the player is short a card and due to get the top card of the deck, or has a card that has come into contact with discards. If a player has a fouled hand by having too many or too few cards, that hand is dead and cannot win any part of the pot.
- (2) If a player discovers that the player's hand is fouled, the player cannot recover any chips placed into the pot unless a misdeal can be called. If a player with a fouled hand makes a bet or raise and the next player has not yet acted, the next player may call attention to the fact that the hand is fouled. The dealer must return the player's bet to the player with the fouled hand and betting may resume.
- (3) No player may deliberately foul a hand to recover a bet nor make an attempt to win the pot by betting or raising after discovering that the hand is fouled. If the dealer determines that a player has intentionally bet a fouled hand, the player's chips remain in the pot. (47.1-1031 temp. 9/30/91, perm. 12/30/91) (47.1-1031, perm. 3/31/96)

#### **47.1-1032 Showdown.**

If two or more players remain in the pot after all of the cards have been dealt and the betting is over for that hand, the remaining players show their cards to determine which player has the best hand and wins the pot.

The following provisions govern showdown:

- (1) A hand with too many or too few cards for that game is dead;
- (2) A hand is ranked according to the actual cards it contains. The cards speak for themselves when exposed and laid face up on the table;
- (3) A hand that is prematurely discarded by a player and touches the discarded cards is dead;
- (4) A verbal concession is not binding;
- (5) Players who leave the table concede the pot and have a dead hand;
- (6) A hand discarded face upward that has paid all bets is a live hand if it has not become irretrievably mixed with the discards;
- (7) A hand discarded face downward may be retrieved if the following conditions are met:
  - (a) The player retrieves it and turns it face up. If the discarded hand is out of the reach of player, the player may ask the dealer to push the hand back to the player, and the player shall turn the player's own hand face up;
  - (b) The hand has not touched any discards; and
  - (c) Another player has not been induced to discard such player's hand;

- (8) A hand discarded face downward that is not retrievable is dead even if it had been shown before being discarded, unless that hand had first been laid out face upward and flat on the table until having been seen by the dealer;
- (9) A hand discarded by the dealer without objection is dead;
- (10) If the dealer discards a winning hand without the player's approval after the player holding the hand has laid out the cards face upward and flat on the table, the player is entitled to the pot if it is claimed before being taken in by another player;
- (11) A player must object if the player does not wish the dealer to discard the player's hand; and
- (12) Any player who has called all bets in a hand may request to see, face up, any other hand that has called all bets. This request must be made to the dealer before the hand has touched the muck. (47.1-1032 temp. 9/30/91, perm. 12/30/91) (47.1-1032, perm. 3/31/96; (7)(a), (8), and (10) amended 10/30/2002; amended 12/30/04)

#### **47.1-1033 Review of hands.**

At the conclusion of the betting round, a player shall place the player's hand face upward on the table at the showdown as follows:

- (1) If there has been a bet on the final round, the player who made the bet must show first;
- (2) If there have been one or more raises on the final round, the player who last raised must show first;
- (3) If the final round has been checked by all the players, the player who acted first must show first;
- (4) The subsequent order of showing hands is clockwise around the table from the player who must show first; and
- (5) A player may choose to discard a hand without showing it unless another player who has called all bets has requested to see the hand. (47.1-1033, perm. 3/31/96; amended 12/30/04)

#### **47.1-1034 Award of pot.**

Pots must be awarded by the dealer. When the dealer has awarded a pot and it has been taken in by a player without a claim against it, the award stands. Any such claim shall be made before the objecting player's cards are mucked. No player may make an agreement with any other player regarding the pot. A game must be played to conclusion and the pot awarded to the winning player or players. Jackpot awards, if any, shall be paid following the award of the pot. (47.1-1034, perm. 3/31/96; amended 12/30/04)

#### **47.1-1035 Odd chips in ties.**

If a pot that is split by having tied hands at the showdown has an odd chip, the chip is awarded to the first live player to the left of the button, or to the left of the dealer in stud. In high-low split games, the odd chip is awarded to the player holding the high hand. (47.1-1035, perm. 3/31/96; amended perm 10/30/2002)

#### **47.1-1036 Use of defective deck.**

If a defective deck is used, all chips in the pot must be returned to the players in the amount each contributed. Players who know the deck was defective and attempt to win the pot by a bet are not entitled to their chips in the pot. Such chips must remain in the pot as forfeited money for the next game. A player who won a pot is entitled to keep it, even though the deck is subsequently found to be defective. No

licensee shall use a deck which he knows or reasonably should have known to be defective. The cards in the deck shall be counted within each 30 minutes of play, at a minimum. (47.1-1036 amended 12/30/04)

#### **47.1-1037 Faced card.**

If a card is improperly faced in the deck, it must be treated as a dead card and replaced by the next card below it in the deck. A joker dealt face upward when the joker is not being used in the game is a dead card. A joker dealt face downward to a player when the joker is not used in the game must be replaced by the top card of the deck after all of the other players have received cards for that round.

#### **47.1-1038 Time limit.**

The retail licensee may place a maximum time limit for players to act on their hands. At the end of the time limit, if the players have not bet, they must check. If there has been a bet to a player, the player's hand is dead. The dealer must provide warning to the player before the expiration of the time limit.

#### **47.1-1039 Posting of rules.**

Posted house rules and jackpot award rules shall be clear and legible and placed in a conspicuous and conveniently accessible location available to all players in the poker room. Rules posted and the place of posting must be approved by the Director. Printed copies of house rules and jackpot award rules must be provided to players upon request. (47.1-1039, perm. 3/31/96; amended 12/30/04)

#### **47.1-1040 House game rules.**

A retail licensee shall post house game rules that contain specific rules of play for each game offered for play, and shall also include at least the following rules:

- (1) It will use or not use bet-or-fold policy;
- (2) It will use or not use "check-and-raise" ;
- (3) The maximum amount of rake must be stated not to exceed 10 percent or five dollars;
- (4) It will set the number of raises allowed per round;
- (5) A qualifier will be used to restrict high or low hands. (This notice is required only if a qualifier restriction will be imposed by the retail licensee.) (47.1-1040 temp. 9/30/91, perm. 12/30/91) (47.1-1040 temp. 2/15/95, perm. 3/30/95) (47.1-1040, perm. 3/31/96; amended 12/30/04)

#### **47.1-1041 Maximum number of players.**

The maximum number of players in all poker games shall be set by the house. (47.1-1041 temp. 9/30/91, perm. 12/30/91) (47.1-1041 temp. 5/13/93, perm. 6/30/93) (47.1-1041, perm. 3/31/96; amended 12/30/04)

#### **47.1-1042 Proposals for variations.**

- (1) A retail licensee may submit to the Director, for approval, proposed variations in the shuffle, cut card placement, number of cut cards, shuffle techniques without the use of cut cards, location of the shuffle, who is responsible for shuffling, shuffling equipment, dealing devices, and burn card procedures.
- (2) Upon application to the Division, a retail licensee may request other rules or games of poker be approved for play in limited gaming. The Division will review any such applications and will recommend to the Commission that such rules or games either be approved or not be allowed.

The Commission will review the applications; and any decision to approve any new poker rules or games by the Commission shall be through the promulgation of temporary and/or permanent rules and regulations regarding the new rules or games. (47.1-1042, perm. 3/31/96)

#### **47.1-1043 Changing dealers at poker tables.**

When a new dealer comes on duty at a poker table which uses an imprest bank, the new dealer must count all of the cash and chips in the imprest bank before accepting responsibility for it or the new dealer must supply his or her own imprest bank. An imprest bank shall not be used at tables used for house-banked poker games. (47.1-1043 amended, perm. 11/30/96; amended 12/30/04)

#### **47.1-1044 Wagers to be made with coins and approved tokens and chips.**

All wagers must be made with chips and tokens furnished by the retail licensee where the poker game is held, or by placing money on the piece when a player runs out of chips in the middle of a hand. (47.1-1044, perm. 3/31/96, amend. perm. 03/30/02; amended 12/30/04)

#### **47.1-1045 Procedure for accepting cash at poker tables.**

A poker dealer who receives currency from a player at a poker table for exchange for chips and tokens must perform the following:

- (1) The currency must be spread on the top of the poker table by the dealer;
- (2) The amount of currency must be stated by the dealer accepting it;
- (3)
  - (a) If the table uses an imprest bank, immediately after an equivalent dollar amount of poker chips and tokens has been given to the player, the cash shall be placed in the table's imprest bank.
  - (b) If the table does not use an imprest bank, immediately after an equivalent dollar amount of chips, tokens, or coins has been given to the player, the currency must be taken from the top of the poker table and placed by the dealer into the drop box.
- (4) At the discretion of the retail licensee, the dealer may accept money on the piece. For each bet which is to be taken from the value of the currency, the dealer will announce the amount of the bet as "on the piece," and shall place that amount in chips and tokens from the action pot on top of the currency. The currency shall be exchanged for casino chips before the pot is awarded. (47.1-1045 amended, perm. 3/31/96; 47.1-1045(3a) amended, (3b) added, perm. 11/30/96, amend. perm. 03/30/02; amended 12/30/04)

#### **47.1-1046 Persons not to bring their own cards or poker chips.**

No person may introduce into any poker game any playing card that was not obtained through the current deal of the cards by the retail licensee's dealer, or any poker chip or token other than those obtained from the retail licensee where the poker game is being held. (47.1-1046, perm. 3/31/96, amend. perm. 03/30/02)

#### **47.1-1047 Special policies.**

Each retail licensee may establish rules of conduct for the poker players and spectators on its licensed premises.

#### **47.1-1048 Restrictions on use of proposition players.**

Proposition players are required to hold valid Colorado support or key employee gaming licenses, except that persons licensed as key employees may not play as proposition players for retail licensees which employ them as key employees. The use of proposition players is restricted as follows:

- (1) An establishment employing proposition players must identify them on request and must display a clear and legible sign in a conspicuous and conveniently accessible location which states: "Colorado gaming regulations allow the use of proposition players. Proposition players will be identified by management on request." This notice may be made part of any other notice required to be posted pursuant to regulation 47.1-1039.
- (2) A licensee must maintain employment records on each individual engaged as a proposition player.
- (3) No more than three proposition players may play in a card game.
- (4) Proposition players may share in jackpot awards. (47.1-1048 caption and all sections amended, perm. 10/30/97, to delete references to shills; first paragraph amended 10/30/2002; amended 12/30/04)

#### **47.1-1049 Shill procedures.**

(47.1-1049 repealed perm. 10/30/97)

#### **47.1-1050 Poker tournaments.**

- (1) Poker tournaments may be conducted by retail licensees. At such tournament, any of the poker games authorized by regulation 47.1-1003 may be played. A tournament must conclude no later than four months following the first day of tournament play.
- (2) A tournament which will produce adjusted gross proceeds may be conducted by only one licensee; no two or more licensees may jointly conduct such a single tournament.
  - (a) Two or more licensees may jointly conduct a tournament in which the value of all entry fees and buy-ins will be returned to the participants as prizes and will not result in taxable adjusted gross proceeds.
  - (b) If one tournament is conducted by two or more licensees, one of the licensees shall be designated as being responsible for the tournament, and shall alone have the duty to ensure proper payment of prizes and for the proper award of all prizes at the tournament's conclusion. This licensee shall also be responsible for completion and maintenance of all tournament accounting records which pertain the tournament as a whole.
  - (c) Licensees participating in a tournament shall ensure that no player is entered in the tournament more than once at any given time during the tournament. However, if permitted by the tournament rules, after a player has been eliminated from the tournament, the player may be allowed to re-enter the tournament as a new and separate entry. Any player found to have two or more concurrent, active entries in a tournament shall be disqualified from tournament play and shall not be eligible to receive any tournament prize. (47.1-1050 temp. 5/13/93, perm. 6/30/93) (47.1-1050 perm. 3/31/96) (47.1-1050 temp. 4/19/96 perm. September 30, 1996; amended 12/30/04)

#### **47.1-1051 Tournament chips required.**

All wagers must be made with approved tournament chips provided by the licensee. Currency must be

exchanged for tournament chips prior to the start of play. No currency, chips other than tournament chips, or other thing of value may be used as wagers. Tournament chips shall have no cash value, and shall represent tournament points only. There shall be no limitation on the size of a wager made with tournament chips. Tournament chips may never be redeemed for cash or for any other thing of value, except that the point total represented by the players' accumulations of tournament chips shall be used to determine the winners and/or final place in a tournament. If the tournament chips in play are not imprinted with a number representing the actual number of points or units of credit which the chip represents, each tournament table must display a notice visible to all players which describes the currently assigned point or credit value to each different color of chip. The point value assigned to each color of chip may change between rounds of tournament play, but the required notice must always reflect the current values. (47.1-1051 temp. 5/13/93, perm. 6/30/93) (47.1-1050 perm. 3/31/96)

#### **47.1-1052 Calculation of adjusted gross proceeds of tournament play.**

No table rake shall be made during tournament play. For purposes of poker tournament play only, the adjusted gross proceeds for the tournament shall be the total amount received by the licensee for all entrance fees and player buy-ins less the total amount paid to the winner(s) as prizes. The value of merchandise awarded as prizes shall be the actual purchase cost of the merchandise paid by the licensee. Licensees awarding prizes of merchandise shall retain purchase invoices showing the cost of such merchandise. If the value of all prizes exceeds the amount received in tournament entrance fees and buy-ins, the licensee may not declare a loss against adjusted gross proceeds. (47.1-1052 temp. 5/13/93, perm. 6/30/93)

#### **47.1-1053 Cash receipts and prize awards-accounting.**

Cash received for tournament entry fees must be kept separate and apart from all other cash received by the licensee until such time as it is counted. Cash and merchandise paid out to winners as prize money shall be accounted for on forms specified by the Division. (47.1-1053 temp. 5/13/93, perm. 6/30/93)

#### **47.1-1054 Location of tournaments.**

Each poker tournament may be conducted only upon licensed premises meeting the security and surveillance requirements of the rules and regulations and of the Internal Control Minimum Procedures. (47.1-1054 temp. 5/13/93, perm. 6/30/93) (47.1-1054 perm. 3/31/96)

#### **47.1-1055 Qualification of players.**

At the licensee's discretion, the licensee may establish qualification or selection criteria to limit the eligibility of tournament players. Proposition players shall not be permitted to play as proposition players in tournament play. (47.1-1055 temp. 5/13/93, perm. 6/30/93; amended perm. 3/31/96; amended perm. 10/30/97, amend. perm. 03/30/02)

#### **47.1-1056 Entry fee and player buy-in.**

Neither the amount of the tournament entry fee nor the amount of all allowable player buy-ins may exceed five hundred dollars per entry. If both an entry fee and buy-ins are used at a single tournament, then the combined amount of both the entry fee and all allowable buy-ins shall not exceed five hundred dollars per entry. (47.1-1056 temp. 5/13/93, perm. 6/30/93) (47.1-1056 perm. 3/31/96; amended 12/30/04)

#### **47.1-1057 Tournament rules of play.**

The rules of play of each tournament game shall follow the standard rules of play of each game as set forth in Rule 10. The rules for the conduct of each tournament shall be reduced to writing and a copy shall be provided to all tournament players. A copy of the rules must also be provided to the local office of the Division of Gaming at least five days in advance of the scheduled start of the tournament. The Division

shall notify the retail licensee of any proposed tournament rules which the Division finds to be unacceptable, and the licensee shall not offer a tournament using the rules found unacceptable. The tournament must be structured so that a player cannot theoretically exceed wagering limitations for the tournament buy-in during the initial rounds of play in the tournament. (47.1-1057 temp. 5/13/93, perm. 6/30/93) (47.1-1057 perm. 3/31/96, amend. perm. 03/30/02; amended 12/30/04)

#### **47.1-1058 Conduct of tournament.**

The following rules shall apply to all poker tournament play and must be included in the printed rules for each tournament:

- (1) All players will receive an equal number of tournament chips for their entry fee and/or initial buy-in, and any subsequent rebuys.
- (2) A player's initial table and seat assignments shall be drawn randomly by means of either an electronic or manual selection process. As tables are combined following player elimination, the new seating assignments for remaining players shall also be drawn randomly by means of either an electronic or manual selection process.
- (3) Players are eliminated from the tournament when they lose all their chips.
- (4) At the option of the retail licensee, the tournament rules may permit a specified number of final remaining players, not to exceed the total number of prizes advertised to unanimously agree among themselves to split the prize(s) between or among themselves without the necessity of continuing tournament play to finality.
  - (a) No agreement concerning division of prizes shall be made, or be permitted to be made, with respect to non-cash prizes.
  - (b) The retail licensee's tournament director shall not encourage the final players to end tournament play early, and shall ensure that every qualifying player understands that all agreements concerning an early end to the tournament and concerning the division of the prize fund must be both voluntary and unanimous. If the tournament director feels that any player is being coerced or improperly pressured into an agreement with the other players, the tournament director shall not permit an early end to the tournament.
  - (c) Upon being satisfied that any agreement concerning division of prizes is voluntary and unanimous among the qualified players, the tournament director shall award the prizes in the manner agreed upon by the players, identifying each recipient with the prize actually awarded.
- (5) The licensee shall have two separate decks of cards available at each table. The color or markings on the backs of the cards of the two decks must be different.
- (6) All cards used to play at poker must be dealt out of the hand by the dealer.
- (7) The dealer, at least once each hour, shall count the cards in the deck to verify that the deck is complete. The dealer, at least once every two hours, shall change the deck of cards. When the two separate decks of cards at the table have been used, the licensee shall replace the used decks with a new set of two separate decks of cards.
- (8) If the dealer runs out of cards in a seven-card game, the dealer is to deal all the cards except the last card. The dealer is to then scramble the last card and the four burn cards, cut the deck, burn a card, and deliver the remaining down cards, using the last card if necessary. The dealer may not shuffle in any cards which have been discarded or folded by the players. If there are five players



remaining without a card, the dealer will not burn so that each player may receive a fresh card. If the dealer determines that by using this procedure, there will still not be enough cards for all the players, the dealer is not to give any of the players a down card. Instead, the dealer is to announce to the table that there are not enough cards to go around and a community card will be used. The dealer will then burn a card and turn a card up in the center of the table. The card plays in each player's hand. The player who falls high on board, using the community card, initiates the action.

- (9) All pots are to be awarded by the dealer only. When the dealer has awarded a pot and it has been taken in by that player without a claim made against it, the award stands. No player may make an agreement with any other player regarding the pot. Each game must be played to conclusion and the pot awarded to the actual winning player.
- (10) Each player shall be permitted to play only one hand and the player shall make all decisions without advice from any other person. Any communication between a player with a live hand and a spectator about the play of the hand or other players at the table is prohibited.
- (11) No player may allow a person to sit in on a tournament game on the player's behalf. No player may wager on another player's hand, nor may any player play other than the player's own hand.
- (12) No player may use any device to assist in keeping track of the cards played.
- (13) Only tournament chips on the table at the start of a game may be in play for that pot. Concealed chips may not be used in play.
- (14) A player may assemble chips in front of the player before acting. A player must be considered to have made a bet if the player pushes assembled chips forward or releases chips into the pot at a sufficient distance from the player to make it obvious that the player intends it as a bet. If the situation is unclear and the player allows the dealer to pull the player's chips into the pot without making an immediate objection, it must be considered a bet by the player.
- (15) A verbal statement by a player of "call" or "raise" of a certain amount is binding. The amount placed into the pot must match the verbal statement. If a verbal statement by a player of "call," "raise," "check," or "fold" is in conflict with any hand gesture made by the player, the verbal statement shall be binding.

#### **47.1-1059 House rules for tournament play.**

House rules for the tournament, which must also be included in the printed rules, shall include as a minimum:

- (1) Inclusion of the standard house rules for play of the specific poker game, or in the alternative, a statement to read: "Except as changed by these tournament rules, tournament play shall follow the house rules of [casino name]."
- (2) The amount of the entry fee, if any, and the amount of the initial player buy-in. The rules must also expressly state whether or not re-buys will be permitted, and if permitted, under what circumstances or conditions.
- (3) The initial amount of all antes and blind bets and the initial limits on bets, and a description of the manner in which the amount of antes, blinds, and betting limits will increase or progress during the tournament.
- (4) How the final round of play is to be determined and how the tournament is to be concluded.

- (5) How many prizes are to be awarded, and the exact description of each prize.
- (6) Any additional house rules which change the normal play of the game in the licensed establishment.  
(47.1-1059 temp. 5/13/93, perm. 6/30/93) (47.1-1059 perm. 3/31/96)

#### **47.1-1060 Jackpot awards in poker.**

At the discretion of the retail licensee, a jackpot award may be offered as an additional award in any authorized player banked poker game or combination of similar player banked poker games.

- (1) Before a jackpot award is offered, the licensee shall submit to the Director the licensee's proposed rules and procedures for offering a jackpot award. The jackpot award may not be offered until the proposal has been approved. The submittal must include not less than the following:
  - (a) Definitions for all gaming terms used which are not defined by either the Colorado Limited Gaming Act or the Colorado Gaming Regulations, and explanations for all phrases used which describe the qualifications of winners;
  - (b) How the jackpot award is to be paid to the winning players and the manner of disposing of jackpots not claimed within 120 days of the award;
  - (c) The procedure for posting the jackpot award amount(s), including time of posting, the employee positions which can make posting changes, how any minimum base award for the jackpot awards immediately following a winning payout will be advertised, the procedure for paying out the jackpot awards, and the employee positions which are authorized to make a jackpot award payout;
  - (d) The house jackpot award rules which will be posted pursuant to the requirements of 47.1-1039.
- (2) The jackpot award amount shall be updated and posted no less often than once each gaming day, at approximately the same time(s) each day following soft count. The amount of a posted jackpot award may be immediately reduced to zero upon being won. If the approved house jackpot award rules authorize a secondary or other seeded jackpot award pool, such secondary award may be offered immediately after the award of the primary jackpot award. All awards shall be based upon the most recent posted value.
- (3) If one table is to be used on a single shift for two or more dissimilar approved poker games which offer jackpot awards the jackpot award drop box must be removed, secured, and replaced between game changes.
- (4) The licensee is required to keep separate from any rake, imprest bank, or other house monies all jackpot award collections from the tables.
- (5) The money raked for player banked jackpot awards shall not be included as adjusted gross proceeds of the licensee. All money raked for player banked poker jackpot awards shall be returned to the poker players upon the occurrence of a predetermined event.
- (6) A licensee may not discontinue offering a jackpot award until the award has been won by a qualified player or players. If a licensee wishes to discontinue offering a jackpot award, the licensee may petition the Director for permission to reduce the qualifications or criteria for winning the award, allowing the award to be paid more quickly. If a retail licensee intends to close its business while having a jackpot award liability, the licensee may petition the Director for permission to transfer the award liability, together with the award fund, to another retail licensee offering a comparable jackpot award.

- (7) A retail licensee shall not have more than three jackpot award pools building for any one qualifying award circumstance or event. The award pool containing the highest amount of money shall be the jackpot award amount to be awarded to a qualifying player or players. The second and third award pools, if any, shall be used to "re-seed" the primary jackpot award pool in the manner described in the casino's jackpot award rules. Upon the award of the primary jackpot, the highest remaining award pool amount shall then be offered as the primary jackpot award.
- (8) If a retail licensee's jackpot award rules impose a cap or limit on the amount of a jackpot award, and all three jackpot award pools have reached this limit, the licensee shall either:
- (a) Discontinue the table rake for the jackpot award in the game(s) until the primary jackpot award has been won and awarded; or
  - (b) Remove the jackpot award limits and allow the primary jackpot award pool, or all jackpot award pools, to continue to grow until the primary jackpot award has been won and awarded. The retail licensee shall have the discretion to determine the manner in which the continuing jackpot award rake is allocated to the award pools.

(47.1-1060 added, perm. 3/31/96; 47.1-1060 amended, temp. 4/19/96, perm. 09/30/96; 47.1-1060 amended, perm 11/30/96; (1), (2), and (8) amended perm 10/30/2002; amended 12/30/04)

#### **47.1-1061 Jackpot award rules.**

If a retail licensee offers a poker jackpot award, the following player rules and information must be posted:

- (1) The current amount of the award (note: this variable amount need not be included in the printed copies of the rules required by regulation 47.1-1039);
- (2) The conditions required before a jackpot is paid, including what constitutes qualification for the jackpot award and how the jackpot award is to be divided among multiple players qualifying for a portion of the award;
- (3) Security disclaimers such as fouled deck, switched cards, unverifiable hand, etc.;
- (4) The conditions for any money to be taken from pots and the total amount which can be removed from each hand. (47.1-1061 perm. 3/31/96)

#### **BASIS AND PURPOSE FOR RULE 11**

The purpose of Rule 11 is to establish procedures for the distribution of chips to poker tables, the removal of chips and coins from poker tables, and to establish drop and count procedures related to poker gaming in compliance with section 12-47.1-302 (1) (q). The statutory basis for Rule 11 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., and 12-47.1-302, C.R.S.

#### **RULE 11 MINIMUM PROCEDURES FOR DROP, COUNT, AND PURCHASING CHIPS FOR POKER**

##### **47.1-1101 Drop and count procedures.**

- (1) The procedure for the collection of poker drop boxes and jackpot award drop boxes, and the count of their contents, must comply with the procedures set forth in regulations 47.1-902 and 47.1-903 and in the internal control minimum procedures established by the Division.
- (2) At the end of a shift for all house banked poker variation games or at the end of each gaming day for all player banked poker variation games, all locked single-shift poker drop boxes and jackpot award drop boxes must be removed from the poker tables by the drop team members who must transport them directly to the count room or other secure area for counting. If one table is to be

used on a single shift for two or more dissimilar poker variation games which offer jackpot awards, the jackpot award drop box must be removed, secured, and replaced between game changes. If not counted immediately, the drop boxes must be locked securely until the count takes place.

