

OKLAHOMA HORSE RACING COMMISSION

RULES
FOR
RACETRACK GAMING

OAC TITLE 325, CHAPTERS 80, 85 & 90

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STATE OF OKLAHOMA
OKLAHOMA HORSE RACING COMMISSION
2401 NW 23rd Street, Suite 78
Oklahoma City, OK 73107
Telephone: (405) 943-6472
Facsimile: (405) 943-6474
E-Mail: ohrc@socket.net
Website: www.ohrc.org

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OKLAHOMA HORSE RACING COMMISSION

OHRC RULES FOR RACETRACK GAMING, OAC 325

HISTORY OF GAMING RULES

With the passage of SQ 712 in the November, 2004 General Election, the Oklahoma Horse Racing Commission developed the original *Rules for Racetrack Gaming*. Those rules were adopted by the Commission under emergency rulemaking procedures on March 17, 2005, and Governor Henry approved them April 6, 2005.

In the time since approval of the original rules, some of the stakeholders – the racetracks and the horsemen’s representative organizations – contended that these original rules placed the racetracks and horsemen at a competitive disadvantage to Tribal casinos for the following reasons: a) the rules did not completely follow the language in the Act; b) further, the rules did not adequately address all of the authorized games; c) the rules introduced a stricter regulation that restricted the operation of the games, resulting in seemingly unnecessary regulation and language not found in the Act; and d) the original rules also set criteria and specifications regarding the functioning of the games that unfortunately did not allow for technological advances in the evolution of the authorized games.

To address these concerns, Commission Chairman Randy Calvert appointed an Ad Hoc Committee on Gaming Rules at the December 15, 2005 Commission meeting. Through a number of long meetings from December, 2005 through March, 2006, rule amendments were drafted. At the March 23, 2006 Rescheduled Regular Meeting, the Commission considered the rule amendments and adopted them under both emergency and permanent rulemaking procedures. Governor Henry subsequently approved them under both emergency and permanent rulemaking procedures, making the emergency version effective May 11, 2006 with the permanent version effective on June 25, 2006.

In reviewing the original rules, the majority of revision by the Ad Hoc Committee was done in Chapter 85 through adding new rules in Subchapters 3, 11 and 15; revising Subchapter titles [Subchapters 11 and 25]; creating new Subchapters [Subchapters 12 and 20]; moving some rules; revoking other rules [in Subchapters 11, 13, 15, 17 and 21] and superseding some Subchapters [Subchapters 17, 19 and 23]. The Table of Contents reflects these changes.

Since the June 25, 2006 adoption, amendments have been made to the following gaming rules:

- 325:80-5-5, Conditions of a Racetrack Gaming Operator License [effective 4/25/09]
- 325:80-9-1, Application for Manufacturer, Distributor, or Manufacturer/Distributor License [effective 6/25/09]
- 325:80-9-2, Manufacturer’s, Distributor’s, or Manufacturer/Distributor’s Employee License [effective 6/25/09]
- 325:80-11-2, Vendor License [effective 6/25/09]
- 325:80-11-3, Vendor Employee License [effective 6/25/09]
- 325:80-15-1, Application Required [for Independent Testing Laboratory] [effective 6/27/13]
- 325:85-25-2, Transportation of Gaming Machines Into the State [effective 5/11/08]
- 325:85-25-4, Transportation of Gaming Machines Between Commission Licensed Gaming Facilities in the state [effective 5/11/08]
- 325:90-5-1, Unresolved Patron Disputes [effective 4/25/09]

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OKLAHOMA HORSE RACING COMMISSION

RULES FOR RACETRACK GAMING

CHAPTER 80. GAMING LICENSING REQUIREMENTS

SUBCHAPTER 1. GENERAL PROVISIONS

325:80-1-1. Purpose

The Rules in this chapter establish Standards and requirements for licensure, certification, registration, renewal and other approval under the State-Tribal Gaming Act.

325:80-1-2. Definitions

Unless otherwise defined below, terms used in this chapter have the same meanings as set forth in the State-Tribal Gaming Act:

"**Act**" means the State-Tribal Gaming Act enacted by the people with passage of State Question 712.