- (3) At the end of a shift, the corresponding section of all multiple-shift drop boxes must be locked before the appropriate section for the new shift is enabled. At the end of each gaming day, all locked multiple-shift drop boxes must be removed from the poker tables by the drop team members who must transport them directly to the count room or other secure area for counting. If not counted immediately, the drop boxes must be locked securely until the count takes place. (47.1-1101(1)-(2) amended, temp. 4/19/96; 47.1-1101(2) amended, perm. 11/30/96)

#### **47.1-1101.1 Poker Room Imprest Bank.**

Licensees may establish an imprest bank at a supervisor's podium or cashier podium in their poker rooms for the purpose of supplying chips and tokens to the tables in the room which offer player-banked poker games. Where such a podium imprest bank is used, it shall serve as the "cashier," as such term is used in this rule, but shall not be subject to the internal control minimum procedures for cashiers. (added perm. 12/30/00)

#### **47.1-1102 Procedure for purchasing chips for player banked poker tables.**

When the poker table imprest bank needs to be replenished with chips, an exchange for cash/chips can be made by using lammers.

An imprest bank must be maintained at each poker table. A poker buy form must be used for the initial purchase of chips for each poker tray from the cage cashier. The poker buy form must be a sequentially prenumbered three-part carbonless form. All forms must be controlled by the licensee.

#### **47.1-1102.1 Procedure for distribution of chips to house banked poker tables.**

All requests for fills needed at a house banked poker table must be generated in the poker pit, and proper procedures must be in place to ensure adequate documentation of the transaction between the pit and the cage. (47.1-1102.1 added, perm. 11/30/96)

#### **47.1-1102.2 Procedure for removing chips or coins from house banked poker tables.**

All requests for credits needed at a house banked poker table must be generated in the poker pit, and proper procedures must be in place to ensure adequate documentation of the transaction between the pit and the cage. (47.1-1102.2 added, perm. 11/30/96)

#### **47.1-1103 Procedures outlined in the minimum internal control procedures.**

The procedures for the drop, count, and purchase of chips for poker tables are further defined in the minimum internal control procedures as established by the Division as they apply to each group of licensees, as defined in regulation 47.1-1601, subparagraphs (4), (5), and (6).

#### **47.1-1104 Statistics.**

Individual and statistical game records reflecting drop, adjusted gross proceeds, and adjusted gross proceeds-to-drop percentage amounts by table, must be maintained for all house banked poker variation games by the licensee. Statistics for house banked poker variation games must be maintained by shift, by day, cumulative month to date, rolling three month average, and cumulative year to date.

### **BASIS AND PURPOSE FOR AMENDMENTS TO RULE 12**

The purpose of amendments to Rule 12 is to establish the specifications for slot coupons and wireless handheld verification devices. The statutory basis for Rule 12 is found in sections 12-47.1-201, C.R.S.; 12-47.1-203, C.R.S.; and 12-47.1-302, C.R.S.

## **RULE 12 GAMING DEVICES AND EQUIPMENT**

### **47.1-1201 Device and Equipment Approval**

- (1) No slot machine, note acceptor, token acceptor, coin acceptor, hopper, ticket printer system, progressive controller, cashless system, card table with electronic or electromechanical components, mechanical or electronic shuffling device, chips, or tokens may be used for gaming by any licensee without prior written approval of the division. The approval must describe with particularity the equipment or device approved. (amend. perm. 03/30/02, amend. perm. 01/30/04)
- (2) Each individual slot machine component part, and card table must be inspected for proper settings/optioning/rule text (as applicable) by the offering retailer or operator before it is used for limited gaming. Each licensed manufacturer, distributor, operator or retailer will be required to ensure that all media storage devices and slot machines shipped and offered for play in the State's limited gaming areas are approved for use in the State of Colorado. (amend. perm. 03/30/02)
- (3) No licensed manufacturer, distributor, operator, or retailer shall sell, offer for sale, offer for play, or use for any other gaming purpose any slot machine or component part that the licensee knows, or reasonably should know, will malfunction in any manner that affects game play or the accuracy of the required meters. Licensed manufacturers and distributors shall notify the Division in writing within seven days of the discovery of a malfunction that affects game play or the accuracy of the required meters in a model of slot machine, component part, or game program submitted and approved for use in Colorado. (47.1-1201(1) added perm. 10/30/99)

### **47.1-1202 Testing.**

- (1)(a) All slot machines, and such other devices and equipment as the Commission or the Director may determine, shall be tested prior to approval for use in limited gaming. The cost of such testing shall be paid for by those licensees requesting approval of the devices or equipment. Such cost shall include the actual costs of any required testing and the cost of Division employee time involved in conducting the testing. The Division may refer testing to an agent. Division employee time shall be billed at the hourly rate established in Colorado Gaming Regulations 47.1-305. No approval shall be issued unless payment for any costs of testing is current. All monies received from licensees in payment of the costs of testing shall be deposited into the limited gaming fund.
- (b) Licensed manufacturers and distributors shall make available upon request to the Division of Gaming any slot machine, device or equipment for the Division to temporarily possess and use for review, training and/or investigative purposes. The Division's request shall be made in accordance with Division procedures and shall be approved by the Director.
- (2)(a) No computerized system that affects the reporting of adjusted gross proceeds or of statistical data required to be generated and maintained by a licensee pursuant to regulations or internal control minimum procedures, no computerized system for monitoring slot machines or other games, nor any other computerized associated hardware or software may be used to support gaming operations by any licensee without prior written approval of the Director.
- (b) No subsequent modifications or upgrades to any computerized system that affect the reporting of adjusted gross proceeds or of statistical data required to be generated and maintained by a licensee pursuant to regulations or internal control minimum procedures may be relied upon to support gaming operations by any licensee without prior written

approval of the Director.

- (c) Approval for systems described in paragraphs (a) and (b) of this subsection (2) shall occur in two phases:
- (i) Phase I shall be initial approval before a licensee can implement the system or its modification or upgrade to ensure compliance with all limited gaming regulations and internal control minimum procedures. Phase I initial system approval shall require that the underlying system specific hardware and software be tested and approved by the Division, or its authorized agents. Persons requesting phase I approval shall pay for all related testing costs directly to the approved testing organization.
  - (ii) Phase II shall be on-site testing conducted in accordance with procedures relating to automated systems as provided for in the internal control minimum procedures. Phase II must occur before the licensee may rely solely on the system or its modification or upgrade.
- (3) Testing of computerized generated output that affects the reporting of adjusted gross proceeds or of statistical data required to be generated and maintained by a licensee pursuant to limited gaming regulations shall be subject to phase II testing.
- (4) For good cause shown, the Division may waive any of the requirements imposed by this regulation.
- (5) All devices, including slot machines, equipment and computerized systems, required to be tested under this section shall be tested to the standards established by this Rule 12 at the time the device is tested. Amendments to this Rule 12 shall not be retroactively applied to any device tested and approved before the effective date of the amendment unless the device is required to be retested at the independent laboratory after the effective date as the result of any modification, alteration or upgrade. A retest shall be performed to the new standards unless the manufacturer can demonstrate to the Division that the new standards would hinder the design of the device or would otherwise pose a hardship due to capacity limitations in the device's originally approved platform.

#### **47.1-1203 Appeal of Test Results.**

Any person requesting approval of equipment or devices, which approval is denied by the Director or the Commission, may appeal such denial in writing to the Commission within 10 days of receipt of notice of denial. The appeal shall be considered an adjudicatory proceeding and shall be scheduled for hearing by the Commission.

#### **47.1-1204 Blackjack table - Physical characteristics. (47.1-1201 repeated and readopted as 47.1-803, with amendments, perm. 12/30/98)**

#### **47.1-1205 Cards -- Receipt and storage.**

When decks of cards are received for use in a licensed establishment, they must be stored in a locked cabinet. The cabinet must be located in a secure location. The location must be approved by the Director. A secondary storage area must be located in a secure area approved by the Director. (amended perm. 03/30/03)

As necessary, the licensee or the licensee's agent must open the cabinet and remove the appropriate number of decks of cards, distribute the decks to the dealer at each table, and place the extra decks in a card reserve.

The card reserve must be a locked compartment approved by the Director.

**47.1-1206 Cards – Inspection and removal from use.**

- (1) Prior to their use at a table, decks must be inspected by the dealer. The dealer must check the front and back of each card to ensure that it is not flawed, scratched, or marked in any way. If, after checking the cards, the dealer finds that certain cards are damaged or improper, a substitute deck must be brought from the card reserve. The damaged or improper cards must be placed in a sealed envelope or container, identified by table number, date, and time, and signed or initialed by the dealer and a pit supervisor.
- (2) Cards damaged during the course of play must be replaced. The damaged cards must be placed in a sealed envelope or container, identified by table number, date, and time, and must be signed or initialed by the dealer and a pit supervisor. (amended perm. 09/30/03)
- (3) The licensee must remove cards at any time if there is any indication of tampering, flaws, scratches, marks, or other defects that might affect the integrity or fairness of the game or at the request of an authorized representative of the Division or Commission. The damaged cards must be placed in a sealed envelope or container identified by table number, date and time, and must be signed or initialed by the dealer and a pit supervisor. (amended perm. 09/30/03)
- (4) A label must be attached to an envelope or container which identifies the date and time and which must be signed or initialed by a pit supervisor.
- (5) Where a licensee has no reason to believe that damaged or flawed cards in a sealed envelope or container were so damaged or flawed as a result of an unlawful act, motive, or scheme, the licensee may dispose of such cards after 30 days in any manner designed to prevent their future use in limited gaming. (amended perm. 09/30/03)

**47.1-1207 Cards, envelopes, and containers to Commission.**

All envelopes and containers containing cards which indicate purposeful tampering must be turned over to the Director who may inspect them for tampering, marks, alterations, missing or additional cards, or anything that might indicate unfair play.

**47.1-1208 Duties of a licensee.**

The Director or any representative of the Division may request that a licensee remove all or designated cards from play or storage for the purpose of inspection. The Director or any representative of the Division may conduct the inspection or may request an employee of the licensee to conduct the inspection. If an employee of the licensee will conduct the inspection, the employee must follow the procedures required by the Director which must include at a minimum:

- (1) Completion of a work order setting forth the procedures performed and listing the tables from and time at which the cards were removed;
- (2) Sorting of the cards sequentially by suit and inspecting the sides of the cards for crimps, bends, cuts, and shaving; and
- (3) Immediately contacting the Director or a Division representative by telephone or in person telling the Director of any evidence of tampering, alteration, missing or additional cards, or anything that might indicate unfair play. The employee must thereafter complete a written report and deliver the report, copies of the completed work order, and any cards discovered to be damaged, altered, or otherwise reported pursuant to this rule to the Division.

#### **47.1-1209 Distribution of cards.**

Cards that are inspected and found to be without any indication of tampering, marks, alteration, missing or additional cards, or anything that might indicate unfair play may be returned to the retail licensee to be immediately destroyed or canceled.

Destruction of cards removed from play must be by shredding or by other means approved by the Director. Cancellation of logo cards must be by drilling a circular hole of at least one fourth inch in diameter through the center of each card in the deck or by other means approved by the Director.

#### **47.1-1210 Dealing Shoes. (47.1-1210 repealed and readopted as 47.1-805, with amendments, perm. 12/30/98)**

#### **47.1-1211 Poker table - Approval by Director.**

Poker tables to be used in a licensed establishment must have their specifications approved by the Director. Poker tables must have an identifying number, assigned by the retail licensee, on the top surface of the table or a table accessory. This table number must be visible to surveillance personnel and must be able to be captured on surveillance video of table activity. (amended perm. 03/30/03)

#### **47.1-1212 Approval of chips and tokens -- Procedures.**

A licensee may not issue chips or tokens or sell or redeem chips or tokens unless the specifications of the chips or tokens have been approved in writing by the Director. A licensee may not issue chips or tokens or sell or redeem chips or tokens that are modifications of chips or tokens previously approved by the Director unless the modifications have been approved by the Director.

Prior to any artwork submissions, the following must be on file with the Division:

A verification upon oath or notarized affirmation, executed by the chief operating officer of the chip or token manufacturer, or a person with equivalent responsibilities, that such manufacturer has a written system of internal control, approved by the Director, which describes in detail the current administrative, accounting and security procedures which are utilized in the manufacture, storage and shipment of the chips, tokens and related material. The written system must include at a minimum, a detailed, narrative description of the procedures and controls implemented to ensure the integrity and security of the manufacturing process, from design through shipment, including but not limited to those procedures and controls designed specifically to:

- (a) Provide for the secure storage or destruction of all pre-production prototypes, samples, production rejects and other nonsalable product;
- (b) Provide security over the finished art work, hubs, plates, dies, molds, stamps and other related items which are used in the manufacturing process;
- (c) Prevent the unauthorized removal of product from the production facility through the utilization of security devices such as metal detectors, and surveillance cameras;
- (d) Restrict access to raw materials, work-in-process, and finished goods inventories to authorized personnel;
- (e) Provide for the documentation of approval of production runs;
- (f) Establish and maintain a perpetual inventory system which adequately documents the flow of materials through the manufacturing process;



- (g) Provide for the reconciliation of the raw material used to the finished product on a job-by-job basis. Significant variances are to be documented, investigated by management personnel, and immediately reported to the Division and to the licensee who authorized the manufacturer to produce the chips or tokens;
- (h) Provide for quarterly physical inventory counts to be performed by individual(s) independent of the manufacturing process which are reconciled to the perpetual inventory records. Significant variances are to be documented, investigated by management personnel, and immediately reported to the Division;
- (i) Establish a framework which provides for the security and accountability of products and materials sent to or received from subcontractors or satellite production facilities;
- (j) Document controls over the shipment of finished product; and
- (k) Provide such other or additional information as the Director may require.

The Director may in writing approve variations from the specific requirements of this regulation if in the opinion of the Director the alternative controls and procedures meet the objectives of this regulation.

If anything in (a) through (k) above changes, the chip or token manufacturer must notify the Division of Gaming, in writing, of the changes within 30 days.

Requests for approval of chips, tokens, and modifications to previously approved chips or tokens must include the following in addition to other items of information that the Director may require:

- (1) Exact color drawings of each side and the edge of the proposed chip, and/or exact black and white drawings of each side and the edge of the proposed token, drawn to actual size and drawn in scale to 2½ times larger than actual size showing the measurements of the proposed chip or token in each dimension;
- (2) Written specifications for the proposed chips or tokens;
- (3) The name and address of the manufacturer; and
- (4) The licensee's intended use for the proposed chips or tokens.

If the Director in the Director's discretion is satisfied that the proposed chips or tokens conform with the requirements of this chapter, the Director will provide the licensee with written approval of the artwork. The licensee must submit one sample of the proposed chip or token in final manufactured form to the Director. Sample chips must be notched. If the Director is satisfied that the sample conforms with the requirements of this chapter and with the information submitted with the application, the Director will approve the proposed chip or token and notify the licensee in writing. The Director will return the approved sample chip or token to the licensee.

A license applicant awaiting approval of its operator and/or retail gaming license may not accept transfer and accountability of approved chips or tokens from the chip or token manufacturer until the applicant's operator and/or retail gaming license has been approved by the Colorado Limited Gaming Control Commission. (amended perm. 03/30/04, amended perm. 03/02/06)

#### **47.1-1213 Specifications for chips and tokens.**

- (1) Chips , and tokens must be designed, manufactured, and constructed in compliance with all applicable statutes, rules, and policies of the United States, the State of Colorado, and other states to prevent counterfeiting of the chips or tokens. Chips and tokens must not resemble

any current or past coinage or currency of the United States or any other nations.

In addition to other specifications that the Division may approve, the following must appear on the chip or token:

- (a) The name of the issuing establishment must be inscribed on both sides of a chip or metal token;
- (b) The name of the city in which the establishment is located must be inscribed on one side of the chip or metal token;
- (c) The value of the chip or token must be inscribed on both sides of a chip or metal token;
- (d) A chip must be designed so that when stacked with chips and metal tokens of other denominations and viewed on closed-circuit black-and-white television, the denomination of the chip may be distinguished from that of the other chips and metal tokens in the stack.

(2) The following provisions shall apply only to tournament chips:

- (a) The design of the tournament chip shall be distinctively different than the design of the chips and tokens approved for non-tournament limited gaming use at the licensee's gaming establishment.
- (b) No tournament chip may display a word or symbol representing a monetary denomination (e.g., "cents," "dollar," "\$," etc.).
- (c) Each side of each tournament chip must conspicuously display the inscription, "no cash value."
- (d) The chip may, but need not, display a number, which represents the number of points or units of credit that the chip represents. If such a number is used, it must appear on both sides of the chip.
- (e) Tournament chips may not be used, and licensees shall not permit their use, in transactions other than the tournaments or promotions sponsored by the licensee.

(3) If an approved blackjack or poker variation game requires the use of special chips or tokens, such chips and tokens shall have these specifications:

- (a) The name of the retail licensee offering the game must be inscribed or printed on both sides of the chip or token.
- (b) The name of the game, or a logo representing the game, must be inscribed or printed on both sides of the chip or token.
- (c) The chip or token may, but need not, display a number which represents the value of the chip. If such a number is used, it must appear on both sides of the chip.
- (d) During field trial testing of a proposed variation table game, and for not longer than the first 30 days that a retail licensee offers play of an approved table game, game chips and tokens may be used without the inscriptions required by (3)(a), above.
- (e) Chips and tokens designed and approved for play of specific games may not be used, and licensees shall not permit their use, in play of any game other than the designated

game.

#### **47.1-1214 Specifications for the shape and size - of chips**

Chips must be disk-shaped, must be .130 inch thick, and must have a diameter of between 1.53 and 1.57 inches. Once a licensee adopts a size within this range, it must not deviate from that size.

#### **47.1-1215 Colors of chips.**

Denominations of chips must be denoted by the following colors on each side:

- (1) The 25-cent chip must be predominantly yellow;
- (2) The 50-cent chip must be predominantly blue;
- (3) The one-dollar chip must be predominantly white;
- (3.5) The two dollar and fifty cent chip must be predominately pink ;
- (4) The five-dollar chip must be predominantly red;
- (4.5) The ten-dollar chip must be predominantly purple;
- (5) The twenty-five-dollar chip must be predominantly green; and
- (5.5) The one hundred dollar chip must be predominately black.
- (6) Tournament chips may be of any color.
- (7) Chips designed for play of specific games may be of any color, or in the colors required by the rules of the game. (47.1-1215(6) amended, (7) added perm 05/30/01); (4.5) added perm 08/30/02

#### **47.1-1216 Specifications for tokens.**

- (1) One-dollar metal tokens must be disk-shaped and must measure from 1.459 through 1.474 inches in diameter, from .095 through .115 inch thick.
- (2) Two dollar metal tokens must be disk-shaped and must measure from 1.292 inches through 1.392 inches in diameter, from .092 inches through .104 inches thick.
- (3) Five dollar metal tokens must be disk-shaped and must measure from 1.740 inches through 1.760 inches in diameter, from .115 inches through .135 inches thick.
- (4) Metal tokens must not be manufactured from material possessing sufficient magnetic properties to allow it to be accepted by a coin mechanism other than that of a slot machine. Metal tokens may not be manufactured from a three-layered material consisting of a copper-nickel alloy clad on both sides of a pure copper core nor from a copper-based material unless the total of zinc, nickel, aluminum, magnesium, and other alloying materials is at least 20 percent of the token's weight.

#### **47.1-1217 Other devices.**

Other devices with which gaming is conducted must be designed, manufactured, approved, used, discontinued, destroyed, or otherwise disposed of in accordance with the provisions of this chapter, except that other devices must be of a shape, size, design, or other specifications approved or required by the Director.

#### **47.1-1218 Ownership identification on gaming devices.**

If the retail licensee is not responsible for the repairs, malfunctions, payment of winnings, or disputes regarding payments for a slot machine, the retailer must affix in a prominent place to each slot machine exposed for play, pursuant to the operator's license or an agreement, a sign or label that identifies the person or persons responsible for repairs or malfunctions of the machine, payments of winnings, and disputes regarding payments.

A licensee may not expose for play a slot machine that fails to display the information required by this Section. (47.1-1218 perm.09/30/97)

#### **47.1-1219 Drop box requirements.**

A drop box must be locked to the table with a lock separately keyed from the container itself. Currency exchanged for chips at the table and all other items or documents relating to transactions at the table must be put into the drop box. (47.1-1219 perm, 09/30/01 amended perm 03/30/03)

#### **47.1-1220 Persons not to bring their own cards or chips.**

No person may bring onto the licensed premises or unlicensed premises of a retail licensee, or introduce into a game, playing cards or chips other than those obtained from that retail licensee.

#### **47.1-1221 Definitions for slot machines.**

The following definitions apply to all slot machine hardware and software requirements:

- (1) "Leakage current" means an electrical current which flows when a conductive path is provided between exposed portions of a slot machine and the environmental electrical ground when the slot machine is isolated from the normal AC power ground;
- (2) "Inappropriate coin-in" means a coin or token which has been accepted by a slot machine after the slot machine has already accepted the maximum number of coins or when the slot machine is in a state which normally rejects additional coins, sometimes caused by mechanical timing limits in coin handling equipment;
- (3) "Par sheet" means a document which depicts the possible outcomes from the play of a slot machine, the probability of occurrence of each, and the contribution of each winning outcome to the payback percentage of a slot machine;
- (4) "Random access memory" or "RAM" means the electronic component used for computer work space and storage of volatile information in a slot machine;
- (5) "Randomness" means the unpredictability and absence of pattern in the outcome of an event or sequence of events;
- (6) "Random number generator" means a hardware, software, or combination hardware and software device for generating number values that exhibit characteristics of randomness;
- (7) "Read only memory" or "ROM" means the electronic component used for storage of nonvolatile information in a slot machine, including programmable ROM and erasable programmable ROM (EPROM);
- (8) "Tilt condition" means a programmed error state for a slot machine which occurs when the slot machine detects an internal error, malfunction, or attempted cheating. The machine ceases processing further input, output, or display information other than that indicating the tilt condition

itself.

- (9) "Ticket Redemption Kiosk" is a device which uses real-time transaction processing to the Ticket In/Ticket out (TITO) module of the slot monitoring system for redemption of tickets or slot coupons in exchange for currency and coin. Kiosks are not capable of gaming functionality and may not issue tickets or slot coupons in exchange for currency and coin.
- (10) Ticket definitions:
- (a) Delayed Ticket: A ticket generated by a TITO-enabled slot machine, which contains all information necessary for validation, but for which the TITO system has not yet received the validation information.
  - (b) Incomplete Ticket: An incomplete ticket contains, at a minimum, the ticket validation number printed across the leading edge of the ticket, but is not of a quality that can be validated and redeemed through the automated functionality of a TITO system.
  - (c) Online Ticket: A ticket which contains all information necessary for validation, which may be presented for redemption to the TITO system before its expiration.
  - (d) Redeemed Ticket: A ticket which has been properly validated and redeemed by the TITO system and is no longer reflected as an active (i.e., unredeemed) ticket in the TITO system database.
- (11) TITO System: A system which has a centralized TITO Validation Component and allows for issuance, validation, and acceptance of tickets at TITO-enabled gaming devices, and the validation and acceptance of tickets at kiosks or validation units, for gaming operations.
- (12) TITO Validation Component: That function of the automated slot system whereby this system receives information about a ticket from a floor device and compares the ticket in question to the information in the system's database. This determines the validity of the ticket for redemption.

#### **47.1-1222 Control program requirements.**

- (1) Slot machine control programs must test themselves for possible corruption caused by failure of the program storage media. Test methodology must detect 99.99 percent of all possible failures. The ROM must be tested at least once during a game cycle.
- (2) The program residing in the slot machine must be contained in a storage medium which is not alterable through any use of the circuitry or programming of the slot machine itself. This storage medium must be approved by the Division. Non-volatile memory chips (a flash EPROM) may be used for note acceptor, sound and graphic programs if the procedure used to send information to the Flash EPROM is secure from unauthorized tampering and the procedure has been approved in writing by the Division. All changes sent to these Flash EPROMs must be documented on Division approved forms. Flash EPROMs must not contain any information related to the security, operation, or metering of the game except as directly related to the operation of the note acceptor and sound and graphics routines.
- (3) The control program must check for corruption of random access memory locations used for crucial slot machine functions, including information relating to the play and final outcome of the last ten games played, random number generator outcome, and any error states. These memory areas must be checked for corruption following game initiation but prior to the display of the game outcome to the player. Detection of corruption is a game malfunction and must result in a tilt condition which identifies the error and causes the slot machine to cease further functions.

- (4) All slot machines must have the capacity to display a complete play history for the last ten games. Retention of play history for additional prior games is encouraged. The display must indicate the game outcome (or a representative equivalent), intermediate play steps (such as a hold and draw sequence or a double-down sequence), credits available, bets placed, credits or coins paid, and credits cashed out. Slot machines offering games with a variable number of intermediate play steps per game may satisfy this requirement by providing the capability to display the last 50 play steps. Slot machines interfaced to any bonusing event or system must display a complete transaction history for the most recent transaction and the previous thirty-four transactions prior to the most recent transaction that incremented any of the meters. Last game recall must also be time and date stamped, to allow for determination of credit meter incrementation (i.e., coins, notes, tickets, slot coupons, or won credits). If a game incorporates take-or-risk bonus play, then last game recall must recall all award values presented or offered, and the ordering and outcome of the risk events.
- (5) The slot monitoring system or TITO-enabled slot machines must maintain an audit log(s) that records, at a minimum, the total of the last 25 ticket-in and slot coupon-in transactions. Upon redemption of a ticket or slot coupon, the log(s) shall properly update with the redemption information, including the date and time of redemption, amount, and at least the last four digits of the validation number.
- (6) The slot monitoring system or TITO-enabled slot machines must maintain an audit log that records, at a minimum, the last 25 tickets out transactions. Upon ticket issuance, the log shall properly update with the ticket issued information, including the date and time of issuance, amount of ticket, and at least the last four digits of the ticket validation number.
- (7) Slot machines equipped with note acceptors must maintain an audit log that records, at a minimum, the last five notes accepted. Upon note acceptance, the log shall properly update with the note information, including the date and time of acceptance, and the note value. This log must not be cleared upon removal of the stacker.