"**Authorized games**" means Electronic Amusement Games as defined in the Act, Electronic Bonanza-Style Bingo Games as defined in the Act, Electronic Instant Bingo Games as defined in the Act, Compact Electronic Games as defined in these Rules, and Non-Compact Electronic Games as defined by these Rules.

"**Commission**" means the Oklahoma Horse Racing Commission.

"**Component**" means a part of a Gaming Machine that is necessary for the proper operation and essential function of the Gaming Machine, including but not limited to a hopper, coin acceptor, Microprocessor and related circuitry, Program Storage Device, Bill Acceptor, cashless system, progressive system, monitoring system, meter and any other parts the Commission determines are Components; a Component is necessary for the proper operation and essential function of a Gaming Machine if it affects, directly or indirectly, the Gaming Machine's operation, game outcome, security, record-keeping, or communication with the central monitoring system; parts such as light bulbs, buttons, wires, decorative glass, fuses, batteries, handles, springs, brackets, and locks are not Components if they do not directly or indirectly affect the Gaming Machine's operation, game outcome, security, record-keeping, or communication with the central monitoring system.

"**Control,**" when used as a noun, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person or to exercise significant influence over management and policies due to financial investment, assumption of debts or expenses, or other monetary or non-monetary considerations extended to the applicant or Licensee; when used as a verb, "Control" means to exert, directly or indirectly, such power, or to be in a position to exert such power.

"**Distributor**" means a non-Manufacturer who leases, sells, distributes or markets any Gaming Machine, associated equipment, game program or Program Storage Device to a Racetrack Gaming Operator Licensee in the State of Oklahoma.

"**Enclosure**" means all areas of the property of an Organization Licensee to which admission can be obtained only by payment of an admission fee or upon presentation of proper credentials and all parking areas designed to serve the facility which are owned or leased by the Organization Licensee.

"**Executive director**" means the executive director of the Commission.

"**Gaming agent**" means a Commission employee trained in machine gaming, responsible for on-site enforcement of the Act and these Rules and other regulatory responsibilities as assigned by the Executive Director.

"**Gaming employee**" means any employee of a Racetrack Gaming Operator Licensee who works in any capacity within the confines of the Gaming Facility.

"Gaming employee license" means a license issued to a Gaming Employee by the Commission.

"Gaming facility" means that area within an Organization Licensee's Racetrack Premises approved by the Commission that has been set aside for the use of Authorized Games and related activities and access to which is limited to patrons 18 years of age or older.

"Gaming machine" means a contrivance designed primarily for gambling purposes which for a consideration affords the player an opportunity to obtain something of value, the award of which is determined by chance, or any token, chip, paper, receipt or other document which evidences, purports to evidence or is designed to evidence participation in a lottery or the making of a bet. The fact that the prize is not automatically paid by the device does not affect its character as a gambling device.

"Gaming machine license" means a license issued by the Commission to a Racetrack Gaming Operator Licensee for each Gaming Machine brought into the Racetrack Premises, for any purpose, including but not limited to storage, repair, modification or play.

"Independent testing laboratory" means a laboratory with a national reputation for honesty, independence, competence and timeliness that is demonstrably competent and qualified to scientifically test and evaluate devices for compliance with the Act and to otherwise perform the functions assigned to it in the Act. An Independent Testing Laboratory shall not be owned or Controlled by an Organization Licensee, an Indian tribe, the State, or any Manufacturer, supplier or operator of Gaming Machine. The use of an Independent Testing Laboratory for any purpose related to the operation of Authorized Games by an Organization Licensee under the Act shall be made from a list of one or more laboratories approved by the Commission.

"Key executive" means an executive of a Racetrack Gaming Operator Licensee, Manufacturer, Distributor, Manufacturer/Distributor, Vendor, or Independent Testing Laboratory who supplies goods and/or services which are used in the actual gaming, gaming monitoring or gaming surveillance, including officers, directors, and other Persons having the power to exercise significant influence over decisions concerning any part of the licensed gaming operations of the licensed employer, which for a Racetrack Gaming Operator Licensee, would include but would not be limited to the General Manager, Comptroller, Director of Finance, Director of Security, Director of Electronic Gaming Operations, and Director of Marketing.