#### **47.1-1223 Meters.**

- (1) A slot machine must have electronic (soft) meters with all meters being visible without opening the machine. These meters must have at least ten digits and they must accumulate in electronic digital storage and provide the means for on-demand display of the stored information.
- (2) All slot machines must have the following soft meters. These meters are displayed in dollars and cents.
  - (a) Coin in. The machine must have a meter specifically labeled "Coin In" that accumulates for all wagers made no matter the form in which the wager was made. The Coin In meter must accumulate the total value of all wagers (coins, tokens, currency, tickets, or any other means of placing a wager). This meter shall:
    - (i) For multi-game and multi-denomination/multi-game machines, provide the information necessary, on a per payable basis, to calculate a weighted average theoretical payback percentage; and
    - (ii) For machines which contain paytables with a difference in theoretical payback percentage which exceeds four percent between wager categories, maintain and display coin in meters and the associated theoretical payback percentage, for each wager category with a different theoretical payback percentage, and calculate a weighted average theoretical payback percentage for that payable.
  - (b) Coin Out. The machine must have a meter specifically labeled "Coin Out" that accumulates

the total value of all amounts directly paid by the machine as a result of winning wagers, whether the payout is made from the hopper, to a credit meter, or by any other means. This meter will not record amounts awarded as the result of any external bonusing system or a progressive payout.

- (c) Machine Paid Progressive Payout. The machine must have a meter specifically labeled "Machine Paid Progressive Payout" that accumulates the total value of credits paid as a result of progressive awards paid directly by the machine. This meter does not include awards paid as a result of an external bonusing system.
- (d) Coin Drop. The machine must have a meter specifically labeled "Coin Drop" that accumulates the total value of coins or tokens diverted to the drop.
- (e) Bill In. The machine must have a meter specifically labeled "Bill In" that accumulates the total value of currency accepted. Additionally, the machine must have a specific meter for each denomination of currency accepted that records the number of bills accepted of each denomination.
- (f) Attendant Paid Jackpots. The machine must have a meter specifically labeled "Attendant Paid Jackpots" that accumulates the total value of credits paid by an attendant resulting from a single winning alignment or combination, the amount of which is not capable of being paid by the machine itself. This does not include attendant paid progressive amounts or amounts awarded as a result of an external bonusing system. This meter only includes awards resulting from a specifically identified amount listed in the manufacturer's par sheet.
- (g) Attendant Paid Progressive Payout. The machine must have a meter specifically labeled "Attendant Paid Progressive Payout" that accumulates the total value of credits paid by an attendant as a result of progressive awards that are not capable of being paid by the machine itself.
- (h) Attendant Paid Cancelled Credits. The machine must have a meter specifically labeled "Attendant Paid Cancelled Credits" that accumulates the total value paid by an attendant resulting from a player initiated cash-out that exceeds the physical or configured capability of the machine to make the proper payout amount.
- (i) Voucher Out. The machine must have a meter specifically labeled "Voucher Out" that accumulates the total value of all tickets issued by the machine.
- (j) Voucher In. The machine must have a meter specifically labeled "Voucher In" that accumulates the total value of all tickets, including slot coupons, accepted by the machine.
- (k) Wagering Account Transfer In (WAT In). The machine must have a meter specifically labeled "WAT In" that accumulates the total value of cashable credits electronically transferred to the machine from a wagering account by means of an external connection between the machine and a cashless wagering system.
- (l) Wagering Account Transfer Out (WAT Out). The machine must have a meter specifically labeled "WAT Out" that accumulates the total value of cashable credits electronically transferred from the machine to a wagering account by means of an external connection between the machine and a cashless wagering system.
- (m) Cashable Electronic Promotion In. The machine must have a meter specifically labeled "Cashable Electronic Promotion In" that accumulates the total value of cashable credits

electronically transferred to the machine from a promotional account by means of an external connection between the machine and a cashless wagering system.

- (n) Cashable Electronic Promotion Out. The machine must have a meter specifically labeled "Cashable Electronic Promotion Out" that accumulates the total value of cashable credits electronically transferred from the machine to a promotional account by means of an external connection between the machine and a cashless wagering system.
  - (o) Machine Paid External Bonus Payout. The machine must have a meter specifically labeled "Machine Paid External Bonus Payout" that accumulates the total value of additional amounts awarded as a result of an external bonusing system and paid by the slot machine.
  - (p) Attendant Paid External Bonus Payout. The machine must have a meter specifically labeled "Attendant Paid External Bonus Payout" that accumulates the total value of amounts awarded as a result of an external bonusing system paid by an attendant.
  - (q) Such other meters as may be required by the Director.
- (3) Slot machines that are unable to comply with the full requirements of CLGR 47.1-1223(2), shall:
- (a) For slot machines that are unable to display the specific meter labels required, use a legend to indicate what information a specific meter accumulates. Such legend must be located within the slot machine.
- (4) A slot machine must be equipped with electronic meters that record the number of times the cabinet door was opened. No slot machine may have a mechanism that causes the electronic accounting meters to clear automatically when an error occurs. A slot machine's meters must be maintained at all times, regardless of whether the machine is being supplied with power. Meter readings must be recorded before and after the electronic accounting meter is cleared. Licensees must maintain adequate records when any electronic accounting meters are cleared.
- (5) Electronic meters must have an accuracy rate of 99.99 percent or better.
- (6) A slot machine must have an electronically stored digital meter of at least eight digits for the number of games played since "power on", the number of games played since "door closure", and since "game initialization (ram clear)". The slot machine must provide the means for on-demand display of the stored information.
- (7) Slot machines must have electronic meters that are visible to the player capable of displaying the following information relating to the current play or monetary transaction:
- (a) The number of coins or credits wagered;
  - (b) The number of coins or credits won;
  - (c) The number of coins paid by the hopper;
  - (d) The number of credits available for wagering (credit meter), if applicable.

#### **47.1-1224 Randomness events.**

Events in slot machines are occurrences of elements or particular combinations of elements that are available on the particular slot machine. A random event has a given set of possible outcomes, each with a given probability or occurrence. The set of these probabilities is called the distribution. Two events are



independent if the outcome of one has no influence over the outcome of the other. The outcome of one event cannot affect the distribution of another event if the two events are independent. The random number generator in a slot machine must produce game plays that are random and independent, so that a complete future game outcome cannot be predicted from a previous game's outcome. Slot machine games may use information from the outcome of a previous game in the next game provided that information cannot be used to predict the entire final outcome of the next game. The payable must explain how the information from the previous game is used in the next game. Random number generators must continue to run in the background whether or not games are being played on the slot machine.

#### **47.1-1225 Basic slot machine specifications.**

- (1) In addition to the specifications in sections 47.1-1226 through 47.1-1240 inclusive, slot machines must:
  - (a) Be controlled by one or more microprocessors;
  - (b) Be compatible to on-line data monitoring and accounting meter acquisitions;
  - (c) Have a separate internal enclosure for the circuit board located behind the main front door;  
and
  - (d) Continue a game with no data loss after a power failure.
- (2) RAM clears must be performed only in accordance with manufacturers' specifications.

#### **47.1-1226 Safety requirements.**

Electrical and mechanical parts and design principles must not subject a player to physical hazards. Spilling a conductive liquid on the slot machine must not create a safety hazard or alter the slot machine's performance. The power supply used in a slot machine must be designed to make minimum leakage of current in the event of an intentional or inadvertent disconnection of the AC power ground. The power supply must be appropriately fused or protected by circuit breakers.

#### **47.1-1227 Backup battery.**

A battery backup device must be installed that is capable of maintaining the accuracy of required information for 180 days after power is discontinued for the slot machine. The backup device must be kept within the logic board compartment. (47.1-1227 perm 09/30/97)

#### **47.1-1228 ON and OFF switch.**

An on and off switch that controls the electrical current used to operate the slot machine and its associated equipment must be located in an accessible place within the interior of the slot machine.

#### **47.1-1229 Coin and note acceptors.**

- (1) An electronic coin or token acceptor, or a note acceptor, may be installed in a slot machine. Coin , token , and note acceptors must be approved by the Division to indicate that they meet the requirements of this section. All programmable coin acceptors with multiple programmable channels must be secured in a manner so that only one channel can be programmed unless more than one channel is required to accept different mints of the same type, value, and otherwise identical tokens of the same licensee; multiple channels must not be enabled for any other reason. Coin , token , and note acceptors must be designed to accept designated coin, tokens, tickets, or notes and reject others on the basis of metal composition, size, composite

makeup, or equivalent security.

(2) Coin Acceptors.

- (a) Licensees must ensure their coin acceptors do not accept and credit other consideration, such as another licensee's tokens.
- (b) The coin acceptor, and the slot machine's related parts, must be capable of handling and accurately accounting for all accepted coins.

(3) Note Acceptors.

- (a) The gaming device shall not credit the note received until the note acceptor confirms it has successfully received and stacked the note.
- (b) The note acceptor and its related parts shall be designed to be secure from unauthorized access, tampering, and note removal.
- (c) If the note acceptor stacker is full, the gaming device must disable the note acceptor and refuse to accept notes. The gaming device may generate an error message and hard tilt the note acceptor.
- (d) If a power loss or any door open condition occurs when accepting a note into the note stacker, and no credits have been vended to the game for this note, the note should either be returned to the patron, or the appropriate credits should be vended to the game with the note being stacked in the note acceptor after the error condition is cleared.

**47.1-1230 Automatic light.**

A light must be installed on the top of the slot machine that automatically illuminates when the interior of the slot machine is accessed. Video bar top slot machines do not need a light, but must display a message on the screen indicating that a door is open. This provision, in whole or in part, may be waived by the Director. (47.1-1230 perm.09/30/97)

**47.1-1231 Access to interior.**

Logic boards, read only memory and random access memory and any other discrete logic that determines the outcome of the device (either directly or indirectly) must be secured in the machine. Unauthorized tampering is grounds for disciplinary action. (47.1-1231 perm.09/30/97)

**47.1-1232 Hardware switches.**

Hardware switches may be installed to control graphic routines, speed of play, sound, or any other feature approved by the Director. (47.1-1232 perm.09/30/97)

**47.1-1233 Rules of play**

- (1) The rules of play for a slot machine game must be displayable on the slot machine face or screen. Rules of play must have approval of the Division. The Division may reject the rules if they are incomplete, confusing, or misleading. Rules of play must be kept under glass or another transparent substance or be displayed in a video format.
- (2) The payable for a slot machine game program must be displayable prior to making a wager and must include an explanation of any special features and the amount of the awards for all winning combinations. The slot machine must not allow the payable or pay out percentage of a slot

machine game to be altered, except in a manner approved by the Division.

- (3) The slot machine game program may be replaced at the discretion of the licensee provided that the replacement game program has been approved for use in Colorado. (47.1-1233 perm.09/30/97)
- (4) Multi-station slot machines that initiate games without a required action by the patron must have a countdown clock advising the patron when the game will start. (47.1-1233(4) added perm. 10/30/99)
- (5) Slot machine games involving skill that use something other than a deck of cards must display the probabilities of occurrence for all symbols used in the game. (47.1-1233(5) added perm. 10/30/995)
- (6) Slot machine games may award additional free play, known as "bonus play," and includes free spins, re-spins, or other games or events with similar or different play as the base game. Bonus play may be player initiated, or automatic. The game must clearly indicate when it is in bonus play, as opposed to normal play mode.
  - (a) If bonus play is player initiated, and player selection is time limited, the payable must explain the time-out parameter. If the player fails to take the required action before the expiration of the required time, the game may initiate the selection.
  - (b) If bonus play uses a terminator or other element to cause play to terminate, the payable must define and explain the terminator.
  - (c) The bonus play may offer the player alternative hidden selections, known as "take or risk" selections. Once the player makes a selection, and its value is revealed to the player, the game may offer the player the opportunity to forego the selection in lieu of another hidden selection, under the following conditions:
    - (i) The amounts "offered" to the player are not transferred to the player's win meter until the player has either exhausted all available opportunities, or the player has affirmatively chosen to keep the award revealed in lieu of another hidden selection.
    - (ii) The player cannot risk or lose any base game awards transferred to the win meter.
    - (iii) The payable must fully explain the take or risk functionality and expected player behavior.
    - (iv) The game must explain how many risk attempts the player will receive,
    - (v) The player must have a means of clearly communicating the player's decision to the game.
    - (vi) "Double-up" offers are prohibited.
  - (d) The bonus play may include physical skill based components which affect the return to the player if the following conditions are met:
    - (i) The difference between the minimum and the maximum pay for all physical skill based outcomes or awards may not exceed a 4% contribution to the overall return to player of the gaming device.
    - (ii) Information explaining the physical skill based functionality must be prominently

displayed on the award glass or video display. This information should include that there is a physical skill based advantage.

**47.1-1234 Multi-game and multi-denomination slot machines.**

- (1) A multi-game slot machine is a single gaming device with more than one displayable and playable game program. A multi-denomination slot machine is a single gaming device with more than one denomination offered for play and allows the patron to choose the denomination to wager.
- (2) A multi-game slot machine and a multi-denomination slot machine with a separate unique pay schedule must both display the weighted theoretical hold for the slot machines on demand.
- (3) A multi-game slot machine must have a last game recall that can display the last ten games, including any bonus occurrences which result in awards, and any other significant events such as tilts, credit cash outs, note acceptor transactions, or jackpots. Last game recall must also be time and date stamped, to allow for determination of credit meter incrementation (i.e. coins, notes, electronic, or won credits).

**47.1-1235 Power supply filter.**

Slot machine power supply filtering must be sufficient to prevent disruption of the slot machine by power fluctuations. (47.1-1235 perm.09/30/97)

**47.1-1236 Error conditions-Automatic reset**

Slot machines must be capable of detecting and displaying the following conditions, which must be automatically cleared by the slot machine upon initiation of a new play sequence:

- (1) Door Open. (47.1-1235 perm.09/30/97)
- (2) If communication is lost between a cashless system and slot machines interfaced to it, the slot machines or the system display devices must communicate this fact to patrons trying to access their accounts. (amend, perm. 03/30/02)
- (3) If a power loss or any door open condition occurs when accepting and escrowing a ticket while awaiting validation confirmation, the ticket should either maintain a valid status in the TITO system and be returned to the patron, or the appropriate automatic payment should be vended with the ticket being stacked in the note acceptor and redeemed on the system after the error condition is cleared.

**47.1-1237 Error conditions—Cleared by attendant.**

Slot machines must be capable of detecting and displaying the following error conditions, which an attendant must clear:

- (1) Coin-in jam;
- (2) Coin out jam;
- (3) Hopper empty or timed out;
- (4) RAM corruption error;
- (5) Program error;

- (6) Hopper runaway or extra coin paid out;
- (7) Reverse coin-in and note-in (coin or note traveling the wrong way through acceptor);
- (8) Reel spin error that affects the outcome of the game. The specific reel number must be identified in the error code;
- (9) Low RAM battery, for batteries external to the RAM itself,
- (10) Print failure, if the slot machine has no other means to make a payout. A replacement voucher may be printed once the failure condition has been cleared,
- (11) Printer mechanism paper jam. A paper jam condition must be monitored at all times during the print process.
- (12) Printer mechanism paper out, if the slot machine has no other means to make a payout.

A description of the slot machine error codes in 47.1-1236 and this section and their meanings must be affixed inside the slot machine. Mechanical and electronic meter readings must be recorded if the RAM is cleared.

#### **47.1-1238 Hopper mechanism**

Hoppers are mechanical devices which dispense coins, tokens, or notes. Hoppers must be designed to detect jams, extra payouts, hopper runaways and hopper empty conditions. The slot machine or kiosk control program must monitor the hopper mechanism for these error conditions on all game states. It must also account for all contents paid from the hopper including erroneous or extra payments arising from a hopper malfunction. If a hopper error occurs while the hopper is engaged in cashing out coins, tokens, or notes, it must be able to recover to the state it was in immediately prior to the interruption and valid payment must be vended. Hopper pay and credit limits must be designed to permit compliance by licensees with taxation laws and regulations. (47.1-1238 perm.09/30/97) (47.1-1238 amended perm. 10/30/99)

#### **47.1-1239 Communication protocol.**

A slot machine which is capable of bidirectional communication with internal or external associated equipment must use a communication protocol which ensures that erroneous data or signals will not adversely affect the operation of the machine.

#### **47.1-1240 Number and value of credits wagered.**

Redeemable credits and wagers must be accumulated from wins or from coin, token, tickets, or notes. A slot machine may not offer or allow any wagers, which violate the \$5 maximum wager restriction for any wagered game played.

#### **47.1-1241 Software requirements for randomness testing.**

A slot machine must have a random number generator. All random number generators must comply with the specifications detailed below.

- (1) A reel, card, or ball or other event that determines the outcome of the play satisfies at least 99 percent confidence level using the standard chi-squared analysis. Chi-squared analysis is the sum of the squares of the difference between the expected result and the observed result.
- (2) A reel, card, or ball or other event that determines the outcome of the play satisfies at least 99 percent

confidence level using the Median Runs Test or any similar pattern checking statistic. The Median Runs test is a mathematical statistic that determines the existence of recurring patterns within a set of data.

- (3) A reel, card, or ball is independently chosen without reference to any other event produced during that play. This test is the correlation test. Each pair of events is considered random if they meet at least the 99 percent confidence level using standard correlation analysis.
- (4) A reel, card, or ball or other event is independently chosen without reference to the same event in the previous game or games. This test is the serial correlation test. The event is considered random if it meets at least 99 percent confidence level using standard serial correlation analysis.
- (5) The random number generator and random selection process must be impervious to influences from outside the slot machine, including, but not limited to, electromagnetic interference, electrostatic interference and radio frequency interference. A slot machine must use appropriate communication protocols to protect the random number generator and random selection process from influence by associated equipment which is conducting data communications with the slot machine.

#### **47.1-1242 Software requirements for percentage payout.**

The slot machine must meet the following maximum and minimum theoretical pay out during the expected lifetime of the slot machine:

- (1) The slot machine game program must theoretically pay out at least 80.0 percent and no more than 100.0 percent of the amount wagered. The theoretical payout percentage is determined using standard methods of probability theory. When applied to games whose outcome is determined in whole or in part by skill, the 100.0 percent theoretical pay out shall be computed using the optimum play strategy for compliance of the given game tested and the 80.0 percent theoretical pay out will be computed using the lowest manufacturer's expected return for the game program.
- (2) The slot machine game program must have a probability of obtaining the maximum advertised single payout better than 1 in 17 million. A multi-link progressive system slot machine game program must have a probability of obtaining the maximum advertised payout better than 1 in 50 million.
- (3) Whenever a licensee offers a progressive jackpot as a part of the slot machine payout, the amount of the payout may not be included in the theoretical payout percentage for purposes of satisfying the minimum and maximum pay out requirements specified in this section. (47.1-1242 perm.09/30/97)

#### **47.1-1243 Software requirements for continuation of game after malfunction.**

A slot machine must be capable of continuing the current play with all current play features after a slot machine malfunction is cleared.

#### **47.1-1244 Progressive slot machines defined.**

- (1) A progressive slot machine game is a slot machine game with an award that increases based on coin, token or credit play.
- (2) A progressive jackpot may be transferred to another progressive slot machine game at the same location provided that the progressive liability transfer is immediately documented and the liability is maintained by the licensee offering the progressive until the progressive transfer is completed. Once a progressive award has been offered for play, it must be permitted to remain until it is won by a player or transferred to other progressive games.

- (3) Records must be maintained that record the amount shown on a progressive jackpot meter. Supporting documents must be maintained to explain any reduction in the pay off amount from a previous entry. The records and documents must be retained for a period established by the Division. (47.1-1244(3) amended perm. 10/30/99)

The progressive slot machine game must be linked to a meter showing the payoff which is visible to all players who are playing the game which may potentially win the progressive amount. This meter is the progressive jackpot meter.

(4) Linked machines.

Each progressive game on the link must have the same probability of hitting the combination that will award the progressive jackpot, and all machines on any link must be located on the licensed premises of one retail establishment; or they may be linked across telecommunication lines among more than one retail establishment, provided any such system (hereinafter referred to as "Multi-Link" ) complies with the following:

- (a) The provisions contained in this subsection do not affect, supersede, replace or in any way alter other provisions contained in this regulation.
- (b) The method of communication over the Multi-Link system must consist of either dedicated on-line communication lines (direct connect) or dial-tone lines which may be subject to certain restrictions imposed by the Division of Gaming or the Commission.
- (c) All communication packets between each location and the central system must be encrypted, and encryption keys must be alterable upon demand.
- (d) All Multi-Link systems must be on-line with a minimum one-way communication time to or from the linked slot machines of no more than 15 seconds.
- (e) All meter reading data must be obtained in real-time in an on-line, automated fashion. When requested to do so, the system must return meter readings on all devices attached to the system within ten minutes (or within a time frame determined and approved by the Division of Gaming, where the person operating the multi-link system provides the Division supporting data, indicating that total meter acquisition is taking longer than ten minutes) of the meter acquisition request. This limitation shall not apply to the length of time it takes the computer system to calculate and print reports, but rather only to the time it takes to gather data used for such process. Manual reading of meter values may not be substituted for these requirements.

There is no restriction as to the acceptable method of obtaining meter reading values; provided, such methods must consist of either pulses leading from the slot machine computer board or associated wiring, or the use of serial interface to the gaming device's RAM or other non-volatile memory.

- (f) The Multi-Link system must have the ability to monitor entry into the front door of the machine as well as the logic area of the machine and report it to the Central System within one polling cycle.
- (g) Each player must be in a position to see the current total of the progressive jackpot display when in the normal playing position. Because the polling cycle does cause a delay, the jackpot meter need not precisely show the actual monies in the progressive pool at each instance. In addition, nothing shall prohibit the use of odometer or other "paced" updating progressive displays. In the case of the use of "paced" updating displays, the progressive meter must display the winning value within 30 seconds of the jackpot being

recognized by the central system, if the remote site is communicating to the central computer.

If a jackpot is recognized in the middle of a system-wide poll cycle, the overhead display may contain a value less than the aggregated jackpot amount calculated by the Central System. The coin values from the remaining portion of the poll cycle will be received by the Central System but not the local site, in which case the jackpot amount paid will always be the higher of the two reporting amounts.

- (h) A retail licensee utilizing a Multi-Link system must suspend play on the Multi-Link at the premises of that licensee if a communication failure in the system cannot be corrected within 24 hours.

- (i) Jackpot verification procedures must include the following:

When a jackpot is won, the vendor of, or person operating or controlling, the Multi-Link system shall have the opportunity to inspect the machine, EPROM, the error events received by the Central System, and any other data which could reasonably be used to ascertain the validity of the jackpot.

The Central System shall produce reports that will clearly demonstrate the method of arriving at the payoff amount. This shall include the coins contributed beginning at the polling cycle immediately following the previous jackpot and will include all coins contributed up to, and including, the polling cycle, which includes the jackpot signal. Coins contributed to the system after the jackpot occurs in real-time, but during the same polling cycle shall be deemed to have been contributed to the progressive amount prior to the jackpot. Or, coins contributed to the system before the jackpot message is received will be deemed to have been contributed to the progressive amount prior to the current jackpot. Coins contributed to the system subsequent to the jackpot message being received will be deemed to have been contributed to the progressive amount of the next jackpot.

The jackpot may be paid in installments as long as each machine clearly displays the fact that the jackpot will be paid in installments. In addition, the number of installments and time between installments must be clearly displayed on the face of the machine in a nonmisleading manner.

Two jackpots that occur in the same polling cycle will be deemed to have occurred simultaneously; and therefore, each "winner" shall receive the full amount shown on the meter.

- (j) Approval by the Commission of any Multi-Link system shall occur in two phases: 1) initial approval; and 2) on-site testing.

The approval of any Multi-Link system must include a Phase I system approval whereby the underlying gaming devices and communication hardware must be tested and approved by the Colorado Division of Gaming, or its authorized agents.

Phase II approval must include field inspection at the Central Computer site to ensure compliance with these rules. Operation of the system will be authorized only after the Commission is satisfied that the System meets both the Phase I and Phase II testing requirements, as well as any other requirements that the Commission may impose to assure the integrity, security, and legal operation of the Multi-Link.

- (k) Any Multi-Link vendor, or person authorized to control or operate a Multi-Link system, must



supply reports to the Division of Gaming or its designee(s) which support and verify the economic activity on the System.

Any Multi-Link vendor, or person authorized to control or operate a Multi-Link system, must supply, as requested, reports and information to the Division of Gaming or its designee(s) indicating the amount of, and basis for, the current jackpot amount (the amount currently in play). Such reports may include an "aggregate report" and a "detail report". The "aggregate report" may show only the balancing of the System with regard to System-wide totals. The "detail report" shall be in such form as to indicate for each machine, summarized by location, the coin-in and coin-out totals as such terms are commonly understood in the industry.

In addition, upon the invoicing of any retail licensee participating in a Multi-Link system, each such licensee must be given a printout of each machine owned by the licensee, the coins contributed by each machine to the jackpot for the period for which an invoice is remitted, and any other information required by the Division or Commission to confirm the validity of the licensee's contributions to the jackpot amount.

- (l) The Central Computer site must be equipped with non-interruptible power supply and the Central Computer must be capable of on-line data redundancy should hard disk peripherals fail during operation.
- (m) The person authorized to control or operate a Multi-Link system, must hold a valid operator or manufacturer and distributor license issued by the Commission and must obtain approval from the Commission as to the methods of funding the progressive prize pool and calculating and receiving payments from participating retailers for operating and managing the Multi-Link system.
- (n) In calculating Adjusted Gross Proceeds, a retail licensee may deduct its pro-rata contribution to any progressive jackpots awarded during the month. This amount shall be listed on the detailed accounting records provided by the person authorized to control or operate the Multi-Link system. A retail licensee's contribution is based on the number of coins in from that retail licensee's machines on the Multi-Link system, compared to the total amount of coins in on the whole system for the time period(s) between jackpot(s) awarded.
- (o) In the event a retail licensee ceases operations and a progressive jackpot is awarded subsequent to the last day of the final month of operation, the retail licensee may not file an amended tax return or make claim for a gaming tax refund based on its contributions to that particular progressive prize pool.
- (p) The central monitoring system for the Multi-Link must be in a secure location approved by the Division. If the licensee operating the central monitoring system proposes to locate the system outside the state of Colorado, the licensee shall reimburse the Division or its agents for reasonable costs to travel to the site (i) to inspect its configuration and operation prior to authorizing its operation, and (ii) to otherwise inspect the system location in connection with investigations concerning failures of the system or its operation or for such other purposes as the Division deems appropriate. The central monitoring system memory device must be approved for use in the State of Colorado. The licensee operating the central monitoring system must also provide sufficient internal controls to address the security of the equipment. (amended perm. 03/30/03)
- (q) The person authorized to operate or control a Multi-Link system must maintain a copy of all lease and contractual agreements with retail licensees and supply a copy to the Division upon request. (amended perm. 03/02/01)

- (r) The Multi-Link system prize fund (the amount of money contributed by the participating retail licensees) must be audited, in accordance with generally accepted auditing standards, on the Multi-link system operator's year-end basis, by an independent accountant licensed by the Colorado Board of Accountancy. Two copies of this report must be submitted to the Division within 90 days after the end of the Multi-link system operator's business year-end. (12-47.1-1244(1) perm. 5/30/93)
  - (s) Mixed maximum bet progressive link. If all gaming devices connected to a Multi-Link system do not offer the same maximum bet value, all such gaming devices must equalize the expected value of winning the progressive jackpot by setting the odds of winning the progressive jackpot in proportion to the amount wagered on each device, or by requiring the same wager value on each device to win the progressive jackpot. The method of equalizing the expected value of winning the progressive jackpot shall be conspicuously displayed on each device connected to the system. (amended perm. 03/30/03)
- (5) Normal mode of progressive slot machine games.
- (a) During the normal mode of progressive slot machine games, the progressive controller must continuously monitor each game on the link for inserted coins and must multiply the accepted coins by the rate progression in order to determine the correct amounts to apply to the progressive jackpot. The progressive display must be constantly updated as play on the link is continued.
  - (b) A multi game slot machine offering any progressive games for play must apply all of the coins, tokens, or credits wagered during each and every game which can win a certain progressive award to that progressive award. The multi game slot machine must not apply any coins, tokens, or credits wagered during any game that cannot win a certain progressive award to that progressive award. All progressive awards that can be won by a game must be displayed by the slot machine any time the game is displayed on the slot machine.
- (6) Requirements for progressive controller. Each progressive controller linking one or more progressive slot machine games must be housed in a double-keyed compartment or secured in a manner approved by the Division. The licensee offering the progressive must establish key control procedures that ensure no one person has access to the controller's configuration data. There must be a progressive entry authorization log within each controller and the log must be completed by any person gaining entrance to the controller. The log must be entered on a form provided by the Director.
- (7) Multiple linkage of progressive slot machine games. If more than one progressive slot machine game is linked to the progressive controller, the progressive controller must automatically reset to the minimum amount and continue normal play and the progressive meter must display the following information:
- (a) The identity of the machine that caused the progressive meter to activate;
  - (b) The winning progressive amount; and
  - (c) The new normal mode amount that is used by the other players on the link.
- (8) Alternating displays. If this Rule prescribes multiple items of information to be displayed on a slot machine, it is sufficient to have the information displayed in an alternating fashion.
- (9) Progressive meter information.

A progressive meter or progressive controller must keep the following information in nonvolatile memory which shall be available upon demand:

- (a) The maximum amount of the progressive payout for each meter displayed;
  - (b) The minimum amount or reset amount of the progressive payout for each meter displayed;  
and
  - (c) The rate of progression for each meter.
- (10) If a progressive slot machine game has been offered for play, the progressive jackpot amount for that game cannot be changed to a lower amount until after the progressive jackpot has been won. The amount must be changed prior to any subsequent play.
- (11) Limits on jackpot of progressive slot machine games. A licensee may impose a limit on the jackpot of a progressive slot machine game if the limit imposed is greater than the current progressive jackpot displayed on the slot machine game at the time the limit is imposed. The licensee must inform the public with a prominently posted notice of progressive slot machine games with the limits.
- (12) Discontinuance of progressive slot machine games. (a) No licensee may discontinue a progressive slot machine game until all of the advertised progressive amounts or prizes or both have been awarded, or the advertised progressive amount, minus the normal non-progressive award for the combination that would have awarded the progressive amount, is moved to another progressive link within the licensed establishment or this amount is disbursed in another method approved by the Division such as an additional payout.
- (b) In addition to the requirements outlined for progressive machines, the vendor operating the Multi-Link progressive system must submit a written plan for discontinuance and receive approval from the Division prior to discontinuing any Multi-Link progressive system. The plan must include the projected discontinuance date, detailed accounting of the Multi-Link progressive system fund including any outstanding expenses and fees due the vendor for operating the system, in accordance with the vendor's written agreement with retail licensees, the distribution of the fund balance, and the final reporting requirements of the system. The final distribution amount is transferred to another Multi-Link progressive system operated by the vendor or disbursed in a manner approved by the Division. The final distribution amount is the fund balance less the cost of paying the current jackpot less any outstanding expenses and fees due the vendor for operating the Multi-Link progressive system. (amended perm. 03/02/01)
- (13) Cash requirements. Unless the Commission has approved the payment of prizes by annuity, a licensee who has a progressive slot machine game must maintain a minimum cash reserve as prescribed in the Internal Control Minimum Procedures established by the Division to ensure the licensee has cash available to pay all progressive liabilities. (47.1-1244(10) perm.03/02/98)
- (14) Requirements apply to single machine games. The requirements of this rule are intended to apply equally to one progressive slot machine game linked to a progressive controller as well as several progressive slot machine games linked to one progressive controller. The Director may grant waivers in order that both single slot machine games and multiple slot machine games linked to a progressive controller may meet the requirements of this rule.(47.1-1244 perm. 5/30/93)(47.1-1244 perm. 9/30/97)

#### **47.1-1244.5 Increasing probability and progressive bonus slot machine games.**

- (1) An increasing probability bonus is an award on a slot machine game or games of either coins,

credits, or free play games, where the chance of winning the bonus award increases as the slot machine game(s) is played.

- (2) A progressive bonus award is a progressive award on one slot machine that does not use an exterior controller. Progressive bonus awards do not include top and secondary payable progressive awards.
- (3) If a bonus award is greater than \$500, the licensee is required to record the date initiated, conditions for the award, and the date removed using the Progressive Tracking Log. The licensee is required to notify the local Division of Gaming office to transfer the award when a slot machine game with a bonus award over \$500 is discontinued. If a bonus award is \$500 or less, the licensee is not required to record the amount on a Progressive Jackpot Log or to transfer the award when the game is discontinued. Licensees are required to notify the local Division of Gaming office when any bonus award is placed into play. Bonus awards can not be altered through the use of any switches or any other means, i.e. shutting the slot machine's power off to reset the bonus award. The Division of Gaming will determine a value of the bonus award at the time the program is approved. (47.1-1244.5 perm. 9/30/97)(47.1-1244 amended perm. 10/30/99)

#### **47.1-1245 Slot Machine Tournaments.**

Slot machine tournaments may be conducted by operator and retail licensees upon licensed premises meeting the security and surveillance requirements of the rules and regulations and of the internal control minimum procedures. A tournament must conclude no later than the 31st day following the first day of tournament play. A tournament may be conducted by only one licensee; no two or more licensees may jointly conduct a single tournament.

#### **47.1-1246 Tournament machines required.**

All tournament play must be on machines into which has been installed a tournament board, one or more tournament E-proms, or other tournament electronics which have been inspected and approved in accordance with the regulations, and for which the tournament feature has been enabled. All machines used in a single tournament shall utilize the same electronics and machine settings. No machine, while enabled for tournament play, shall accept coins or tokens nor pay out coins or tokens, but shall utilize credit points only. Tournament credits shall have no cash value.

#### **47.1-1247 Qualification of players.**

At the licensee's discretion, the licensee may establish qualification or selection criteria to limit the eligibility of players. Such criteria, if used, should be reasonably related to limited gaming.

#### **47.1-1248 Entry fee.**

The tournament entry fee for each player may not exceed five hundred dollars for the entire tournament, regardless of the number of qualification or play-off rounds played. The tournament must be structured so that the minimum number of machine plays available to each player, without the accumulation of any winning credits, is equal to not less than the entry fee divided by five. (amend. perm. 03/30/02)

#### **47.1-1249 Calculation of adjusted gross proceeds of tournament play.**

For purposes of slot machine tournament play only, the adjusted gross proceeds for the tournament shall be the total amount received by the licensee for all entrance fees less the total amount paid to the winner(s) as prizes. The value of merchandise awarded as prizes shall be the actual cost of purchase paid by the licensee. Licensees awarding prizes of merchandise shall retain purchase invoices showing the cost of such merchandise. If the value of all prizes exceeds the amount received in tournament entrance fees, the licensee may not declare a loss against adjusted gross proceeds.

#### **47.1-1250 Cash receipts and prize awards-accounting.**

Cash received for tournament entry fees must be kept separate and apart from all other cash received by the licensee until such time as it is counted. Cash and merchandise paid out to winners as prize money shall be accounted for on forms specified by the Division.

#### **47.1-1251 Rules of Play.**

The rules for the conduct of each tournament shall be reduced to writing and a copy shall be provided to all tournament players. An information copy of the rules must also be provided to the local office of the Division of Gaming at least five days in advance of the scheduled start of the tournament.

#### **47.1-1252 Conduct of Tournament.**

The following rules shall apply to all slot machine tournament play and must be included in the printed rules for each tournament:

- (1) All players shall begin the tournament with an equal amount of points, credits, or playing time.
- (2) A player's initial machine assignments shall be drawn randomly by means of either an electronic or manual selection process. If there is to be any re-assignment of machines during subsequent rounds of play, the new machine assignments for remaining players shall also be drawn randomly by means of either an electronic or manual selection process.
- (3) For tournament play utilizing credits or points, players are eliminated from the tournament when they lose all their credits.
- (4) Play will continue until either (a) the end of final round as such final round defined in advance by the tournament rules, or (b) until only one player has not been eliminated. The winner(s) shall be decided by the total accumulation of points for the duration of the tournament.
- (5) Each player shall be permitted to play only one machine and the player shall make all decisions without advice from any other person. Any communication, during play, between a player and a spectator is prohibited. No player may play other than the player's own machine.

#### **47.1-1253 House rules for tournament play.**

House rules for the tournament, which must also be included in the printed rules, shall include as a minimum:

- (1) The amount of the entry fee and either (a) the starting number of machine credits, or (b) the period of time allowed for play.
- (2) How the final round of play is to be determined and the tournament concluded.
- (3) How many prizes are to be awarded, and the exact description of each prize.
- (4) Any additional house rules governing play of the tournament. (47.1-1245 through 47.1-1253 perm. 10/30/93)

#### **47.1-1254 Progressive table games defined.**

- (1) A progressive table game is a table which is equipped with a progressive game controller which increases the progressive jackpot liability as wagers are made by patrons to specifically win the progressive jackpot liability.

- (2) A progressive jackpot may be transferred to another progressive table game at the same location in the event of the progressive table game malfunction or replacement or for some other good reason. When the maximum jackpot limit is reached, it must be permitted to remain until it is won by a player or transferred to another progressive table game.
- (3) Records must be maintained that record the amount shown on a progressive jackpot meter. Supporting documents must be maintained to explain any reduction in the pay off amount from a previous entry. The records and documents must be retained for a period established by the Division. A progressive table game, upon written permission by the Division may be moved to a different licensed location if a bankruptcy, loss of license or other good cause warrants. (47.1-1254(3) amended perm. 10/30/99)

The progressive table game must be linked to a meter showing the payoff which is visible to all players who are playing at the table which may potentially win the progressive amount. This meter is the progressive meter.

- (4) Each table on the link must have the same probability of hitting the combination that will award the progressive jackpot, and all tables on any link must be located on the licensed premises of one retail establishment.
- (5) During the normal mode of progressive table games, the progressive controller must continuously monitor each table on the link for inserted coins and must multiply the accepted coins by the rate progression in order to determine the correct amounts to apply to the progressive jackpot. The progressive display must be constantly updated as play on the link is continued.
- (6) Each progressive controller linking one or more progressive tables must be housed in a dual keyed compartment. The Director or the Director's designee must be in possession of one of the keys. No person may have access to a controller without notice to the Director. There must be a progressive entry authorization log within each controller and the log must be completed by any person gaining entrance to the controller. The log must be entered on a form provided by the Director. If the progressive controller is integrated with a personal computer software system, logical access over the personal computer software components must be designed to prevent unauthorized access to the software.
- (7) If a progressive jackpot is recorded on a progressive table which is linked to the progressive controller and more than one table is linked to the controller; the progressive controller must identify the table that caused the progressive meter to activate and it must display the winning progressive amount.
- (8) If more than one progressive table game is linked to the progressive controller, the progressive controller must be reset to the minimum amount before normal play continues. The progressive meter displays the following information:
  - (a) The identity of the table that caused the progressive meter to be activated;
  - (b) The winning progressive amount; and
  - (c) The new normal mode amount that is used by the other players on the link.
- (9) If this rule prescribes multiple items of information to be displayed on a progressive meter sign, it is sufficient to have the information displayed in an alternating fashion.
- (10) A progressive meter or progressive controller must keep the following information in nonvolatile memory which shall be displayed upon demand:

- (a) The number of progressive jackpots won on each progressive meter if the progressive display has more than one winning amount,
  - (b) The cumulative amounts paid on each progressive meter if the progressive display has more than one winning amount;
  - (c) The maximum amount of the progressive payout for each meter displayed;
  - (d) The minimum amount or reset amount of the progressive payout for each meter displayed; and
  - (e) The rate of progression for each meter.
- (11) In addition to the metering requirements in 47.1-1255, each progressive table game must have a separate software meter that counts the number of times each progressive meter is activated.
  - (12) Each progressive table's controller must have a separate key and key switch to reset the progressive meter or meters or another reset mechanism that has the approval of the Director.
  - (13) A licensee may impose a limit on the jackpot of a progressive table game if the limit imposed is greater than the possible maximum jackpot payout on the progressive table game at the time the limit is imposed. The licensee must inform the public with a prominently posted notice of progressive table games with the limits.
  - (14) If a licensee wishes to discontinue offering a progressive table game jackpot, the licensee may petition the Director for permission to either reduce the qualifications or criteria for winning the award, allowing the award to be paid more quickly, or to transfer the award liability to the jackpot offered by a different game. If a retail licensee intends to close its business while having a progressive jackpot award liability, the licensee may petition the Director for permission to transfer the award liability, together with the award fund, to another retail licensee offering a comparable jackpot award.
  - (15) Unless the Commission has approved the payment of prizes by annuity, a licensee who has a progressive table game must maintain a minimum cash reserve equal to the total of all progressive table game jackpots that may be won at the location.
  - (16) The requirements of this rule are intended to apply equally to one progressive table game linked to a progressive controller as well as several progressive table games linked to one progressive controller. The Director may grant waivers in order that both single progressive table games and multiple progressive table games linked to a progressive controller may meet the requirements of this rule(47.1-1254 added, perm. 11/30/96)

#### **47.1-1255 Progressive table game meter requirements.**

Progressive table games must be equipped with an electro-mechanical meter that records all coins-in transactions at the table. The meter must have at least six digits. A progressive table games meter must be maintained at all times. In the event an electro-mechanical meter malfunctions, meter readings must be recorded before and after the electro-mechanical meter is replaced. Electro-mechanical meters must have an accuracy rate of 99 percent or better. (47.1-1255 added, perm. 11/30/96)

#### **47.1-1256 Slot machine awards.**

The person playing the slot machine is the only person who can receive the award from the slot machine. The licensee must not give the award to another person, not even a relative. If more than one person is playing the slot machine, the award must be given to the person who put the first coin or credit into the

slot machine. If an award is abandoned in the tray or on the credit meter of the slot machine, the award becomes null and void and the property of the casino unless the person who originally won the award makes a claim for the award. (47.1-1256 perm. 9/30/97)

#### **47.1-1257 Definition of component parts.**

- (1) A component part of a slot machine is a part (including equipment, system, or device) which performs an essential function in the operation of the slot machine. Essential function shall include, but not be limited to, the acceptance of wagers; the payout of gaming proceeds; the determination or display of the outcome of the game; the capture, transmission, or storage of electronic game information; and security. Some examples of component parts are: hoppers, coin acceptors, microprocessors and related circuitry, programmed EPROMS, note acceptors, progressive systems, slot monitoring systems that create their own slot machine meters, ticket redemption kiosks, cashless systems, and any other parts the Division determines are component parts.
- (2) A component part does not include those parts which, if removed, do not impair the essential function of a slot machine, such as light bulbs, lamps, buttons, switches, speakers, wires, cabinets, decorative glass, batteries, fuses, screws, bolts, nuts, brackets, hinges, locks, springs, handles, payable glass, video display units, stepper motors, reel strips, and power supplies.
- (3) All slot machine component parts must be kept secured.

#### **47.1-1258 Manufacturers and distributors of component parts.**

Manufacturers and distributors of the component parts of a slot machine must obtain a Colorado manufacturer/distributor license, as required by the Limited Gaming Act of 1991, before selling or distributing slot machine components in Colorado. This rule does not require a manufacturer or distributor who supplies component parts to a licensed manufacturer or distributor of slot machines to obtain a license, provided those parts are installed by the licensed manufacturer or distributor. All component parts used in slot machines in Colorado must be approved by the Division of Gaming. (47.1-1258 perm. 9/30/97)

#### **47.1-1259 Incidental repairs.**

A licensed operator or retailer may perform incidental repair on its slot machines. All persons actually performing internal service or repairs on slot machines must display a Colorado gaming license. The licensed operator is responsible for ensuring that all service and repairs on its slot machines, including the installation or repairs of component parts such as, bill acceptors, progressive systems, slot monitoring systems, or other parts which would significantly alter the current or subsequent operation of the slot machine, are done correctly and are in compliance with Division of Gaming requirements. (47.1-1259 perm. 9/30/97)

#### **47.1-1260 Cheating and compliance.**

The Division can take immediate and appropriate action against all slot machines, including component parts, that are found to be susceptible to any cheating methods. The Division can take immediate and appropriate action against all slot machines that are found to be out of compliance with Rule 12. The Division can require the manufacturer and the operator of the slot machines to take whatever actions are necessary to ensure that their slot machines are not susceptible to any cheating method and are in compliance with Rule 12. (47.1-1260 perm. 9/30/97)

#### **47.1-1261 Specification for slot coupons.**

A slot coupon is an encoded coupon that is only issued by a licensee's slot monitoring system to be



redeemed at a slot machine, cage validation unit or kiosk.

Slot coupons must:

- (1) Be the same dimensions as U.S. currency.
- (2) Have an expiration date.
- (3) Contain the printed name of the casino.
- (4) Be clearly labeled as a slot coupon.
- (5) Have a validation number, which must be printed on the leading edge of the ticket. The validation number must be unique to each slot coupon.
- (6) Have a secondary validation number, identical to the primary validation number, which must be printed on the body of the ticket.
- (7) Contain a coupon bar code generated with a unique algorithm.
- (8) Contain a description of any restrictions on the redemption of the coupon.
- (9) Be generated by a slot monitoring system approved by the Division.
- (10) Contain the dollar value of the coupon printed both numerically and in text.
- (11) Contain a sequence number for all slot coupons printed for each specific promotion or event.
- (12) Be redeemable by being played or cashed out.

**47.1-1262 Use of slot coupons.**

- (1) Slot coupons can be accepted by slot machines, redeemed at the cage validation unit or redeemed at a kiosk as part of a slot monitoring system.
- (2) The slot machines must have note acceptors. The note acceptors accepting slot coupons must communicate with the slot machines' microprocessors. The slot monitoring system must validate all slot coupons before redeeming and stacking the slot coupons. Only after redeeming the slot coupons can credits be issued to the slot machine, through the slot monitoring system. The slot monitoring system must maintain a record of each slot coupon accepted, validated and redeemed by the system. Once a slot coupon is accepted, validated and redeemed, that coupon shall not be redeemed again.
- (3) The status of a slot coupon shall not be changed to unpaid or unredeemed once it has been redeemed, voided or expired. If communication is broken between the slot monitoring system and the slot machine, cage validation unit or kiosk, the slot machine, validation unit or kiosk must reject all slot coupons until communication is restored.
- (4) Slot coupons redeemed at a slot machine are included as drop in the calculation of adjusted gross proceeds (AGP); however, slot coupons are not a deduction from AGP.
- (5) All credits vended to the slot machine from redeemed slot coupons must be capable of either being played or cashed out. Patrons must not be required to play credits.

**47.1-1263 Definitions for cashless gaming systems.**

Repealed effective March 5, 2007.

**47.1-1264 Cashless System Standards.**

Repealed effective March 5, 2007.

**47.1-1265 Electronic Transfer of Funds.**

Repealed effective March 5, 2007.

**47.1-1266 Electronic Transfers of Promotional Funds.**

Repealed effective March 5, 2007.

**47.1-1267 Cashless System Bonuses.**

Repealed effective March 5, 2007.

**47.1-1268 Validity of tickets and slot coupons.**

- (1) Casinos may offer ticketing systems whereby TITO-enabled slot machines accept tickets and slot coupons and issue tickets in exchange for cash, tokens, credits, or tickets using TITO systems.
- (2) A slot monitoring system shall not use, permit the use of, accept, or redeem tickets or slot coupons issued by another licensee.
- (3) If a slot machine, validation unit in the cage, or kiosk cannot validate the ticket or slot coupon, it must reject the ticket or slot coupon.
- (4) The slot monitoring system must have the ability to identify invalid tickets and slot coupons and notify the cashier;
  - (a) The validation number cannot be found,
  - (b) The ticket or slot coupon has already been redeemed, or
  - (c) The amount on file for the ticket or slot coupon.

**47.1-1269 General ticketing standards.**

- (1) TITO-enabled slot machines must be capable of issuing and accepting only the casino's tickets. The Division must approve the design of all tickets.
- (2) All tickets must have the following minimum characteristics:
  - (a) A primary validation number, which must be printed on the leading edge of the ticket;
  - (b) A secondary validation number, identical to the primary validation number, which must be printed on the body of the ticket;
  - (c) At least one unique identifier, such as a barcode;
  - (d) Casino name;
  - (e) Slot machine house number;

- (f) Date and time the ticket was generated;
- (g) Dollar value of the ticket, printed both numerically and in text;
- (h) A statement that the ticket will expire 120 days after issuance;
- (i) Sequence number of the ticket printed by the slot machine ; and
- (j) Be the same size or dimensions as United States currency.

#### **47.1-1270 Validation.**

TITO systems must provide for on-line, real-time validation of online tickets. Prior to issuing or authorizing issuance of consideration (whether cash, tokens, credits, or another ticket) in exchange for a ticket, the TITO system must validate the ticket from the TITO validation component. Casinos shall have at least one TITO validation component which may be located in a cashier cage.

#### **47.1-1271 Use of tickets under circumstances of conflicting wagering denominations.**

If a ticket or slot coupon has a value that is not evenly divisible by the wagering denomination, when inserted into a TITO-enabled slot machine, the machine shall either

- (1) Return the ticket or slot coupon to the patron,
- (2) Accept the ticket or slot coupon and allow for insertion of additional wagering consideration if the ticket value is less than the wagering denomination, or
- (3) Accept the ticket or slot coupon and either display the indivisible portion of the ticket or slot coupon on a credit meter or issue another ticket for that indivisible portion.

#### **47.1-1272 Types of tickets.**

- (1) A TITO-enabled slot machine must be capable of generating two types of tickets: on-line tickets and delayed tickets.
- (2) On-line tickets: If a TITO-enabled slot machine is properly communicating with the TITO system, the machine will be able to generate an on-line ticket. When a patron requests the issuance of a ticket in this situation, the machine will generate a ticket that utilizes the validation information generated by the TITO system or the machine, and communicate to the TITO system that it has successfully completed the transaction.
- (3) Delayed Tickets: If a TITO-enabled slot machine loses communication with, a TITO system before validation information is successfully communicated to the TITO system for the last ticket out transaction, then all subsequent cashout attempts must result in the gaming machine issuing payment to the player via another available means such as, but not limited to, a hopper pay or a handpay. The gaming machine must be capable of storing delayed ticket data until such time that it has been successfully communicated to the TITO system.
  - (a) TITO systems may include a function whereby, prior to the restoration of communications, delayed ticket information may be manually input into the TITO system at a cashier station or other secure location.
  - (b) When communications are restored, delayed ticket information provided by the machine to the TITO system must be reconciled to the delayed tickets that were manually redeemed.

- (4) Tickets expire 120 days after issuance which is explicitly stated on each ticket. Upon expiration, the ticket is no longer valid for gaming purposes. TITO systems must recognize expired tickets as invalid and unredeemable.

#### **47.1-1273 Ticket printers.**

Ticket printers must be mounted inside a secure area of the TITO-enabled slot machine, and must be designed to detect paper jams, paper out, and print failure.

#### **47.1-1274 Ticket reports outlined in the internal control minimum procedures.**

The reporting requirements for ticketing transactions are defined in the internal control minimum procedures established by the Division.

#### **47.1-1275 Ticket redemption kiosks.**

- (1) Ticket redemption kiosks must perform to the same security standards as TITO-enabled slot machines, and must include logs as required throughout this rule.
- (2) Kiosks must include a means to protect against transaction failure and data loss due to AC power loss.
- (3) All kiosks must detect and display the following conditions. These conditions may be automatically cleared by the kiosk when the condition no longer exists and upon completion of a new transaction.
  - (a) Power reset.
  - (b) Door open.
  - (c) Door just closed.
  - (d) System communication loss. Non-system transactions may continue while system communication is down.
  - (e) Printer Paper Low. As kiosks do not issue tickets, printer paper low is specific to the printing of receipts.
- (4) All kiosks must detect and display the following error conditions that prohibit new transactions and may only be cleared by an attendant:
  - (a) Failed to make payment,
  - (b) Bill validator failure, and
  - (c) Printer failure (Out of paper, jam, etc.). As kiosks do not issue tickets, printer failure is specific to the printing of receipts.
- (5) Each kiosk connected to a slot monitoring system must be uniquely identified by the slot monitoring system. This includes kiosks that are connected to the slot monitoring system through a gateway or kiosk server.
- (6) Each kiosk must be capable of synchronizing its real time clock to that of the slot monitoring system.
- (7) All kiosks must be equipped with electronic digital storage meters of at least ten digits that can be

displayed upon demand. The meters accumulate values in dollars and cents from drop to drop. When applicable, the following meters are required (e.g., if the device accepts coin, then Physical Coin In would be required).

- (a) Physical Coin In. The kiosk must have a meter specifically labeled "Physical Coin In" that accumulates the value of all coins accepted by the kiosk.
  - (b) Physical Coin Out. The kiosk must have a meter specifically labeled "Physical Coin Out" that accumulates the value of all coins paid by the kiosk.
  - (c) Voucher In. The kiosk must have a meter specifically labeled "Voucher In" that accumulates the total value of all slot machine issued tickets accepted by the kiosk.
  - (d) Bill In. The kiosk must have a meter specifically labeled "Bill In" that accumulates the total value of currency accepted. Additionally, the machine must have a specific meter for each denomination of currency accepted that records the number of bills accepted by the kiosk.
  - (e) Bill Out. The kiosk must have a meter specifically labeled "Bill Out" that accumulates the total value of currency dispensed. Additionally, the machine must have a specific meter for each denomination of currency dispensed that records the number of bills dispensed by the kiosk.
  - (f) Such other meters required by the Division of Gaming.
- (8) All kiosks must have the capacity to display a complete transaction history for the most recent transaction and the previous thirty-four transactions prior to the most recent transaction for voucher redemption transactions. History must include disposition of transaction, date and time of transaction, and amount of transaction.
- (9) Kiosk or kiosk server must be capable of producing the following reports upon demand.
- (a) Voucher Transaction Report. The report must include the disposition (paid, partial pay, unpaid etc.) of tickets accepted by the kiosk, the validation number, the date and time of redemption, and the amount. This information must be available by reconciliation period (i.e. by day, shift or drop cycle).
  - (b) Reconciliation Report. The report must include the current cash balance of the kiosk, the current ticket balance in total by dollar amount and by ticket count of the kiosk, and the reconciliation period date and time.
- (10) A kiosk shall not allow for greater than \$3,000 in consecutive cash for cash transactions.
- (11) A kiosk must resist forced illegal entry and must retain evidence of any entry until properly cleared. A kiosk must have a protective cover over the circuit boards that contain programs and circuitry used in the system communication and control of the kiosk, including any electronically alterable program storage media. The cover must be designed to permit installation of a security locking mechanism by the manufacturer or end user of the kiosk.
- (12) Each kiosk interfaced with a slot monitoring system shall employ a secure communication method as approved by the Division.
- (13) A kiosk that has the ability to issue funds from an automated teller machine (ATM) network in accordance with Regulation 47.1-1276 shall ensure that the ATM network does not interface with the slot monitoring system and is capable of generating reports separately identifying and

summarizing ATM transactions from ticket redemption transactions and, if applicable, slot coupon redemption and bill breaking transactions.

**47.1-1276 Restriction on ATM or credit card functionality.**

- (1) Subject to the provisions of paragraph (2) of this section, no device or equipment that has the capability to dispense cash or any other item of value through the functionality of an automated teller machine (ATM), credit card advance system or any other cash advance system shall be physically attached to, or placed in the same cabinet or other housing unit with, any gaming device or equipment, except for a stand-alone ticket redemption kiosk.
- (2) Notwithstanding any provision of law, a ticket redemption kiosk may be physically attached to, or placed in the same cabinet or other housing unit with, an ATM, provided that the ATM is not physically attached to, or placed in the same cabinet or other housing unit with, any other gaming device or equipment.

**47.1-1277 Ticket and slot coupon irregularity notification.**

The Division of Gaming must be immediately notified of any incident of a ticket or slot coupon being presented for redemption which the validation system indicates has already been redeemed, or evidence that a ticket or slot coupon has been counterfeited, tampered with, or altered in any way which would affect the Integrity, fairness, reliability or suitability of the ticket or slot coupon. This would include the system issuance of an invalid ticket or slot coupon.

**47.1-1278 Secure database.**

Once the validation information is stored in the revenue database, the data must be encrypted. The database must be password-protected. An unalterable audit trail must be maintained by the system that documents all activity in the revenue database. No data shall be removed from the database.

**47.1-1279 Wireless Handheld Validation Unit and the Supporting Wireless Local Area Network.**

Wireless Handheld validation units may be used with a supporting wireless local area network (WLAN) for activities that impact gaming transactions provided the following security precautions are observed:

- (1) The wireless local area network must comply with industry standards, defined in the Internal Control Minimum Procedures.
- (2) An authentication process must comply with industry standards, defined in the Internal Control Minimum Procedures, to maintain network security.
- (3) Licensees will provide an encryption/decryption process which complies with industry standards, defined in the Internal Control Minimum Procedures, to maintain network security.
- (4) Each unit and user must be authenticated to the slot monitoring system before transactions can proceed. Users must be authorized and registered in the slot monitoring system to perform transactions.
- (5) All wireless access points and units must be controlled to prevent unauthorized physical and virtual access.
- (6) Each wireless access point must communicate through a firewall. The firewall must reside between the WLAN and the Local Area Network (LAN).
- (7) An Intrusion Detection System (IDS) and an Intrusion Protection System (IPS) must be used to

identify and prevent attacks from unauthorized users and devices. The IDS/IPS must have a system produced audit trail, and must be provided to the Division upon request.

- (8) Each wireless access point and device must be configured so that the settings are different from the default values and must not identify the casino, Service Set Identifier (SSID) or domain name.
- (9) The licensee must perform periodic review and testing of the unit and the supporting WLAN as defined in the Internal Control Minimum Procedures.
- (10) The licensee will be held responsible for proper use of the unit and the supporting WLAN as defined in the Internal Control Minimum Procedures.
- (11) Wireless handheld transactions cannot occur outside the licensed premises.

### **BASIS AND PURPOSE FOR RULE 13**

The purpose of amendments to Rule 13 is to establish procedures for the use, redemption, destruction, and disposal of chips and tokens. The statutory basis for amendments to Rule 13 is found in sections 12-47.1-302, C.R.S., 12-47.1-819, C.R.S., and 12-47.1-825, C.R.S.

### **RULE 13 PURCHASE AND REDEMPTION OF COINS, CHIPS, AND TOKENS**

#### **47.1-1301 Use of chips and tokens.**

A licensee using chips or tokens must do the following:

- (1) Comply with all applicable statutes, rules, and policies of the state of Colorado and of the United States relating to chips or tokens;
- (2) Sell chips and tokens only to patrons of its establishment and only at their request;
- (3) Promptly redeem its own chips and tokens from its patrons;
- (4) Take reasonable steps, including examining chips and tokens and segregating those issued by other licensees, to prevent sales to its patrons of chips and tokens issued by another licensee. (amended perm. 09/30/00)
- (5) A licensee and its employees may not accept chips or tokens as payment for goods or services other than gaming, and may not accept chips or tokens as change in any other transaction. Chips and tokens may be given to casino employees as tips or gratuities. (amended perm. 09/30/00)

#### **47.1-1302 Redemption**

A licensee may not redeem its chips or tokens if presented by a person who the licensee knows or reasonably should know is not a patron of its establishment unless they are presented as follows:

- (1) By another licensee who represents that it redeemed the chips and tokens from its patrons or received them unknowingly, inadvertently, or unavoidably;
- (2) By an employee of the licensee who presents the chips and tokens in the normal course of employment; or
- (3) By a person engaged in the business of exchanging licensees' chips and tokens issued by other licensees and presenting them to the issuing licensee for redemption.

#### **47.1-1303 Use of other licensee's chips and tokens**

A licensee may not knowingly sell, use, permit the use of, accept, or redeem chips or tokens issued by another licensee except as follows:

- (1) The chips or tokens are presented by a patron for redemption to a cashier of the licensee's establishment and the patron states that the patron received the tokens at the licensee's establishment from the payout chutes of slot machines or from an employee of the licensee;
- (2) The chips or tokens are presented by a patron at a game, and the licensee redeems the chips or tokens with chips of its own, places the redeemed chips/tokens in the imprest bank or the table's drop box, and separates and accounts for the redeemed chips/tokens during the count performed pursuant to the licensee's system of internal control,

#### **47.1-1304 Redemption and disposal of chips and tokens.**

A licensee who ceases operating the licensed establishment for any reason must prepare a plan for redeeming chips and tokens that remain outstanding at the time of closure. The licensee must submit the plan in writing to the Director, or designee, no later than 30 days before the closure. If the date of closure cannot reasonably be anticipated, the licensee must submit the plan as soon as practicable. The Director may approve the plan or require modifications as a condition of approval. Upon approval of the plan, the licensee must implement the plan as approved. In addition to other provisions the Director may approve or require, the plan must provide the following:

- (1) Redemption of outstanding chips and tokens for 120 days after the closure or for a longer or shorter period approved by the Director;
- (2) Redemption of the chips and tokens at the premises of the licensed establishment or at another location approved by the Director;
- (3) Publication of notice for the redemption of the chips and tokens and the pertinent times and locations. The notice must be published in at least two newspapers of general circulation in Colorado at least twice during each 30-day period of the redemption period. Publication is subject to the Director's approval of the form of the notice, the newspapers selected for publication, and the specific days of publication;
- (4) Conspicuous posting of the notice at the licensed establishment or other redemption location; and
- (5) Destruction or other disposition of the chips and tokens as required by the Director.
- (6) The provisions of this Rule 47.1-1304 shall not be applicable to promotional and tournament chips.  
(47.1-1304(6) temp. 5/13/93, perm. 6/30/93, amend perm 03/30/04, amended perm. 03/30/06)

#### **47.1-1305 Destruction of counterfeit chips and tokens**

As used in this section, "counterfeit chips or tokens" means any chip or token-like objects that have not been approved pursuant to article 47.1 of title 12, C.R.S., or the rules and regulations thereunder, including objects commonly referred to as "slugs," but not including coins of the United States or any other nation. Unless a law enforcement officer instructs or a court of competent jurisdiction orders otherwise in a particular case, licensees must destroy or otherwise dispose of counterfeit chips and tokens discovered at their establishments in a manner approved or required by the Director.

Unless a law enforcement officer instructs or a court of competent jurisdiction orders otherwise, licensees may dispose of coins of the United States or any other nation discovered to have been unlawfully used in their establishments by including them in their coin inventories; in the case of foreign coins, by



exchanging them for United States currency or coins and including the exchanged currency or coins in their currency or coin inventories; or by disposing of them in any other lawful manner.

In addition to other information the Director may require, the licensee must report the following information to the Division in writing within 12 hours of discovery:

- (1) The number and denominations, actual and purported, of the coins and counterfeit chips and tokens destroyed or otherwise disposed of pursuant to this section;
- (2) The date(s) during which they were discovered;
- (3) The date, place, and method of destruction or other disposition, including, in the case of foreign coin exchanges, the exchange rate and the identity of the bank, exchange company, or other business at which, or person with whom, the coins are exchanged; and
- (4) The names of the persons carrying out the destruction or other disposition on behalf of the licensee.

Each licensee must maintain a record required by this section for at least five years, unless the Director approves otherwise.

#### **47.1-1306 Forms of wagers.**

All wagers must be made with United States currency or coins, or with chips or tokens furnished by the retail licensee, or credits.

#### **47.1-1307 Specifications for sale of chips and tokens.**

Chips and tokens used for gaming must be sold for cash only. No credit may be extended by a retail licensee. Checks may not be accepted for purchase of chips or tokens at gaming tables; however, checks may be accepted at the cashier's cage.

A retail licensee must redeem its chips and tokens for not less than their face value. In its sole discretion and pursuant to any special conditions which it may impose, a licensee may redeem its chips and tokens for the value at which they were sold, if greater than face value. (amend. perm 03-12-04)

#### **47.1-1308 Check Cashing Practices.**

- (1) Definitions: For purposes of this regulation, the following terms are adopted, defined, and clarified:
  - (a) "Check" means a written unconditional order to pay or deliver a sum certain in money, drawn on a Financial Institution, payable on demand, and signed by one or more drawer, whether negotiable or non-negotiable. "Check" includes drafts, checks issued through credit institutions (also known as credit card checks and Com-Checks), warrants, negotiable orders of withdrawal, counter checks, and any other means of ordering the payment of money.
  - (b) "Dishonored" includes any check which is returned to a licensee (whether actually, or constructively, by delivery to a Financial Transaction Agent) by the Financial Institution upon which it was drawn, for any reason pertaining to the inability to honor or pay the instrument, including, but not limited to reasons of insufficient funds, mistake, closed account, or stop payment or hold orders.
  - (c) "Financial Institution" includes a bank, depository, or other person which provides financial, banking, and similar services for investors, depositors, and debtors.

- (d) "Financial Transaction Agent" includes a factor, collection agent or agency, accounts receivable agent or agency, accountant, or any other type of Financial Institution, which acts pursuant to an agreement with a licensee whereby the Financial Transaction Agent is charged with securing the collection of any Dishonoured check from its maker, by any means, whether with or without recourse to return the collection account to the licensee as uncollectible.

(2) Acceptance of checks by licensees.

- (a) Checks for participation in limited gaming by patrons may only be accepted at the cage.
- (b) All checks receipted or accepted into the cage shall be considered received for participation in limited gaming, unless documented and accounted for separately as nongaming funds (including, but not limited to, food and beverage, hotel, services, and product sales).
- (c) Once receipted into or accepted at the cage, checks may only be repurchased by the maker thereof after the check has been dishonored by the maker's Financial Institution.
- (d) Checks shall not be accepted under any conditions, terms, or agreements which render them not payable on demand. Such circumstances shall include, but are not limited to, post-dating of checks, unsigned checks and holding checks out of the deposit made most recently after acceptance of the check.
- (e) No licensee shall accept a check issued for participation in limited gaming from any patron under the following circumstances:
  - (i) When the maker (and endorser of a third party check, if any) thereof has previously issued a check to the licensee for any purpose, and the licensee has actual notice, or 24 hours of constructive notice, that the previous check is Dishonored, until such time as all claims of licensee against the maker of the check, arising from the Dishonored check, are satisfied in full (whether by accord and satisfaction, payment, or liquidation of judgment).
  - (ii) When the licensee, through the exercise of reasonable diligence, should have known that the check being considered for receipt into or acceptance at the cage may be Dishonored.
- (f) Violation of this paragraph (2)(c), 2(4), or 2(e) constitutes a prohibited credit transaction.

**47.1-1309 Exchange-redemption of tokens.**

Tokens may only be exchanged or redeemed for currency, negotiable personal checks, negotiable counter checks, chips, or other tokens. (47.1-1309 temp. 9/30/91, perm.12/30/91) 47.1-1310 Procedures outlined in the internal control minimum procedures. The procedures for the Use, redemption and destruction of chips and tokens are further defined in the internal control Minimum procedures established by the Division.

**RULE 14 GAMINGTAX**

**47.1-1401 Gaming and Device Taxes.**

Annually the Commission shall conduct rule making hearings concerning the gaming tax rate and device fee rate for the subsequent gaming year. Testimony regarding the consideration of the gaming tax shall include the following topics to be heard during the following time periods. Additional appropriate topics relating to these issues may also be considered as deemed necessary by the Commission. Furthermore,

in addition to the topics outlined below, the commission may receive testimony from any member of the public during any of the following time periods on the other topics relevant to the consideration of the gaming tax and device fee rates. The following general schedule is established to provide structure to the annual consideration by the Commission, however rigid compliance is not mandatory and this regulation shall in no way be construed to limit the time periods or subject matters which the Commission may consider in determining the various tax rates. During the month of April, the commission shall receive testimony regarding the methodology to be utilized in the consideration of the gaming tax for the subsequent gaming year. In May, the commission shall receive testimony regarding the following topics: the expenditure impacts and revenue benefits from United gaming in the cities of Black Hawk, Central City, and Cripple Creek and the counties of Gilpin and Teller ; the expenditure impacts and revenue benefits from limited gaming for statutorily defined entities eligible for the Local Government Limited Gaming Impact Fund; and the expenditure impacts from limited gaming on agencies of the State of Colorado. During the month of June the Commission shall receive testimony regarding the financial conditions of licensees pertinent to the consideration of the gaming tax pursuant to the criteria expressed in part 6 of the limited gaming act of 1991. (47.1-1401(1) temp. 5/12/93. perm. 6/30/93)(47.1-1401 1/30/98 amended perm 07/30/00)

- (1) Each retail licensee conducting or offering limited gaming to the public shall be liable for, and shall pay to the Department of Revenue, a limited gaming tax upon the adjusted gross proceeds from limited gaming. The tax imposed by Section 12-47.1-601, C.R.S. (1991), shall be determined in accordance with the following schedule:

If The Annual Adjusted Gross Proceeds are: The Tax Is:

|                                              |       |
|----------------------------------------------|-------|
| Up to \$2,000,000<br>(Including \$2,000,000) | 0.25% |
| Over \$2,000,000 to<br>\$4,000,000           | 2%    |
| Over \$4,000,000 to<br>\$5,000,000           | 4%    |
| Over \$5,000,000 to<br>\$10,000,000          | 11%   |
| Over \$10,000,000                            | 16%   |
| Over \$15,000,000                            | 20%   |

(47.1-1401(1) temp. 9/29/94. perm. 11/30/94)(47.1-1401(1) temp. 10/01/96, perm. 10/30/96)(47.1-1401(1) temp 07/01/99. perm. 07/30/99)

- (2) (a) Payment of the gaming tax by the retail licensee shall be made to the department by an electronic funds transfer. Electronic funds transfer is defined to be Automated Clearing House (ACH) debit. The electronic funds transfer shall be made using ACH debit transaction in the Cash Concentration or Disbursement (CCD) entry format with addendum record as defined by the 1994 ACH rules published by the National Automated Clearing House Association. The data contained in the addendum record shall be in the format of the tax payment (TXP) banking convention published by the National Automated Clearing House Association in 1990. *(The references to the rules and conventions of the National Automated Clearing House Association in this regulation do not include later amendments or editions of this referenced material. Certified copies of these rules and conventions are on file at the Department of Revenue and may be obtained or examined by contacting the manager of Deposit Control, 1375 Sherman Street, Denver, Colorado 80261.)* The payment for gaming taxes shall be made separately and apart from any other taxes which are paid to the Department. In addition to the payment, the retail licensee shall electronically transmit to the department a tax return in the format provided by the Department. The return shall be transmitted to be received by the Department no later than the 15th day of the

month succeeding the calendar month in which the adjusted gross proceeds were received by the retail licensee or the due date if later in accordance with Section 39-21-119(3) C.R.S. (1994). All monthly gaming tax returns beginning with the return for October 1994 taxes shall be transmitted electronically.

- (b) Payment is timely if the payment settles to the Departments bank account by the 16th day of the month succeeding the calendar month in which the adjusted gross proceeds were received by the retail licensee or the due date if later in accordance with Section 39-21-119(3) C.R.S. (1994). Payment by ACH debit authorized in the electronic tax return filing is timely if the tax return is timely.
  - (c) The electronic tax return shall provide a computation of the monthly tax due based on the annual tax rate schedule adopted by the Commission, and such computation shall also include the computation for charitable gaming adopted by the Commission. The annual period for the computation of taxes due on the adjusted gross proceeds shall commence on October 1 of each calendar year and end on June 30, 1998, and subseuently, shall commence on July 1 of each calendar year and end on June 30 of the next succeeding calendar year.
- (3) Charitable Gaming conducted pursuant to the provisions of Part 9 of Article 47.1, of Title 12, C.R.S., shall be subject to a flat limited gaming tax of three (3) percent of the adjusted gross proceeds collected by the retailer sponsoring such charitable gaming event. The remittance of such gaming tax shall be made in the same manner as set forth in paragraph (2) above.
- (4) (a) (Deleted effective July 1, 1999)
- (b) (Deleted effective June 30, 2002)
- (5) The provisions of Articles 20, 21, and 26 of Title 39, C.R.S., shall govern the administration, collection and enforcement of this section, except to the extent that such articles and this section are inconsistent. Administration shall include, but not be limited to, assessing deficiencies, issuing refunds, providing administrative hearings for proposed assessments or refunds of taxes, and issuing jeopardy assessments.

#### **47.1-1402 Gaming Tax--Bonds and Sureties.**

- (1) Where the Commission has reason to believe that a licensee may not in the future timely file and pay its gaming taxes, the Commission may determine that the licensee shall furnish an assignment of security or surety bond as provided in subparagraphs (2) through (6) of this regulation.
- (2) Each retail licensee, if ordered by the Commission, must have in full force and effect at all times a valid surety bond, with a penal sum in an amount to be set by the Commission, to ensure payment of gaming taxes to the Commission. Beneficiary, or payee, on any such bonds shall be the Colorado Limited Gaming Control Commission.
- (3) The surety on all bonds for retail licensees shall be a corporate surety authorized to do business in the state of Colorado having a paid-in capitalization of not less than \$500,000.00.
- (4) Surety bonds shall be on forms either approved or furnished by the Division. A bond must be filed with the Division prior to any retail licensee conducting or permitting limited gaming.
- (5) In addition to any other requirements, all bonds filed with the Division must comply with the following:

- (a) The name, including the full given name, of each individual party to the bond must be written in the heading thereof, and each such party shall sign the bond with the party's usual signature, or the bond may be executed in the party's name by a duly empowered attorney-in-fact.
- (b) In the case of a partnership, the trade name of the firm, followed by the names of all the members thereof, shall be given in the heading. In executing the bond the firm name shall be typed or written, followed by the word "By" and the usual signatures of all partners, or the signature of any partner duly authorized to sign the bond in behalf of the firm, or a duly empowered attorney-in-fact.
- (c) If the principal is a corporation, the heading shall give the corporate name, the name of the state under the laws of which it is organized, and the location of the principal office, and the location of the principal agent in the state of Colorado if a foreign corporation; and the bond shall be executed in the corporate name, immediately followed by the usual signature and the title of the person duly authorized to act in its behalf; and the bond shall be attested under the corporate seal; or the bond may be executed in the corporate name by a duly empowered attorney-in-fact. If the corporation has no corporate seal that fact should be stated.
- (d) The official character and authority of the person or persons executing the bond for the principal, if a corporation shall be certified by the secretary or assistant secretary and there must be attached to the bond copies of as much of the records of the corporation as will show the official character and authority of the officer, or attorney-in-fact, signing, duly certified by the secretary or assistant secretary, under the corporate seal, if any, to be true copies.
- (e) Each signature must be made in the presence of two witnesses (except where corporate seals are attached), who must sign their names as such.
- (f) The surety or sureties on the bond must have no interest whatever in the business of the principal.
- (g) All erasures or interlineations must be made before the bond is signed, and a statement to that effect attached to the bond.
- (h) Liability of the surety on said bonds may be terminated only in the manner specified in the bond forms, and where no provision appears in said form for the termination of liability, liability on said bond may not be terminated by the surety. Liability on said bonds, however, shall not extend to or include acts done or liability incurred by the principal subsequent to the expiration of the license for which said bond was issued.
- (i) In the event that any licensee to whom a license has been issued fails, refuses or neglects to furnish or to keep in full force and effect a surety bond as by law required, such license and all rights of the licensee thereunder may be canceled and thereafter be null and void from and after the date on which liability on said bond terminates.
- (j) Neither the Commission, Division, nor the Department of Revenue, or any employee of any of them, is charged with any duty to give, receive, accept, transmit or deliver any notice of any character whatsoever to any licensee or the surety therefor relative to the liability, termination of liability, release, cancellation or other matters relating to said bonds; and failure to receive any such notice or any statement by any of these offices or any officer, agent or employee thereof shall be no defense against any prosecution or other proceeding for violation of law or violation of these rules and regulations.

- (k) Any notice which may be given by the surety as permitted by the foregoing bond forms or by law or these rules and regulations may not be given by an agent for the surety unless such agent shall accompany the notice with a duly executed power of attorney authorizing the agent to give such notice or with a verified statement that same is on file with the Division.
  - (l) The principal on any bond filed pursuant to these rules and regulations may at any time substitute a new bond therefor and the superseded bond will be canceled as to any liability subsequent to the effective date of the new bond. Such new bond shall in all respects be subject to law and these rules and regulations in the same manner as the superseded bond.
  - (m) In the event of the insolvency of any surety or for any reason whereby the Director, or the Commission, shall have reason to believe that said surety is unsafe, or insufficient, so that said bond is not sufficient, then the Director or the Commission shall give notice in writing to the principal requiring said principal to furnish a new bond as a substitute on or before a day named in said notice, said day to be not less than 30 days from the time of delivery of such notice by mail or otherwise to the principal at the licensed premises. Such notice may be served by registered United States mail addressed to the licensee (principal) at the address given in the licensee's application as the location of said licensed premises. If a new bond with a surety qualified by law or these rules and regulations is not furnished on or before the date specified in said notice, all rights of the principal under this said license shall be ipso facto suspended on the date specified in said notice, but the original surety shall not be relieved thereby of any liability on the principal's bond.
- (6) Any retail licensee may, with approval of the Commission, as an alternative to the filing of a surety bond with the Division, assign to the Division of Gaming for the use of the people of the State of Colorado a savings account, deposit in, or certificate of deposit issued by a state or national bank doing business in this state or by a state or federal savings and loan association doing business in this state. Procedures concerning the assignment shall be set by the Commission. An assignment as provided herein, or the filing of a surety bond, shall not relieve any retail licensee from the timely filing and payment of gaming taxes or the timely completion and filing of gaming tax returns. Upon the loss of its gaming licenses for any reason, the licensee may request, and receive from the Division within 60 days of the request, a release of any assignment or surety bond.

## **BASIS AND PURPOSE FOR RULE 15**

The purpose of Rule 15 is to establish procedures for the Division to utilize in entering necessary contracts for consulting and operational services in compliance with section 12-47.1-302 (2) (n). The statutory basis for Rule 15 can be found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., and 12-47.1-302, C.R.S.

## **RULE 15 PROCUREMENT ADOPTED, 20 AUGUST 1991**

### **47.1-1501 Contracting authority for the Director.**

The Director shall have the authority to enter into contracts for consulting, operational, and administrative services where the amount of such contract is less than twenty-five thousand dollars without prior approval from the Commission. All other contracts shall not be entered into without prior approval of the Commission.

### **47.1-1502 Contracts.**

Contracts shall be submitted to the Commission for its approval prior to renewal.

**47.1-1503 Liquidated damages.**

The Director shall report to the Commission any breach of contract which may lead to the assessment of liquidated damages. Any assessment of liquidated damages shall be approved by the Colorado Limited Gaming Control Commission.

**BASIS AND PURPOSE FOR AMENDMENTS TO RULE 16**

The purpose of amendments to Rule 16 is to establish computations for adjusted gross proceeds and criteria for free play items. The statutory basis for these requirements is found in sections 12.47.1-201, C.R.S., 12-47.1-203, C.R.S., and 12-47.1-302, C.R.S.

**RULE 16 ACCOUNTING REGULATIONS**

**47.1-1601 Definitions for accounting regulations.**

In addition to definitions previously set forth in these rules and regulations, the following definitions apply to accounting regulations as established in Rule 16:

- (1) "Business Year" means the annual period used by a licensee for internal accounting purposes.
- (2) "Examination or Examine" means an audit, review, or other Division examination procedures.
- (3) "Fiscal Year" means a period beginning on July 1st and ending June 30th of the following year.
- (4) "Group A" means a licensee who has 1 to 74 slot machines only.
- (5) "Group B" means a licensee who has 75 to 299 total devices or at least one table game.
- (6) "Group C" means a licensee who has 300 or more total devices.
- (7) "Slot Route Operator" means a licensed operator who places slot machines on another licensed retailer's property.
- (8) Deleted Pursuant to S.B. 92-132
- (9) Deleted Pursuant to S.B. 92-132

**47.1-1602 Accounting and financial records.**

- (1) Each licensee must keep accurate, complete, legible, and permanent records of all transactions pertaining to revenue that is taxable or subject to fees under Article 47.1 of Title 12, C.R.S. A licensee who keeps permanent records in a computerized form or imaging system must provide the Division, on its request, with a detailed index to the imaging system or computer database. All such records must be made available upon demand to employees of the Commission and Division.
- (2) Each licensee must keep general accounting records on a double entry system of accounting, maintaining necessary detailed, supporting, subsidiary records, including:
  - (a) Detailed records identifying revenues, expenses, assets, liabilities, and equity for each establishment;

- (b) Detailed records of all returned checks;
  - (c) Slot and table game statistical reports and supporting documentation as required by the internal control minimum procedures;
  - (d) The records required by the internal control minimum procedures, as approved by the Division, applicable to the licensee;
  - (e) Journal entries prepared by the licensee and adjustments proposed by its independent accountant;
  - (f) Any other records that the Division specifically requires to be maintained; and
  - (g) All tax returns relating to the licensed establishment.
- (3) Each licensee must create and maintain detailed records sufficient to accurately reflect adjusted gross proceeds, and expenses relating to its operations on a monthly and year-to-date basis, as well as financial statements.
- (4) If a licensee fails to keep the records used by it to calculate adjusted gross proceeds, the Division may compute and determine the amount of taxable proceeds upon the basis of an audit conducted by the Division, upon any information within the Division's possession, upon statistical analysis or projections, or by other means determined by the Division based on best information available. (47.1-1602 amended perm. 10/30/99)

**47.1-1603 Adjusted gross proceeds computations.**

- (1) For each blackjack game, adjusted gross proceeds equals the closing bankroll plus credit slips for cash, chips, or tokens returned to the casino cashier cage, plus drop, plus face value of coupons, less opening bankroll and less fills to the table.
- (2) For each slot machine, adjusted gross proceeds equals drop plus tickets plus slot coupons dropped less fills to the machine, less hand pay jackpot payouts and accumulated credits, and less tickets redeemed. The initial hopper load is not a fill and does not affect adjusted gross proceeds. The difference between the initial hopper load (or the amount in the hopper at the time of the previous hopper count if the coins/tokens counted were returned to the hopper) and the total amount that is in the hopper at the time the hopper is currently counted must be adjusted accordingly as additional revenues or a credit adjustment when calculating adjusted gross proceeds. This amount is reported on the monthly gaming tax return for the month in which the hopper count was conducted, and is reflected in the hopper adjustment column for the corresponding denomination. Hoppers must also be counted and the corresponding adjustment reflected on the gaming tax returns at other times as specified in the internal control minimum procedures. If a licensee does not make or makes inaccurate additions or subtractions when calculating adjusted gross proceeds, the Division may compute an estimated total amount in the slot machine hoppers and may make reasonable adjustments to adjusted gross proceeds during the course of an audit, review, or other examination procedures.
- (3) For each player banked poker game, adjusted gross proceeds equals all money received by the licensee as compensation through the rake process, for conducting the game, plus poker tournament entry fees exceeding winnings paid out to tournament players. (47.1-1603(3) amended; perm. 11/30/96)
- (4) For each house banked poker game, adjusted gross proceeds equals the closing bankroll plus credit slips for cash, chips, or tokens returned to the casino cashier cage, plus drop, plus face value of coupons, less opening bankroll, less fills to the table, and less hand-paid jackpots or awards.



(47.1-1603(4) (skill computations) deleted; new (4) added, perm. 11/30/96)

- (5) A licensee shall not exclude from adjusted gross proceeds money paid out on wagers that are knowingly accepted by the licensee in violation of Article 47.1 of Title 12, C.R.S., or the regulations thereunder of the Commission.
- (6) Returned and uncollectable checks are not allowed as a deduction from adjusted gross proceeds. (47.1-1603 amended perm. 10/30/99)
- (7) A licensee shall not exclude from adjusted gross proceeds money paid out on wagers that exceed the value of the winning combination posted unless previously approved by the Division.

**47.1-1604 Records of ownership - corporation.**

- (1) Each corporate licensee must keep on the premises of its gaming establishment, or must provide to the Division upon its request, the following documents pertaining to the corporation:
  - (a) A certified copy of the articles of incorporation and any amendments;
  - (b) A copy of the bylaws and any amendments;
  - (c) A copy of the certificate issued by the Colorado secretary of state authorizing the corporation to transact business in Colorado;
  - (d) A list of all current and former officers and directors;
  - (e) Minutes of all meetings of the stockholders;
  - (f) Minutes of all meetings of the directors;
  - (g) A list of all stockholders listing each stockholder's name, address, the number of shares held, and the date the shares were acquired;
  - (h) The stock certificate ledger;
  - (i) A record of all transfers of the corporation's stock; and
  - (j) A record of amounts paid to the corporation for issuance of stock and other capital contributions.

**47.1-1605 Partnership or association records.**

- (1) Each partnership or association licensee must keep on the premises of its gaming establishment, or provide to the Division upon its request, the following documents pertaining to the partnership:
  - (a) A copy of the partnership or association agreement and, if applicable, the certificate of limited partnership;
  - (b) A list of the general and limited partners, or associates, including their names and addresses, the percentage of interest held by each, the amount and date of each capital contribution of each partner or associate, the date the interest was acquired, and the salary paid by the partnership or association; and
  - (c) A record of all withdrawals of partnership or association funds or assets.

#### **47.1-1606 Sole proprietor records.**

Each sole proprietorship licensee must keep on the premises of its gaming establishment, or provide to the Division upon its request, a schedule showing the name and address of the proprietor and the amount and date of the proprietor's original investment and of any additions and withdrawals.

#### **47.1-1607 Records retention - noncompliance.**

Each licensee must provide the Division, upon its request, with the records required to be maintained. Licensees must maintain accurate and complete records as required in the internal control minimum procedures. Each licensee is responsible for the acts and omissions of its agents, employees, and contractors in complying with all obligations imposed by law, these rules, and internal control minimum procedures. Each licensee must retain all such records within Colorado for at least three years after they are made and the related gaming tax return is filed. Records include but are not limited to formats as hard copy documents, revenue system database, tables and fields structures of the database, meter files, and electronic reports. Failure to keep and provide such records is an unsuitable method of operation and subject to a fine, penalty, or revocation of license. (47.1-1607 amended perm. 10/30/99)

#### **47.1-1608 Commission examination procedures.**

(1) The Division of Gaming shall:

- (a) Conduct periodic examinations of the accounting and financial records of licensees, including but not limited to revenue, systems, and compliance audits;
- (b) Review the accounting principles and procedures used by licensees;
- (c) Review and observe methods and procedures used by licensees to count and handle cash, chips, tokens, gaming coupons, tickets, gaming wagers, gaming payments, and negotiable instruments;
- (d) Examine licensees' internal control procedures;
- (e) Examine accounting and financial records of the licensee or a person controlling, controlled by, or under common control with the licensee, within the licensee's establishment or licensee's other establishments located in Colorado, or other locations as agreed to with the licensee;
- (f) Examine the accounting and financial records of any licensee when conditions indicate the need for such action or upon the request of the Director or the Commission;
- (g) Investigate each licensee's compliance with the Colorado Limited Gaming Act of 1991, the regulations of the Commission, and internal control minimum procedures as directed by the Director; and
- (h) Review tax returns, tax records and tax adjustments.

(2) The Division may conduct an audit, a review, or other examination procedures in conformity with the examination procedures established by the Division. The Division shall prepare a report, as appropriate for the examination conducted, at the conclusion of each examination for submission to the Commission. (47.1-1608(2) temp. 5/13/92, perm. 6/30/92)

(3) At the conclusion of each examination, and prior to submitting the report to the Commission, the Division shall review the results of the examination with the licensee. If the licensee disagrees with the Division's report, the licensee may, within 10 days of the examination, submit written

comments to the Division as to why the results of the examination should not be submitted to the Commission for acceptance. If the Division and the licensee cannot reach an agreement on the report, the Commission shall consider the Division's report and the submission of the licensee's response prior to its determination of its acceptance of the report.

- (4) When the Division finds that the licensee is required to pay additional fees and taxes or finds that the licensee is entitled to a refund of fees and taxes, it shall report its findings, and the legal basis upon which the findings are made, to the Director and to the licensee in sufficient detail to enable the Director to determine if an assessment or refund is required. (47.1-1608 amended perm. 10/30/99)

#### **47.1-1609 Mandatory drop and count procedure.**

The time or times when drop boxes will be removed and the contents counted for table games, card games, and slot machines must be at times which have been previously submitted to the Division, or at other times as the Division requires. Removal and counting of drop box contents at other than the designated times must be conducted and reported to the Division in accordance with internal control minimum procedures.

#### **47.1-1610 Internal control.**

- (1) The Division shall establish internal control minimum procedures for each group of licensees (Group A, Group B, and Group C). The internal control minimum procedures will contain the minimum requirements to be followed by each licensee group. The internal control minimum procedures will be established to ensure licensed gaming operations are conducted in such a manner as to ensure and maintain public confidence in the security, accuracy, integrity, and propriety of licensed gaming in Colorado.
- (2) Each licensee shall establish its own internal control procedures including accounting procedures, reporting procedures, and personnel policies for the purpose of determining the licensee's liability for taxes, fees, and exercising effective control over the licensee's internal fiscal affairs. The licensee's procedures must incorporate the minimum requirements as established by the Division, or alternative requirements approved by the Division, and must be designed to ensure that:
- (a) Assets are safeguarded and accountability over assets is maintained;
  - (b) Liabilities are properly recorded and contingent liabilities are properly disclosed;
  - (c) Financial records including revenue, expenses, assets, liability, and equity are accurate and reliable;
  - (d) Transactions are performed only in accordance with Generally Accepted Accounting Standards, the Commission's rules and regulations, and management's stated policies which cannot be inconsistent with such standards, rules, and regulations;
  - (e) Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes;
  - (f) Access to assets is permitted only in accordance with management's specific authorization;
  - (g) Recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to any discrepancies; and
  - (h) Functions, duties, and responsibilities are appropriately segregated and performed in

accordance with sound practices by competent, qualified personnel.

- (3) Each licensee must describe its administrative, accounting, reporting, and personnel procedures in detail in a written system of internal control. Each licensee must at all times follow and comply with its written system of internal control. Each licensee must submit a copy of its written system to the Division at least 30 days prior to conducting or offering limited gaming to the public. Each written system must include:
  - (a) An organizational chart depicting appropriate segregation of functions and responsibilities;
  - (b) A description of the duties and responsibilities of each position shown on the organizational chart;
  - (c) A detailed, narrative description of the administrative and accounting procedures designed to satisfy the requirements of subsection (2);
  - (d) A written statement signed by the licensee's chief financial officer and either the licensee's chief executive officer or a licensed owner attesting that the system satisfies the requirements of this section;
  - (e) Such other items as the Division may require.
- (4) At least 45 days prior to revising the internal control minimum procedures, the Division shall mail a copy of the proposed revision to every licensee and every person who has filed a request therefor with the Division.
- (5) Prior to revising the internal control minimum procedures, the Division shall consider all written statements, arguments, or contentions submitted by interested parties within 30 days of service of the notice provided for in subsection (4).
- (6) The Division shall send written notice that the Division has adopted procedures pursuant to subsection (4) to all licensees and to every person who has filed a request therefor with the Division.
- (7) Not later than 30 days after service of written notice that the minimum procedures revised pursuant to this section are effective, each licensee whose procedures are affected by the minimum procedures or revisions shall amend its written system, submit a copy of the written system as amended to the Division, and comply with the procedures and system as amended.
- (8) The licensee may not implement a system of internal controls that does not satisfy the internal control minimum procedures published by the Division unless the Division determines that the licensee's proposed system satisfies subsection (2), and approves the system in writing. Within 30 days after a licensee receives notice of the Division's approval of procedures that satisfy the requirements of subsection (2), but that do not satisfy the minimum procedures, the licensee shall comply with the approved procedures, amend its written system accordingly, and submit to the Division a copy of the written system as amended and a written description of the variations signed by the licensee's chief financial officer and either the licensee's chief executive officer or a licensed owner.
- (9) The Division may require a licensee to engage an independent accountant licensed by the Colorado State Board of Accountancy to prepare a report on the licensee's compliance with their written procedures on the system of internal controls. Using the criteria established by the Division, the independent accountant shall report each material event and procedure discovered by or brought to the accountant's attention during the course of the examination, that the accountant believes does not satisfy the minimum procedures or variations from the procedures that have been

approved by the Division pursuant to subsection (8). In addition to the above, the licensee shall prepare a letter addressing each item of noncompliance noted by the accountant and describing the corrective measures taken. The licensee shall provide to the Division within 120 days after the completion of the engagement, two copies of the accountant's written report on internal controls and any other information provided to the licensee relating to accounting or internal controls, such as a management letter, along with the licensee's response letter.

- (10) Before eliminating all table games; adding a table game at a gaming establishment not previously offering table games; adding or upgrading any computerized system that affects the proper reporting of adjusted gross proceeds; or adding or upgrading any computerized system for monitoring slot machines or other authorized games, or any other computerized associated equipment the licensee must: (47.1-1610(10), perm. 3/02/95)
  - (a) Amend its written system of internal control to comply with the minimum procedures, or with alternatives approved for that licensee by the Division;
  - (b) Submit to the Division a copy of the written system as amended, a copy of the phase I approval letter for the system, and a written description of the amendments signed by the licensee's chief financial officer and either the licensee's chief executive officer or a licensed owner; (47.1-1610(10)(b), perm. 3/02/95)
  - (c) Comply with any written requirements imposed by the Division regarding administrative approval of computerized systems and associated equipment (see Regulation 47.1-1202); and (47.1-1610(10)(c), perm. 3/02/95)
  - (d) After paragraphs (a) through (c) have been complied with, implement the procedures and written system as amended.
- (11) Licensees requesting a variance to the internal control minimum procedures must submit a written request for variance to the Division and receive written approval from the Division prior to implementing the variance.
- (12) If the Division determines at any time that a licensee's procedures or its written system does not comply with the requirements of this section, the Division shall so notify the licensee in writing. Within 10 days after receiving the notification, the licensee shall amend its procedures and written system accordingly, and shall submit a copy of the written system as amended and a description of any other remedial measures taken.
- (13) Failure to comply with the minimum procedures or the variations from the minimum procedures approved pursuant to this section is an unsuitable method of operation and may result in a fine, penalty, or revocation of license.

#### **47.1-1611 Handling of cash.**

Each gaming employee, owner, or licensee who receives currency of the United States or foreign currency (other than tips or gratuities) from a patron in the gaming area of a gaming establishment must promptly place the currency in the locked box in the table, in an appropriate place on the table, in the cash register, in an appropriate place in the cashiers' cage, or in another repository approved by the Director.

#### **47.1-1612 Minimum bankroll requirements.**

- (1) Each licensee must maintain, in such manner and amount as the Director may approve or require, cash or cash equivalents in an amount sufficient to protect the licensee's patrons against defaults in gaming debts owed by the licensee. The Director shall distribute to licensees a formula by

which licensees determine the minimum bankroll requirements of this section. If at any time the licensee's available cash or cash equivalents should be less than the amount required by this section, the licensee must immediately notify the Director of this deficiency. Failure to maintain the minimum bankroll required by this section, or a higher bankroll as required by the Director pursuant to this section, or failure to notify the Director of any deficiencies is an unsuitable method of operation and may result in a fine, penalty, or revocation of license.

- (2) Any licensee who makes payment of a gaming award to a patron by check must report to the Division any payment which has been dishonored within 24 hours of receiving actual notice that the check has been dishonored.

#### **47.1-1613 Promotional items.**

- (1) A licensee who engages in promotions to increase business and gaming at his business may not deduct payouts made pursuant to the promotion from adjusted gross proceeds except for money or tokens paid at face value directly to a patron as the result of a specific wager. Licensees must receive prior approval from the Division prior to offering and paying such additional funds as a result of a specific wager as outlined in the internal control minimum procedures. A specific wager requires two or more persons to stake something of value on an event, the outcome of which is uncertain. Depending upon the outcome, the winning party receives everything that was staked. If only one party risks something of value, there is no wager.
- (2) No deduction is allowed in the computation of adjusted gross proceeds for any prizes, premiums, drawings, benefits, or tickets awarded as promotions that are redeemable for money, merchandise, or other promotional allowances. (47.1-1613(2) amended perm. 10/30/99)

#### **47.1-1614 Free play items.**

Free play is allowed for use on slot machines only. Free play does not have any impact on Adjusted Gross Proceeds. Free play is considered promotional only. Free play must only be set up on slot machines that are configured to allow this functionality, and cannot be offered on machines that are configured for normal slot play.

#### **47.1-1615 Match play coupons.**

Match play coupons are allowed, but once used may not be retained for subsequent play by the gaming patron. Match play coupons do not apply to slot machines. When match play coupons are used in blackjack and poker, the value of the coupon must be reflected at its face value in the total drop amount for that table for that shift. The combination of the match play coupons and the required wager of the patron cannot exceed the value of \$5. The patron must match the dollar value of the match play coupon. A match play coupon must have printed on it the name of the issuing establishment, the city in which the establishment is located, its value, and an explanation of its use. No coupon may be issued which authorizes payments greater than two-for-one to gaming patrons. All coupons must have an expiration date printed on them. (47.1-1615 amended perm. 10/30/99)

#### **47.1-1616 Procedure for reporting and paying gaming taxes and fees.**

- (1) Taxes and fees required by Article 47.1, Title 12, C.R.S., and the rules and regulations thereunder, must be received by the Division not later than the due date specified by law, except that the taxes and fees shall be deemed to be timely filed if the licensee demonstrates to the satisfaction of the Division that they were deposited in a United States post office or mailbox, with first class postage prepaid, and properly addressed to the Division, within the time allowed for payment of the taxes or fees. All gaming taxes and fees are the responsibility of, and must be paid by, the licensed retailer. All required reports relating to paying gaming taxes and fees must be received by the Division not later than the due date specified by law. Reports shall be deemed timely filed if

the licensee demonstrates to the satisfaction of the Division that they were filed and transmitted electronically, or in another manner approved by the Division, within the time allowed for filing such reports.

- (2) All monthly gaming tax returns filed with the Department must reflect all adjusted gross proceeds received by the licensee for the period of the return.

#### **47.1-1617 Tax protest [Eff. 6/30/2008]**

- (1) A licensee may file a tax protest to dispute the payment or collection of gaming taxes. A licensee filing a tax protest must serve a copy of the protest on the Executive Director of the Department of Revenue and send a copy to the Division. Articles 20, 21 and 26 of Title 39 of the Colorado Revised Statutes outlines the process for filing a protest.

#### **47.1-1618 Claims for refunds. [Eff. 6/30/2008]**

- (1) To file a claim for a refund, a licensee must properly complete the claim for refund form provided by the Division and file such form with the Executive Director of the Department of Revenue and send a copy to the Division. (47.1-1618(1) temp. 10/28/93. perm. 1/30/94)
- (2) Article 21 of Title 39 of the Colorado Revised Statutes outlines the process for filing a claim for a refund.

#### **47.1-1619 Standard financial statements.**

- (1) Each licensee, in such manner and using such forms as required by the Division or the Department of Revenue, must prepare a financial statement covering all financial activities of the licensee's establishment for each calendar year and provide other data relevant to the consideration of the gaming tax. If the licensee or a person controlling, controlled by, or under common control with the licensee owns or operates room, food, or beverage facilities at the establishment, the financial statement must cover those operations as well as gaming operations, in which case the gaming operations must be presented separately. Licensees must submit the financial statements to the Division not later than March 15 following the end of each calendar year. Each financial statement must be signed by the licensee who thereby attests to the completeness and accuracy of the statement. In the event of a license termination, change in the business entity, or a change in control of ownership, the licensee or former licensee must, not later than 75 days after the event, submit to the Division a financial statement covering the period from the last statement to the date of termination or change. (47.1-1619(1) temp. 5/13/93. perm. 6/30/93) (47.1-1619(1) 1/30/98) For good cause shown, the Director may waive this requirement.
- (2) Licensees must submit financial statements on forms provided by the Division.

#### **47.1-1620 Audited financial statements.**

- (1) All licensees with annual adjusted gross proceeds during their business year of \$10 million or more are required to prepare financial statements covering all financial activities of the licensee's establishment for that business year and to engage an independent accountant, licensed by the Colorado State Board of Accountancy, to audit the statements in accordance with Generally Accepted Auditing Standards. The licensee must notify the Division within 10 days of engaging an independent accountant to perform the audit. For good cause shown, the Director may waive this requirement. (47.1-1620(1) amended perm. 10/30/99)
- (2) The Division may require any other licensee to prepare financial statements covering all financial activities of the licensee's establishment for a business year and to engage a certified public accountant, licensed by the Colorado State Board of Accountancy, to audit the statements or to

review the statements in accordance with standards generally followed by certified public accountants. (47.1-1620(2) temp. 5/13/92, perm. 6/30/92) (47.1-1620(2) amended perm. 10/30/99)

- (3) Statements required must be presented on a comparative basis after the first period of operation. Consolidated financial statements may be filed by commonly owned or operated establishments, but the consolidated statements must include consolidating financial information or consolidating schedules presenting separate financial statements for each establishment. The accountant must issue a report on the financial statements that express an opinion, whether it is unqualified, qualified, adverse, or a disclaimer of opinion. The accountant must also include any necessary explanatory or emphasis paragraph to the standard report, as may be required by standards generally followed by certified public accountants. The accountant must include in the report on the consolidated financial statements an appropriate opinion on the consolidating financial information, if any. For good cause shown, the Director may waive this requirement. (47.1-1620(3) temp. 5/13/92, perm. 6/30/92)
- (4) Each licensee required to submit audited or reviewed financial statements, must submit to the Division two copies of its audited or reviewed statements not later than 120 days after the last day of the licensee's business year. In the event of a license termination, change in business entity, or a change in control of ownership, the licensee or former licensee must, not later than 120 days after the event, submit to the Division two copies of audited or reviewed statements covering the period since the previous statement. If a license termination, change in business entity, or a change in control of ownership occurs with 120 days after the end of the business year for which a statement has not been submitted, the licensee may submit statements covering both the business year and the final period of business. For good cause shown, the Director may extend the 120-day deadline.
- (5) If a licensee, who is required to submit audited or reviewed financial statements, changes its business year, the licensee must prepare and submit to the Division audited or reviewed financial statements covering the "intermediate" period from the end of the previous business year to the beginning of the new business year not later than 120 days after the end of the intermediate period or incorporate the financial results of the intermediate period in the statements for the new business year. The Director may waive this requirement or grant an extension of the deadline for good cause shown. (47.1-1620(5) amended perm. 10/30/99)
- (6) Any licensee who engages an independent accountant to perform a financial statement audit not required by this regulation must provide two copies of the audited financial statements to the Division within 120 days after the last day of the licensee's business year under audit. (47.1-1620(6) added perm. 10/30/99)
- (7) The Division may request additional information and documents from either the licensee or the licensee's independent accountant, through the licensee, regarding the financial statements or the services performed by the accountant. Failure to submit the requested information or documents is an unsuitable method of operation and subject to a fine, penalty, or revocation of license.

#### **47.1-1621 Altering or falsifying gaming documents.**

Any person who alters or falsifies information recorded on gaming documents, at the time of the transaction or after the fact, for the purpose of concealment, deception, or circumvention of internal control minimum procedures, or for any other purpose, may be subject to a fine, penalty or revocation of license by the Commission.

#### **BASIS AND PURPOSE FOR RULE 17**



The purpose of Rule 17 is to establish drop and count procedures and statistical record-keeping procedures related to slot machine gaming in compliance with section 12-47.1-302 (1) (q). The statutory basis for Rule 17 is found in sections 12-47.1-201, C.R.S., 12-47.1-203, C.R.S., and 12-47.1-302, C.R.S.

## **RULE 17 MINIMUM PROCEDURES FOR DROP AND COUNT FOR SLOT MACHINES**

### **47.1-1701 Slot drop procedures.**

At a time previously designated to the Division, the drop team must remove the drop bucket and/or bill validator from all slot machines and transport them directly to the count room or other secure area for counting. If not counted immediately, the drop buckets must be locked securely until the count takes place. (amend perm 09/30/01)

### **47.1-1702 Slot count procedures.**

The count of the slot drop must be performed by the count team members. Each slot drop bucket and/or bill validator must be counted individually. Immediately after all drop buckets are counted all coins must be wrapped or bagged. Where coins are bagged, the bags must be sealed and tagged. Variances between the count and wrap must be calculated. Large, unusual variances must be investigated and documented. (amend perm 09/30/01)

### **47.1-1703 Procedures outlined in the internal control minimum procedures.**

The procedures for drop and count for slot machines are defined in more detail in the internal control minimum procedures established by the Division as they apply to each group of licensees, as defined in regulation 47.1-1601, subparagraphs (4), (5), (6) and (7). (amend perm 09/30/01)

### **47.1-1704 Statistics and analysis of data from slot machines.**

Licensees must generate reports on the performance of slot machines. The reports must be analyzed to ensure the slot machines are operating properly. The reports and the documentation generated to investigate any problems must be retained for a period established by the Division. Meter information for statistical reporting purposes can only be changed or altered if the meter reading was incorrectly captured or if a data entry error in recording the meter reading occurred. Changes to meter information must have adequate supporting documentation as outlined in the internal control minimum procedures. Changes to actual information on statistical reports must have adequate supporting documentation as outlined in the internal control minimum procedures. (47.1-1704 amended perm. 10/30/99 amend perm 09/30/01)

### **47.1-1705 Hopper fills.**

Hopper fills must be made with moneys received from the cashier cage or slot route operator's bankroll. Hopper fills from the slot drop bucket are prohibited.

## **BASIS AND PURPOSE FOR AMENDMENTS TO RULE 18**

The purpose for amendments to Rule 18 is to establish the timing for budget presentations to the Gaming Commission by state agencies. The statutory basis for amendments to Rule 18 can be found in sections 12-47.1-201, C.R.S.; 12-47.1-203, C.R.S.; and 12-47.1-302, C.R.S.

## **RULE 18 CONTRACTS AND FORMAL AGREEMENTS BETWEEN THE COMMISSION AND OTHER STATE AGENCIES**

### **47.1-1801 Criteria for contracts or formal agreements between the Colorado Limited Gaming Control Commission and other state agencies.**

The Commission shall require from any state or governmental agency with which it is entering into a contract or formal agreement the following:

1. Specific duties or services to be completed, including a specific time frame where applicable.
2. Total cost of contract and/or agreement, including a detailed report listing number of FTE and associated costs; cost of capital equipment and other costs incurred in completing the contract or agreement.
3. Quarterly written reports submitted to the Commission detailing activities for the previous quarter. At the discretion of the Commission, such reports may include specific performance measure data applicable to the execution of the contract or agreement. In addition, the Commission may require periodic reports be made at scheduled Commission meetings.
4. Quarterly financial reports detailing the fiscal status of the contract or agreement, including FTE status.
5. Access to all records applicable to the contract or agreement. Such access shall be allowed following a request from the Commission. Only those records or reports previously agreed to be confidential shall be exempt from this requirement.

#### **47.1-1802 Conditions of payment.**

Payment by the Commission for any contract or agreement shall be made on a monthly basis following the receipt of a detailed statement from the applicable state agency or governmental entity. Payment may be conditioned upon the receipt of further detail or data concerning the monthly statement.

#### **47.1-1803 Budget preparation.**

- (1) In conjunction with the annual tax setting hearings, the Commission shall schedule presentations from all state or governmental agencies with which it has a contract or agreement for the purposes of establishing the upcoming fiscal year budget and any revisions to the current year budget. At that time, the Commission shall require participation from said agencies in providing funding requests and applicable support data.
- (2) To ensure a coordinated approach in the state's budgetary process and between the office of State Planning and Budgeting, the Joint Budget Committee, and the Commission, the Commission requires the following from all agencies seeking funding from the limited gaming fund:
  - (a) Each such agency will be required to include their request for funding from the limited gaming fund in their departmental budget submission to the office of State Planning and Budgeting and the Joint Budget Committee in the preceeding fall, including any decision item requests for funding other than a continuation level.
  - (b) Such limited gaming fund budget requests shall also be transmitted to the Commission by November 1. If the agency is requesting funding other than a continuation level, said agency shall make an informative presentation to the Commission in November, with the formal presentation made during the budget hearings pursuant to 47.1-1803 (1).

#### **47.1-1804 Billing for services rendered**

State agencies performing services for the Colorado Limited Gaming Control Commission must submit a detailed billing for services rendered by no later than July 15th for the previous fiscal year. Failure to submit a bill by this date may result in the Commission's refusal to approve the charges.

#### **47.1-1805 Pre-conditions for seeking funding from the Commission.**

- (1) The Commission will entertain requests for funding directly from the Limited Gaming Fund from any person, as that term is used in the Limited Gaming Act of 1991, only under the following conditions:
  - (a) The person must perform a gaming related service, either at the request of the Commission or as provided in the Limited Gaming Act of 1991, pursuant to a contract or other written agreement, as provided in this Rule 18. Any person performing a service or responsibility as specifically provided in the Limited Gaming Act of 1991 must nonetheless enter into a funding agreement with the Commission, as provided in its rule 47.1-1801.
  - (b) In determining whether to fund any service or responsibility, the Commission shall consider the person's ability to secure funding for the purposes contemplated from other sources, including, but not limited to, the following criteria:
    - (I) Whether that person has the ability to request funds for such purposes from any other source, including the Colorado General Assembly or a Tribal Government; or
    - (II) Whether that person is able to impose a tax or a fee; or
    - (III) Whether that person is eligible to receive or receives funding for such purposes from other sources, such as the Colorado General Assembly, the Limited Gaming Act of 1991, a Tribal Government, or other statutory provisions.
  - (c) In determining whether to deny funding for any service or responsibility, the Commission, at its sole discretion, will also consider whether and the extent to which the purpose contemplated is of local interest or character.
- (2) The Commission will not entertain requests for direct funding of gaming related impacts from the Limited Gaming Fund. Gaming related impacts include, but are not limited to, those impacts identified in the Limited Gaming Act of 1991, sections 12-47.1-601, 1501 and 1601, C.R.S. (amended perm. 09/30/00)
- (3) Notwithstanding the above provisions, the Commission reserves the discretion to consider testimony of any gaming-related financial impacts for any lawful purpose, including tax setting hearings. (47.1-1805 perm. 6/30/96)

#### **Regulation 47.1-1901 Gaming District - City of Black Hawk.**

- (1) All property descriptions reference Lot and Block numbers for the platting of the City of Black Hawk, Colorado, recorded in the Gilpin County Clerk's Office, and available in the Gilpin County Assessor's Office, and in the Planning Office of the City of Black Hawk. The property descriptions referencing Lot and Block numbers for the platting of the City of Central, Colorado, are recorded in the Gilpin County Clerk's Office, and available in the Gilpin County Assessor's Office, and in the Planning Office of the City of Central. Additionally, the common boundary agreement by and between the City of Black Hawk and the City of Central is available in the Planning Offices of the City of Black Hawk and the City of Central.
- (2) When the gaming boundary describes a path along the center of a street, the gaming district shall include the half of the street contiguous to the Lot number referenced as included within the gaming district; however, the square footage of the surface area of any Lot shall not include that portion of the gaming district lying within the half of the street contiguous thereto unless the right of way of the street is vacated by the City of Black Hawk to the Lot owner contiguous thereto.

- (3) For purposes of this rule, "Lot" shall include platted parcels, millsites, patented mining claims, or any other legally recognized parcel of land, the boundary of which is capable of being discerned, surveyed, and noticed. "Block" shall include platted aggregations of lots. While this rule recognizes the legal description of a Lot as that which is officially recorded by conveyance, and also recognized by the Cities of Black Hawk and Central, the Commission reserves the discretion to review and revisit the actual physical location of any property claimed to be either wholly or partially within the Gaming District whenever a question is raised pertaining to the actual location of the boundary, including, but not limited to, boundary disputes, quiet title actions, judicial interpretations of boundary placement, interpretations and applications of this rule, or any other action or circumstance pertaining to the actual location of the property boundary. Applicants for licenses and persons with an interest in such property may petition the Commission for a Declaratory Order, pursuant to the Commission's rule pertaining to Declaratory Orders, and by tendering a Pin Survey which locates with certainty the complete boundary of the property. The Commission may also require the Petitioner to conduct such other surveys as the Commission deems necessary.
- (4) The following text describes the outer perimeter of the Gaming District within the City of Black Hawk. All street areas and Lots lying within this perimeter shall be deemed included within the gaming district for the City of Black Hawk, to the exclusion of all other areas. All description interruptions indicate an apparent significant change of direction from a true straight course, or, in the case of center street progression, connecting from the street to a Lot.
- (5) This rule shall be construed strictly so as to avoid expansion of limited gaming beyond that which is constitutionally permissible by virtue of Colo. Const. Art. XVIII Sec. 9.
- (6) DESCRIPTION:
- (a) Beginning at the southwesternmost corner of Lot 10 of Block 30, proceed in a northeasterly direction along the northwestern line of Block 30 to the point of intersection with the line extended south of the common boundary of the City of Black Hawk and the City of Central transecting Lot 25 of Block 48, City of Central and across Gregory Lode #254;
  - (b) Thence, proceed in a northerly and an easterly direction to and along the City of Black Hawk boundary to the point of intersection of the line extended along and beyond the northern edge of Gregory Street to the point of intersection with the centerline of High Street;
  - (c) Thence, proceed in a northeasterly direction along the centerline of High Street to the point of intersection with the extended common line of Block 25 and Block 26;
  - (d) Thence, proceed in a southerly direction to and along said extended common block line, to the point of intersection with the extended centerline of Church Street;
  - (e) Thence, proceed in a northeasterly and northwesterly direction along the centerline of Church Street to the point of intersection with the extended common line of Block 20 and Block 21;
  - (f) Thence, proceed in a northeasterly direction along said extended common block line to the point of intersection with the common line of Block 20 and Millsite 20 and Millsite 21;
  - (g) Thence, proceed in a northwesterly direction along the common block line of Block 20 and Millsite 20, extended to the point of intersection with the centerline of Chase Street;
  - (h) Thence, proceed in a southwesterly direction along the centerline of Chase Street to the point of intersection with a line extended into Chase Street from, and perpendicular to, the west corner of Millsite 19;

- (i) Thence, proceed in a northerly direction to the west corner of Millsite 19;
- (j) Thence, proceed in a northeasterly direction along the common block line of Millsite 19 and Block 14 to the point of intersection with Millsite 16;
- (k) Thence, proceed in a northwesterly direction along the common block line of Block 14 and Millsite 16 to the point of intersection with Millsite 13;
- (l) Thence, proceed in a southwesterly, northwesterly, and northerly direction along the boundary line of Millsite 13 to the point of intersection with Millsite 11;
- (m) Thence, proceed in an easterly direction along the common lot line of Millsite 13 and Millsite 11 to the point of intersection with Millsite 12;
- (n) Thence, proceed in an easterly direction along the common lot line of Millsite 11 and Millsite 12, extended to the point of intersection with the approximate centerline of Colorado State Highway No. 119 right-of-way;
- (o) Thence, proceed in a northerly direction along the approximate centerline of Colorado State Highway No. 119 right-of-way to the point of intersection with a line lying 30 feet north of and parallel to the extended northern block line of Block 1;
- (p) Thence, proceed in an easterly direction in a line 30 feet north of and parallel to the extended northern block line of Block 1 to the point of intersection with the extended western block line of Block 1;
- (q) Thence, proceed in a southerly direction along the extended western block line of Block 1, to and along the western block line of Block 1, extended across Hillside Street, to and along the western block line of Block 6 to to the point of intersection with Millsite 13;
- (r) Thence, proceed in a southeasterly and southwesterly direction along the easternmost boundary of Millsite 13 to the point of intersection with the northern edge of the right-of-way of Clear Creek Street;
- (s) Thence, proceed in a southerly direction, perpendicular to the centerline of Clear Creek Street, to the point of intersection with the centerline of Clear Creek Street;
- (t) Thence, proceed in an easterly and a southeasterly direction along the centerline of Clear Creek Street to the point of intersection with the centerline of Marchant Street;
- (u) Thence, proceed in an easterly direction along the centerline of Marchant Street to the point of intersection with the extended common lot line of Lot 2 and Lot 3 of Block 11;
- (v) Thence, proceed in a southwesterly direction along said extended lot line to the southwest corner of Lot 3 of Block 11;
- (w) Thence, proceed in a southeasterly direction along the southwestern lot line of Lots 3 through 7 of Block 11, to the point of intersection with Lot 11 of Block 11;
- (x) Thence, proceed in a northeasterly direction along the common lot line of Lot 7 and Lot 11 of Block 11 to the point of intersection with Lot 8 of Block 11;
- (y) Thence, proceed in an easterly direction along the extended common line of Lot 8 and Lots 11 through 12 of Block 11, to the point of intersection with the centerline of Horn Street;

- (z) Thence, proceed in a southwesterly direction along the centerline of Horn Street to the point of intersection with the extended common block line of Block 12 and Block 13;
- (aa) Thence, proceed in a southeasterly direction along said extended common block line to the easternmost corner of Block 13;
- (ab) Thence, proceed in a southwesterly direction along the southeastern block line of Block 13 to the point of intersection with the approximate centerline of Colorado State Highway No. 119 right-of-way;
- (ac) Thence, proceed in a southeasterly direction along the centerline of Colorado State Highway No. 119 right-of-way, to the point of intersection with Millsite 33;
- (ad) Thence, proceed in a northeasterly direction to the southeastern corner of a parcel of land as described in Book 336 at page 419 of the County Records of the County of Gilpin;
- (ae) Thence, proceed in a northwesterly direction 470 feet along the extended southern boundary line of said parcel;
- (af) Thence, proceed perpendicular thereto in a northeasterly direction approximately 100 feet to the point of intersection with the extended northern boundary line of a parcel of land as described in Book 336 at page 419 of the County Records of the County of Gilpin;
- (ag) Thence, proceed in a southeasterly direction along the extended northern boundary line of said parcel approximately 425 feet to the point of intersection with the southwestern corner of a parcel of land as described in Book 395 at Page 483 of the County Records of the County of Gilpin;
- (ah) Thence, proceed in a northerly direction along the western boundary of said parcel to the northwestern corner thereof;
- (ai) Thence, proceed in a southeasterly direction along the extended northern boundary line of said parcel to the point of intersection with the centerline of Richman Street;
- (aj) Thence, proceed in a northerly direction along the centerline of Richman Street to the point of intersection with the extended northern boundary line of a parcel of land as described in Book 604 at Page 233 of the County Records of the County of Gilpin as Parcel III;
- (ak) Thence, proceed in an easterly direction along the northern boundary line of said parcel to the northeastern corner thereof;
- (al) Thence, proceed in a southerly direction along the eastern boundary line of said parcel to the point of intersection with the northern boundary line of a parcel of land as described in Book 604 at Page 233 of the County Records of the County of Gilpin as Parcel I;
- (am) Thence, proceed in an easterly direction along the northern boundary line of said parcel to the point of intersection with the northeastern corner of that parcel of land as described in Book 604 at Page 233 of the County Records of the County of Gilpin as Parcel II;
- (an) Thence, proceed in a southerly direction along the eastern boundary line of said parcel to the southeastern corner thereof;
- (ao) Thence, proceed in a southwesterly direction along the southern boundary line of said parcel of land to the point of intersection with that parcel of land as described in Book 520 at Page 328 of the County Records of the County of Gilpin;

- (ap) Thence proceed in a southerly direction along the eastern boundary of said parcel to the point of intersection with the approximate centerline of Colorado State Highway No. 119 right-of-way;
- (aq) Thence, proceed in an easterly direction along the approximate centerline of Colorado State Highway No. 119 right-of-way to the point of intersection with the northern lot line of Millsite 38;
- (ar) Thence, proceed in an easterly direction along the northern lot line of Millsites 38, 40, 41, 42, 43, 44, 45, and 46 to the northeast corner of Millsite 46;
- (as) Thence, proceed in a southerly direction along the eastern lot line of Millsite 46 to the point of intersection with the centerline of Main Street;
- (at) Thence, proceed in a westerly direction along the centerline of Main Street to the point of intersection with the extended common lot line of Lot 15 and Lot 16 of Block 51;
- (au) Thence, proceed in a southerly direction along said common lot line, to the southern block line of Block 51;
- (av) Thence, proceed in a westerly direction along the southern block line of Blocks 51, 50, and 49 to the point of intersection of the common block line of Block 49 and Block 48;
- (aw) Thence, proceed in a northerly direction along said extended common block line to the point of intersection with the centerline of Backus Street;
- (ax) Thence, proceed in a northwesterly direction along the centerline of Backus Street to the point of intersection with the centerline of Bobtail Street;
- (ay) Thence, proceed in a northwesterly and then a westerly direction along the centerline of Bobtail Street to the point of intersection with the extended common block line of Blocks 36 and 37; (temp. 12/19/97).
- (az) Thence, proceed in a northeasterly and then a northwesterly direction along the common block line of Block 36 and Block 37, in a northwesterly direction along the common block line of Block 36 and Block 35, in a southwesterly direction along the common block line of Block 34 and Block 35, and in a southwesterly and then a southerly direction along the extended common block line of Block 34 and Block 33 to the point of intersection with the centerline of Bobtail Street; (temp. 12/19/97)
- (ba) Thence, proceed in a westerly and then a southwesterly direction along the centerline of bobtail street to the point of intersection with the extended southwestern block line of Block 30; (temp. 12/19/97)
- (bb) Thence, proceed in a northwesterly direction along the southwestern block line of Block 30 to the Point of Origin. (temp. 12/19/97)

**Regulation 47.1-1902 Gaming District - City of Central.**

- (1) All property descriptions reference Lot and Block numbers for the platting of the City of Central, Colorado, recorded in the Gilpin County Clerk's Office, and available in the Gilpin County Assessor's Office, and in the Planning Office of the City of Central. Additionally, the common boundary agreement by and between the City of Black Hawk and the City of Central is available in the Planning Offices of the City of Black Hawk and the City of Central.

- (2) When the gaming boundary describes a path along the center of a street, the gaming district shall include the half of the street contiguous to the Lot number referenced as included within the gaming district; however, the square footage of the surface area of any Lot shall not include that portion of the gaming district lying within the half of the street contiguous thereto unless the right of way of the street is vacated by the City of Central to the Lot owner contiguous thereto.
- (3) The following text describes the outer perimeter of the Gaming District within the City of Central. All street areas and Lots lying within this perimeter shall be deemed included within the gaming district for the City of Central, to the exclusion of all other areas. All description interruptions indicate an apparent significant change of direction from a true straight course, or, in the case of center street progression, connecting from the street to a Lot.
- (4) For purposes of this rule, "Lot" shall include platted parcels, millsites, patented mining claims, or any other legally recognized parcel of land, the boundary of which is capable of being discerned, surveyed, and noticed. "Block" shall include platted aggregations of lots. While this rule recognizes the legal description of a Lot as that which is officially recorded by conveyance, and also recognized by the Cities of Black Hawk and Central, the Commission reserves the discretion to review and revisit the actual physical location of any property claimed to be either wholly or partially within the Gaming District whenever a question is raised pertaining to the actual location of the boundary, including, but not limited to, boundary disputes, quiet title actions, judicial interpretations of boundary placement, interpretations and applications of this rule, or any other action or circumstance pertaining to the actual location of the property boundary. Applicants for licenses and persons with an interest in such property may petition the Commission for a Declaratory Order, pursuant to the Commission's rule pertaining to Declaratory Orders, and by tendering a Pin Survey which locates with certainty the complete boundary of the property. The Commission may also require the Petitioner to conduct such other surveys as the Commission deems necessary.
- (5) This rule shall be construed strictly so as to avoid expansion of limited gaming beyond that which is constitutionally permissible by virtue of Colo. Const. Art. XVIII Sec. 9.
- (6) DESCRIPTION:
  - (a) Commencing from the northeastern corner of Lot 1, Block 50, proceed in a southwesterly direction along the northern block line of Block 50 to the northwestern corner of Lot 4 of Block 50;
  - (b) Thence, proceed in a southeasterly direction along the western lot line of Lot 4 of Block 50 to the northeastern corner of Lot 5, Block 50;
  - (c) Thence, proceed in a westerly direction along the northern block line of Block 50 to the northeastern corner of Lot 7, Block 50;
  - (d) Thence, proceed in a southerly direction along the common lot line of Lots 7 and 8 of Block 50 to a point located on the eastern boundary line thereof exactly seventy five percent of the depth of Lot 8 of Block 50 north of the southern boundary of the lot, or seventy-five feet from the southern boundary of the Lot, whichever distance is greater;
  - (e) Thence, proceed in a straight line to a point located on the western boundary line of Lot 9 of Block 50 exactly seventy five percent of the depth of Lot 9 of Block 50 north of the southern boundary of the lot, or seventy-five feet from the southern boundary of the Lot, whichever distance is greater;
  - (f) Thence, proceed in a straight line to a point located on the western boundary line of Lot 11 of Block 50 exactly seventy five percent of the depth of combined Lots 10 and 11 of Block



50 north of the southern boundary of the lot, or seventy-five feet from the southern boundary of the Lot, whichever distance is greater;

- (g) Thence, proceed in a straight line to a point located on the western boundary line of Lot 12 of Block 50 exactly seventy five percent of the depth of Lot 12 of Block 50 north of the southern boundary of the lot, or seventy-five feet from the southern boundary of the Lot, whichever distance is greater;
- (h) Thence, proceed in a straight line to a point located on the western boundary line of Lot 13 of Block 50 exactly seventy five percent of the depth of Lot 13 of Block 50 north of the southern boundary of the lot, or seventy-five feet from the southern boundary of the Lot, whichever distance is greater;
- (i) Thence, proceed in a southerly direction along the extended common lot line of Lots 13 and 14 of Block 50 to the centerline of Lawrence Street;
- (j) Thence, proceed in a northwesterly and a westerly direction along the centerline of Lawrence Street to the point of intersection of the centerlines of Lawrence Street and C Street;
- (k) Thence, proceed in a northeasterly direction along the centerline of C Street to the point of intersection of the centerlines of C Street and Havilah Street;
- (l) Thence, proceed in a northwesterly direction along the centerline of Havilah Street to the point of intersection with the extended northern block line of Block 41;
- (m) Thence, proceed in a southwesterly direction along the the extended northern block line of Block 41 to the northwestern corner thereof;
- (n) Thence, proceed in a southeasterly direction along the extended western block line of Block 41 to the point of intersection with the centerline of Lawrence Street;
- (o) Thence, proceed in a southwesterly direction along the centerline of Lawrence Street, then a westerly direction along the centerline of Lawrence Street, past its intersection with Leavitt Street, then a northwesterly direction along the centerline of Lawrence Street, past its intersection with Casey Street and D Street, then a westerly direction along the centerline of Lawrence Street to the point of intersection with the centerlines of Lawrence Street and Church Street;
- (p) Thence, proceed in a northerly direction along the centerline of Church Street to the point of intersection with the centerlines of Church Street and East High Street;
- (q) Thence, proceed in a westerly and northwesterly direction along the centerline of East High Street, past its intersection with St. James Street, to the point of intersection with the centerlines of East High Street and County Road Street;
- (r) Thence, proceed in a northerly direction along the centerline of County Road Street to the point of intersection with the centerlines of County Road Street and West High Street;
- (s) Thence, proceed in a northwesterly direction along the centerline of West High Street to the point of intersection with the extended common lot line of Lots 3 and 4 of Block 11;
- (t) Thence, proceed in a southerly direction to and along the extended common lot line of Lots 3 and 4 of Block 11 to the southwestern corner of Lot 3 of Block 11;
- (u) Thence, proceed in a southwesterly direction, across Eureka Street, to the northwestern

corner of Lot 5 of Block 25;

- (v) Thence, proceed in a southwesterly direction along the common lot line of Lots 5 and 6 of Block 25 to the southwestern corner of Lot 5 of Block 25;
- (w) Thence, proceed in a southeasterly direction along the extended southern block line of Block 25 to the point of intersection with the centerline of County Road Street;
- (x) Thence, proceed in a southwesterly direction along the centerline of County Road Street to the point of intersection with the centerlines of County Road Street and Spruce Street;
- (y) Thence, proceed in a southeasterly and a southerly direction along the centerline of Spruce Street to a point of intersection with the extended common lot line of Lots 12 and 13 of Block 23;
- (z) Thence, proceed in an easterly direction to and along the extended common lot line of Lots 12 and 13 of Block 23 to the centerline of Pine Street;
- (aa) Thence, proceed in a southerly and a southwesterly direction along the centerline of Pine Street to the point of intersection with the centerlines of Pine Street and Bourion Street;
- (ab) Thence, proceed in a southerly direction along the centerline of Bourion Street to the point of intersection with the centerlines of Bourion Street and Nevada Street;
- (ac) Thence, proceed in a southwesterly direction along the centerline of Nevada Street to the point of intersection with a line extended from the line six (6) feet south of and parallel to the southern lot line of Lot 7 of Block 20;
- (ad) Thence, proceed in a southeasterly and an easterly direction along said extended line to the point of intersection with the centerline of Spring Street;
- (ae) Thence, proceed in a northerly direction along the centerline of Spring Street to the point of intersection with the extended common lot line of Lots 13 and 14 of Block 18;
- (af) Thence, proceed in an easterly direction along the extended common lot line of Lots 13 and 14 of Block 18 to the point of intersection with the centerline of Colorado Street;
- (ag) Thence, proceed in a northeasterly direction along the centerline of Colorado Street to the point of intersection with the extended common lot line of Lots 7 and 8 of Block 18;
- (ah) Thence, proceed in a northwesterly direction along the extended common lot line of Lots 7 and 8 of Block 18 to the southeastern corner of Lot 7 of Block 18;
- (ai) Thence, proceed in a northeasterly direction along the eastern block line of Block 18, along the southeastern block line of Block 17, to the southeast corner of Lot 1 of Block 17;
- (aj) Thence; proceed in a northerly direction along the eastern boundary of Lot 1 of Block 17 to the point of intersection with the southeastern corner of Lot 1 of Block 16;
- (ak) Thence; proceed in an easterly direction along the southern block line of Block 16, and the extended southern block line of Block 44 to the centerline of Packard Street;
- (al) Thence; proceed in a northerly and a northwesterly direction along the centerline of Packard Street, past its intersection with Bobtail Road, to the point of intersection with the centerlines of Packard Street and Gregory Street;

- (am) Thence; proceed in a northeasterly direction along the centerline of Gregory Street to the point of intersection with the centerlines of Gregory Street and Leavitt Street;
- (an) Thence, proceed in an easterly direction along the centerline of Gregory Street, past its intersection with Miner Street, then a southeasterly, then an easterly direction along the centerline of Gregory Street to the point of intersection with the extended western lot line of Lot 22 of Block 48;
- (ao) Thence, proceed in a southerly direction along the extended western lot line of Lot 22 of Block 48 to the southwest corner of Lot 22 of Block 48;
- (ap) Thence, proceed in an easterly direction along the southern block line of Block 48 to the point of intersection with the boundary line of the City of Central and the City of Black Hawk;
- (aq) Thence, proceed in a northerly direction along the eastern boundary line of the City of Central within Lot 25 of Block 48, across Gregory Street, to the point where the boundary line of the City of Central turns in an easterly direction along the southern block line of Block 50;
- (ar) Thence, proceed in an easterly direction along the boundary of the City of Central to the point of intersection with the southeastern corner of Lot 4 of Block 50;
- (as) Thence, proceed in a northwesterly direction along the eastern boundary of Lot 4 of Block 50 to the point of intersection with the southwestern corner of Lot 3 of Block 50;
- (at) Thence, proceed in an easterly direction along the southern block line of Block 50 to the southeast corner of Lot 1 of Block 50;
- (au) Thence, proceed in a northerly direction along the eastern boundary of Lot 1 of Block 50 to the Point of Origin.

## **BASIS AND PURPOSE FOR RULE 20**

The Statutory authority for the promulgation and amendment of these rules is sections 12-47.1-302, 522, 523, 527 C.R.S. (1997).

The Commission conducts hearings in a quasi-judicial capacity when determining whether to deny, condition, or issue licensure and other approvals. These rules will define standards of conduct and the manner of proceeding before the Commission in those hearings, and in pre-hearing practice. These procedures will provide for a consistent set of standards to be followed and to remove uncertainty about how to practice before the Commission.

licensees and license applicants are under a continuing statutory duty to provide any and all information requested by the Division. These discovery policies and practices address party requests of information from the Division, and party requests of information from others.

Gaming is an industry not imbued with rights and privileges inherent in more traditional occupations. Public confidence and trust in the secure regulation of the gaming industry is extremely sensitive to appearances of impropriety pertaining to the suitability of those associated with the industry. Accordingly, the Commission is adopting standards of consideration for evidence of reputation and character.

### **47.1-2001 Prehearing procedures.**

Unless the hearing officer provides otherwise, C.R.C.P. 16 shall not apply to hearings before the

Commission and these rules shall govern all prehearing practice.

(1) Motions .

- (a) Any motion or motion response shall incorporate legal authority, or be filed simultaneously with a brief containing legal authority. The motion shall advise the Commission of the necessity for expeditious ruling, certification or referral to the Commission, or other urgency, if any. Failure to incorporate or recite legal authority may be grounds for denial of the motion, without prejudice.
- (b) A responding party shall have 10 days in which to file a response to a motion. The failure to respond may be deemed a confession of the motion, and the Commission may enter any order related thereto, including sanction or award of other relief.
- (c) A reply will be permitted only upon motion to Commission within five days after the filing of the response. The reply must accompany the motion.
- (d) Oral argument shall be allowed only upon order of the Commission. If any party fails to appear at an oral argument or hearing without prior showing of good cause for non-appearance the Commission may proceed to hear and rule on the motion.

(2) Prehearing Statement .

- (a) When ordered by the Commission, each party shall file with the Commission and serve on each other party a prehearing statement in substantial compliance with the form as outlined in Appendix A to this rule.
  - (1) Prehearing statements shall be filed and served no later than 14 days prior to the date set for hearing.
  - (2) Parties shall exchange exhibits by the date on which prehearing statements are to be filed and served. Parties shall label exhibits in a manner consistent with the identification of exhibits in the prehearing statement. Exhibits need not be filed with the Commission.
- (b) The authenticity of exhibits, statutes, ordinances, regulations, or standards set forth in the prehearing statement shall be admitted unless objected to in a written objection filed with the Commission and served on other parties no later than 7 days prior to the hearing.
- (c) The information provided in a prehearing statement shall be binding on each party throughout the course of the hearing unless modified to prevent manifest injustice. New witnesses or exhibits may be added only if the need to do so was not reasonably foreseeable at the time of filing of the prehearing statement and then only if it would not prejudice other parties or necessitate a delay of the hearing.

**APPENDIX A OUTLINE FOR PREHEARING STATEMENT**

The following shall be included in each party's Prehearing Statement:

- I. PENDING MOTIONS. List all outstanding motions that have not been ruled upon by the Commission.
- II. STATEMENT OF CLAIMS AND DEFENSES. Provide a concise statement of all claims or defenses asserted by all parties, together with all matters in mitigation or aggravation. This statement may incorporate, by reference, previously published charges, counts, and grounds.

- III. **UNDISPUTED FACTS.** Provide a concise statement of all facts which the party contends are or should be undisputed.
- IV. **DISPUTED ISSUES OF FACT.** Provide a concise statement of the material facts which the party claims or concedes to be in dispute.
- V. **POINTS OF LAW.** Include a concise statement of all points of law which are to be relied upon or which may be in controversy, citing pertinent statutes, regulations, cases and other authority. Extended legal argument is neither required nor desired, but is more appropriately placed in a brief on the matter. This statement may incorporate, by reference, previously published charges, counts, and grounds.
- VI. **WITNESSES.** Include the name, address, and telephone number of any witness or party whom the party may call at hearing, together with a statement of the content of such person's testimony.
- VII. **EXPERTS.** Include the name, address, and a brief summary of the qualifications of any expert witness a party may call at hearing, together with a statement as to each expert which sets forth in detail the opinions to which the expert is expected to testify. These requirements may be satisfied by the incorporation of an expert's resume or report containing the required information.
- VIII. **EXHIBITS.** Provide a description of any physical or documentary evidence to be offered into evidence at the hearing. Exhibits should be identified as follows: If there is only one party in opposition to the Division, the Division shall employ numbers, and the other party shall use letters. If there is more than one party in opposition to the Division, each party shall employ assigned letters with numbers, e.g. A-#, B-#, C-#, etc.
- IX. **STIPULATIONS.** Provide a listing of all stipulations of fact or law reached, as well as a listing of any additional stipulations requested or offered to facilitate disposition of the case.
- X. **DISCOVERY STATUS.** Present an identification of the status of discovery, and identify any additional discovery issues which remain unresolved.
- XI. **TRIAL EFFICIENCIES.** List an estimate of the amount of time required to present the case, and special needs for accommodation of exhibits, witnesses, testimony, or any other matters which have not been addressed.

#### **47.1-2002 Prehearing Discovery.**

- (1) Administrative hearings are informal, expedited matters; accordingly, traditional discovery practice common before the District Courts of the state is inappropriate. Accordingly, discovery practice in matters before the Commission is limited. Parties must undertake to request information from the other parties or the Division in a manner consistent with the following guidelines.
- (2) Confidential materials . Pursuant to section 12-47.1-527, C.R.S., the files and records pertaining to the Division's investigations are confidential, and protected from scrutiny from any person, including the person in interest, unless the Commission makes specific allowance therefor.
- (3) Discretionary disclosure of confidential materials. Notwithstanding the confidentiality of information, the Commission has determined to disclose certain documents under the following circumstances:
  - (a) License condition or denial actions . In contested actions concerning the denial or condition of a license or other approval, the Division shall allow the applicant to inspect only so much of the Division's investigative files and work product as the Commission deems appropriate. The Division may refuse to provide copies of any document so inspected.

(Approved 12/18/98 Effective 3/2/99)

- (i) The Division must allow the applicant to inspect any document, or any part thereof, and its relevant context, if any, in the Division's possession which the Division intends to use as evidence in the hearing, and provide the applicant with a copy of same, unless the Division cannot accomplish duplication of the document with the Division's own equipment, an applicant must pay for the duplication of all other documents or items, and the Division may impose reasonable restrictions upon the duplication process, including requiring that the duplication be performed in the presence of an agent of the Division, that the duplication be performed under an agreement of confidentiality, that the duplication take place at the Division's offices, that the applicant provide the transfer medium for the duplication, or any other condition related to the security or integrity of the record keeping process.
  - (ii) The Division must provide the applicant with a copy of only:
    - (A) Those meaningful portions of transcripts of statements of witnesses in the Division's possession or control; and
    - (B) portions of transcripts, in context, which the Division intends to use as evidence in the hearing.
  - (iii) The Division must provide the applicant with access to any evidence which the Division intends to introduce in the hearing.
  - (iv) The presence of intervenors in a denial action shall constitute grounds for modification of these standards on a case by case basis. Generally, applicants and intervenors will have similar access to materials insofar as is relevant to each party's individual interest in the matter. Provided that the access is consistent with C.R.S. 12-47.1-527. (Approved 12/18/98 Effective 3/2/99)
- (b) Sanction actions . The Division shall allow the respondent to inspect the Division's internal written report of its investigation of the circumstances under scrutiny, and provide the respondent with a copy of same.
- (i) The Division must allow the respondent to inspect any document, or any part thereof, and its relevant context, if any, in the Division's possession which the Division intends to use as evidence in the hearing, and provide the respondent with a copy of same, unless the Division cannot accomplish duplication of the document with the Division's own equipment. An applicant must pay for the duplication of all other documents or items, and the Division may impose reasonable restrictions upon the duplication process, including requiring that the duplication be performed in the presence of an agent of the Division, that the duplication be performed under an agreement of confidentiality, that the duplication take place at the Division's offices, that the applicant provide the transfer medium for the duplication, or any other condition related to the security or integrity of the record keeping process.
  - (ii) The Division must provide the respondent with a copy of only:
    - (A) Those meaningful portions of transcripts of statements of witnesses in the Division's possession or control; and
    - (B) portions of transcripts, in context, which the Division intends to use as

evidence in the hearing.

- (iii) The Division must provide the respondent with access to any evidence which the Division intends to introduce in the hearing.
  - (iv) The presence of intervenors in a sanction action shall constitute grounds for modification of these standards on a case by case basis. Generally, respondents and intervenors will have similar access to materials insofar as is relevant to each party's individual interest in the matter.
- (c) Any party may petition the Commission for greater access to or copies from the Division's or the Commission's files. The Division may petition the Commission for a protective order restricting disclosure or use of any document.
- (d) All copies of any confidential document provided any party pursuant to this rule shall remain confidential and protected for all purposes, and are subject to the following Protective Order:
- (i) While a party may share such information with that party's counsel and essential witnesses, no party or counsel shall disclose the contents, substance, or fact of existence of any protected document to any other person or party, nor may any party use any protected document for any purpose except as evidence in a hearing before the Commission. A party may disclose the information only as may reasonably be necessary for the preparation or presentation of evidence in the matter.
  - (ii) Unless the Commission provides otherwise, once a confidential document has been accepted into evidence in any hearing, it loses its protected status.
  - (iii) All confidential documents, and all copies thereof, must be returned to the Division upon the conclusion of any matter for which the confidential document was provided. Failure to return any such confidential document is grounds for sanction of the license or other approval, or any other appropriate sanction.
- (e) Requests for production of documents from the division shall be made by motion for disclosure to the Commission.

(4) Interviews and depositions.

- (a) The Commission may permit depositions, only in cases of necessity, exigency, a witness' failure to cooperate, witness unavailability for hearing, the inadequacy of an interview, or other similar good cause shown and the information is not available by other reasonable means.
- (b) Depositions shall be conducted under such limitations, terms and conditions as specified in the order authorizing them.
- (c) In order to promote a free discussion of facts and opinions, the Division shall make relevant staff available for unrecorded interviews by any party. The Division shall cooperate in good faith with reasonable requests of any party, but the Division is not obligated to disclose confidential or protected information. The Commission may require an interview be conducted before authorizing a deposition.

(5) Interrogatories.

- (a) Absent good cause shown, each party may serve up to ten written interrogatories upon each adverse party, each of which shall consist of a single, particularized question without subparts and without multiple subjects or objectives.
  - (b) The responses to the interrogatories shall be provided to all parties within 20 days of service of the interrogatories
  - (c) The answering party may reasonably object to any interrogatory, and thereby avoid answering until directed to do so upon resolution of the objection by the Commission.
- (6) The Commission may impose appropriate sanctions if any party fails to comply with the provisions of this rule, any action governed by it, or any order entered pursuant thereto.
  - (7) Discovery shall be completed no later than 20 days in advance of the hearing date.
  - (8) Upon good cause shown, the Commission may allow additional discovery, may further limit discovery, or may modify the time limits set forth in this rule.
  - (9) Parties are under a continuing obligation to update, correct, supplement, or amend any information previously provided in a timely manner until the conclusion of the hearing.
  - (10) Witnesses are encouraged, but not obligated, to freely share information with all parties. a party shall have unrestricted ability to contact other non-party witnesses for these purposes.

#### **47.1-2003 Contested Hearing Procedure.**

- (1) Except as pertains to the summary suspension of a license or other approval, and then only insofar as these procedures are not inconsistent with the procedures contained within the administrative procedures act, sections 24-4-104 and 105, C.R.S., or with the Commission's procedures for summary suspension, the following procedures shall govern non-rulemaking hearing practice before the Commission, unless otherwise directed by the Commission.
- (2) Hearings shall be conducted by the Commission, sitting *en banc* , or by a designated or duly appointed administrative law judge.
  - (a) The Commission may also designate a member Commissioner or Administrative Law Judge to preside as a Hearing Officer to address and resolve non-dispositive pre-hearing motions, requests, and other matters pertaining to the preparation, conduct, presentation, and orderly progression of the matter before the Commission.
  - (b) Any party may petition the Commission to review or reconsider any action of the Hearing Officer; the Commission may grant or deny oral argument on the matter, and rule on the matter accordingly. The pre-hearing determinations of the Hearing Officer shall govern the hearing unless and until the Commission shall enter an order modifying or changing the pre-hearing determination. The Hearing Officer may also refer any matter to the Commission for its determination, with or without recommendation.
  - (c) The Commission shall resolve all dispositive matters raised in any hearing. The Hearing Officer shall refer any dispositive matters to the Commission for its determination, with or without recommendation.
- (3) Evidentiary procedure.
  - (a) The Commission shall not be bound by the technical rules of evidence, and informality in any proceeding or in the manner of taking testimony shall not invalidate any Commission



order, decision, or regulation.

- (b) Although the Commission is not bound by the technical rules of evidence, to promote uniformity in the consideration of evidence, the Commission shall use as a guide the Colorado Rules of Evidence applicable in civil non-jury cases in the district courts of Colorado.
  - (c) When necessary to ascertain facts affecting substantial rights of the parties to a proceeding, the Commission may receive and consider evidence not admissible under the Colorado Rules of Evidence, if the evidence possesses probative value commonly accepted by reasonable and prudent persons in the conduct of their affairs.
  - (d) In any inquiry by the Commission into a person's suitability, evidence of reputation or of character is relevant, when viewed in context of the public interest, and bears probative weight when it relates to the following matters:
    - (1) Criminal justice;
    - (2) Fraud, thievery, or dishonesty;
    - (3) Probity, integrity or honesty;
    - (4) Association;
    - (5) Financial affairs; and
    - (6) Any other licensing criterion.
  - (e) Any two or more parties may stipulate to offer into evidence as an exhibit or other evidence any fact or matter in issue of substance or procedure. The Commission shall enter an order approving or disapproving any stipulation offered into evidence, or may recommend modification as a condition for approval.
  - (f) Before the commencement of the case, each party sponsoring an exhibit should furnish a copy to each other party, to the Hearing Officer, to the record secretary, and to each Commissioner present at the hearing.
    - (1) The Commission may limit the number of copies to be furnished where reproduction is burdensome.
    - (2) The Commission shall disregard exhibits provided but not admitted into the record; in like fashion, they shall not be included in the record unless specific request therefor is made.
    - (3) Rebuttal exhibits and evidence need not be provided in advance of the use of the evidence.
  - (g) Except in matters of exigency, no witness may testify by electronic means without prior approval of the Commission, upon motion timely made and good cause shown.
- (4) Burden of Proof .
- (a) Unless the Commission directs otherwise, hearings ordinarily proceed with the presentation of evidence in the following order:

- (1) Proponent of the order;
  - (2) Intervenor, if any;
  - (3) Answer in opposition;
  - (4) Rebuttal by the proponent of the order.
  - (5) Upon motion, and for good cause shown, the Commission may permit surrebuttal by any party, and variance from this order of presentation.
- (b) The proponent of an order, or other affirmative action, shall have the burden of proof.
- (1) Applicants for licensure, for renewed licensure which is denied, or for other approvals granted by the Commission are proponents for the issuance of the license or any other approvals granted by the Commission. The Division shall be the proponent in matters pertaining to Orders to Show Cause or Summary Suspension for the proposed sanction of a license, and in matters pertaining to the limitation on renewed licensure.
  - (2) Notwithstanding the burden of proof, any applicant may request the Division to make an initial evidentiary presentation on all matters alleged in any denial, after which the applicant may present its case, with the Division to conclude by presenting a rebuttal, if any, and the applicant may be allowed a surrebuttal.
  - (3) In other proceedings where the burden of proof is not otherwise provided, the burden of proof and the burden of going forward shall be determined by the Commission.
- (5) Subpoena issuance.
- (1) Only the Commission, any commissioner, any Hearing Officer, or the Director of the Division, upon proper and timely request, may issue a subpoena or a subpoena *duces tecum* requiring the attendance of a witness or the production of documentary evidence, or both, at a hearing. A subpoena shall issue within three business days of the request therefor.
  - (2) Other parties, and their counsel, may not issue any subpoena, but are responsible for effecting service of all subpoenas issued to them in the manner described in Rule 45(c), Colorado Rules of Civil Procedure.
  - (3) Each party is responsible to ensure the validity of any subpoena issued at its request which commands the performance of an obligation by any person outside the jurisdiction of the Commission.
  - (4) On prompt motion, the Commission may quash or modify any subpoena if compliance thereof would be unreasonable or oppressive. The Commission may also direct an *in camera* review of subpoenaed documents prior to making them available to inspection by any party or the public. The Commission may order the sealing of any document from public scrutiny.

## **BASIS AND PURPOSE FOR RULE 21**

The purpose of Rule 21 is to establish playing rules for authorized types of games which combine the play of blackjack with the play of poker, and management procedures for conducting blackjack-poker

combination games in compliance with section 12-47.1-302 (2). The statutory basis for Rule 21 is found in sections 12-47.1-201, C.R.S., 12-47.1-302, C.R.S., and 12-47.1-818, C.R.S.

## **RULE 21 RULES FOR BLACKJACK-POKER COMBINATION GAMES**

### **47.1-2101 Blackjack-Poker Combination Games.**

The game of blackjack and the game of poker, both authorized by Article 47.1 of Title 12, C.R.S. shall be permitted and conducted as a game combining elements of both blackjack and poker, provided that the play of such game is distinctly blackjack during the blackjack element of the game, and distinctly poker during the poker element of the game. One or more cards used in one element of play may be used in the second element of play. Some or all of the wagers for both the blackjack and the poker elements may be placed at the same time.

### **47.1-2102 Applicability of Blackjack and Poker Rules.**

Except as otherwise provided by the specific rules of play of a game authorized in this Rule 21, the standard rules of Blackjack found in Rule 8, "Rules of blackjack," shall be applicable to play of the blackjack element of combined games, and the standard rules of poker found in Rule 10, "Rules for Poker," shall be applicable to play of the poker element of combined games.

### **47.1-2103 Minimum Procedures.**

Unless otherwise described by this Rule 21, the Division shall determine if the predominant game being offered is blackjack or poker.

- (1) If a game is determined to be predominantly blackjack, then the retail licensee offering the game shall enumerate it as a blackjack game and shall consider it a blackjack game for all accounting purposes. the provisions of Rule 9, "Minimum Procedures for Drop, Count, and Distribution for Blackjack," shall apply to table management of the combined game.
- (2) If a game is determined to be predominantly poker, then the retail licensee offering the game shall enumerate it as a poker game and shall consider it a poker game for all accounting purposes. the provisions of Rule 11, "Minimum Procedures for Drop, Count, and Purchasing Chips for Poker," shall apply to table management the combined game.

### **47.1-2104 The Play - 21-Hold 'em.**

21- Hold 'em is the copyrighted and patent-pending blackjack and poker variation game, the rights to which on December 1, 2001 were owned by Stanley Ackerson and Daniel Miller of Pueblo, Colorado, and which may be transferred or assigned. The object of the game is to play a standard game of blackjack, following the conclusion of which an optional variation game of poker may be played.

- (1) 21- Hold 'em may be played only on tables displaying the 21- Hold 'em table layout. A single deck of standard cards shall be used and the cards shall be dealt from the hand. At the discretion of the retail licensee, one or more cards may be burned from the top of the deck before a round of dealing, but failure to burn a card when appropriate shall be considered a harmless error
- (2) At the start of each round of play, each player must place a wager in the wagering spot designated as "B-J" on the table layout in front of the player's position. At the discretion of the retail licensee, either of the procedures described in paragraphs (a) and (b) below may followed for the poker element of the game.
  - (a) If the player wishes to also play the poker portion of the game, the decision must be made at the same time that the blackjack wager is placed and the player must place an additional

wager in the wagering spot designated as "PK" in front of the player's position. Players may play only one hand at a time which includes a poker wager, but at the discretion of the retail licensee, may play more than one hand of blackjack without poker; or

- (b) The retail licensee may require all players to play both the blackjack and the poker elements of the game, and if so, shall require both the blackjack and poker wagers to be placed before the deal. Offering this option, the combined amounts of the required initial blackjack and poker wagers shall not exceed five dollars, the player's poker wager must be placed in the wagering spot designated as "PK" in front of the player's position. Players may play only one hand at a time.
- (3) At the discretion of the retail licensee, a player who wishes to tip the dealer by placing bets for the dealer shall place the tip(s) near the player's wagers at the same time that the player places the player's wagers. A tip bet shall not be required to be in any minimum amount, and the amount of each tip bet shall not exceed the amount of the player's own wager on the same hand. Winning tip bets shall be paid at the same odds as winning players' bets.
- (4) After all players have placed their wagers, the dealer shall shuffle and deal the cards, and the players and dealer shall play blackjack. the standard rules of blackjack shall be followed, except that at the conclusion of the blackjack game. the first two cards dealt only to the dealer shall not be picked up and discarded, but shall remain on the table.
- (5) The poker portion of the game now begins. The card originally dealt to the dealer face up in blackjack shall be moved, face up, to the community card spot labeled with a numeral "1." The card dealt to the dealer face down in blackjack shall be moved, face up, to the community card spot labeled with a numeral "2." Incorrect placement of these two cards shall be considered a harmless error. These two community cards shall be common to all players' poker hands.
- (6) The dealer shall remove all of the cards which had been used in the blackjack game from the discard rack, and shall reshuffle the cards before continuing play of poker. The deck now contains only 50 cards, since two cards from the deck remain on the community card spots on the table layout.
- (7) The dealer shall now deal one card, face down, to each player who previously placed a "PK" wager. The first player to receive a card is the player to the dealer's left, and deal continues around the table in a clockwise direction. The dealer does not receive a card. Players who did not place a "PK" wager earlier do not play further in the hand.
- (8) After receiving a card, each player must decide whether to fold or to continue play. When a player folds, the dealer will collect the player's "PK" wager and place it in the chip tray, and will collect the player's card and place it in the discard rack. If the player chooses to continue play, the player shall place an additional wager in the amount equal to the "PK" wager in the wagering area labeled with a numeral "2." Working clockwise around the table, the dealer will deal a second card, face down, to each player who has placed a "2" wager.
- (9) If all players fold, that is, no wagers have been placed on any of the Number 2 wagering spots, the dealer shall collect all remaining wagers on the table and shall collect all remaining cards on the table. The hand is finished and the cards shall be reshuffled before beginning a new hand at the blackjack phase.
- (10) After receiving a second card, each player must again decide whether to fold or to continue play. When a player folds, the dealer will collect both the player's "PK" and "2" wagers and place them in the chip tray, and will collect the player's cards and place them in the discard rack. If the player chooses to continue play, the player shall place an additional wager, in an amount equal to the "PK" wager, in the wagering area labeled with a numeral "3." Working clockwise around the

table, the dealer will deal a third card, face down, to each player who has placed a "3" wager.

- (11) If all players fold, that is, no wagers have been placed on any of the Number 3 wagering spots, the dealer shall collect all remaining wagers on the table and shall collect all remaining cards on the table. The hand is finished and the cards shall be reshuffled before beginning a new hand at the blackjack phase.
- (12) An incorrect number of cards dealt to a poker hand constitutes a misdeal with respect to that hand only, voiding the player's wagers on that hand.
- (13) After all players remaining in the game have received their third cards, the dealer shall determine the winning hands, that is, the hands which qualify for payment pursuant to the pay schedule.
  - (a) Beginning with the player to the dealer's right, and continuing counter-clockwise around the table in turn, the dealer shall turn each player's three cards face up. The dealer shall combine the player's three cards with the value of the two community cards to determine the best possible five-card poker hand. If a player does not hold a hand qualifying for payment, the dealer shall collect the player's "PK," "2," and "3" wagers and place them in the chip tray. The dealer shall collect the player's cards and shall place them in the discard rack.
  - (b) If the hand qualifies for payment, the player shall retain the player's original wagers, and the dealer shall pay off all of the player's "PK," "2," and "3" wagers at the same odds. Winning hands shall be paid according to the following pay schedule, which shall be displayed on the table layout or on signage at the table. Only the highest ranked hand qualifying for payment shall be paid on each different wager.

| <u>Player Holds</u>  | <u>All Wagers Pay</u> |
|----------------------|-----------------------|
| Royal flush          | 500 to 1              |
| Straight flush       | 100 to 1              |
| Four of a kind       | 50 to 1               |
| Full House           | 20 to 1               |
| Flush                | 6 to 1                |
| Straight             | 4 to 1                |
| Three of a kind      | 3 to 1                |
| Two pairs            | 2 to 1                |
| Pair of 7s or better | 1 to 1                |

- (14) After all non-winning wagers and cards have been collected, and all winning wagers have been paid and cards collected, the dealer shall add the two community cards back into the deck and may begin a new game.
- (15) Applicability of Blackjack Regulations. This game is predominantly a blackjack game, and the provisions of Rule 9, "Minimum Procedures for Drop, Count, and Distribution for Blackjack," shall be applicable to this game.

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## Editor's Notes

## History

Rules 1; 12; 18 eff. 4/30/2007. Rules 1; 10; 12; 16 eff. 5/30/2007. Rules 47.1.106, 47.1.1223, 47.1.1233

eff. 11/30/2007. Rules 10; 12 eff. 1/30/2008. Rule 47.1-1401 eff. 4/30/2008. Rule 16 eff. 6/30/2008.