"Key executive license" means a license issued to a Key Executive by the Commission.

"Manufacturer" means a Person who manufactures, fabricates, assembles, produces, programs, refurbishes, or makes Modification to any Gaming Machine or Component thereof, or associated Program Storage Device for sale, lease, distribution, use or play by a Racetrack Gaming Operator Licensee in the State of Oklahoma.

"Manufacturer licensee" means a Manufacturer licensed by the Commission.

"Manufacturer/Distributor" means a Person who is both a Manufacturer and Distributor as defined in these Rules.

"Manufacturer/Distributor licensee" means a Manufacturer/Distributor Licensed by the Commission.

"Modification" means a change or alteration in an approved Gaming Machine or Component thereof that affects the manner or mode of play (including the percentage paid by the Gaming Machine), as well as a change in Control or graphics programs "Modification" does not include a conversion from one approved mode of play to another approved mode of play, replacement of one game for another approved game replacement of one Component with another pre-approved Component, or the rebuilding of a previously approved Gaming Machine with pre-approved Components.

"Occupation gaming license" means any gaming license issued by the Commission other than a Racetrack Gaming Operator License or a Recipient Racetrack Gaming License.

"Occupation gaming licensee" means any Person receiving an Occupation Gaming License issued by the Commission.

"Organization license" means a license issued by the Commission which authorizes the licensee to conduct a race meeting in Oklahoma and accept pari-mutuel wagers on the outcome of live and simulcast horse racing.

"Organization licensee" means any Person receiving an Organization License issued by the Commission.

"Participating tribe" means an Indian tribe which operates a Gaming Facility within a radius of twenty (20) miles from the Enclosure of a Recipient Racetrack Gaming Licensee pursuant to a Model Compact.

"Person" means any individual, partnership, corporation, or other association or entity.

"Program storage device" means an EPROM (Erasable Programmable Read-Only Memory), hard drive, DVD, CD-ROM or other storage medium which is used for storing program instructions in a Gaming Machine, system or other associated equipment.

"Racetrack gaming operator license" means a license issued by the Commission which authorizes an Organization Licensee to conduct Authorized Games under the regulation, implementation and enforcement of the Commission.

"Racetrack gaming operator licensee" means any Organization Licensee which has been issued a Racetrack Gaming Operator License by the Commission.

"Racetrack premises" means the property that is owned or leased by the Organization Licensee that is used for racetrack purposes.

"Recipient racetrack gaming license" means a license issued by the Commission which authorizes the licensee to receive the funds authorized in the Act from Participating Tribes.

"Recipient racetrack gaming licensee" means any Person receiving a Recipient Racetrack Gaming License issued by the Commission.

"Rules" means the Commission's *Rules for Racetrack Gaming*.

"State" means the State of Oklahoma.

"This Title" means Title 325 of the Oklahoma Administrative Code.

"Vendor" means a Person, other than a licensed Manufacturer, Distributor, or Manufacturer/Distributor, who in selling or leasing goods and/or services to a Racetrack Gaming Operator Licensee, conducts operations on-site at a racetrack Gaming Facility provided that attorneys shall be exempt from the licensing requirement herein to the extent that they are providing services covered by their professional licenses.

"Vendor employee" means a Person employed by a Vendor and licensed by the Commission as a Vendor Employee.

"Vendor employee license" means a license which authorizes any employee to work for a licensed Vendor and supply goods and/or services on-site at the Gaming Facility.

"Vendor license" means a license issued by the Commission which authorizes a Vendor to sell goods and/or services to a Racetrack Gaming Operator Licensee.

325:80-1-3. Applicability of Rules — Exceptions

Rules pertaining to licenses and rulings against Licensees shall apply in like force to the spouse and members of the immediate family or household of the licensee if the continuation of participation in gaming by the affected Person circumvents the intent of the rule or affects the ruling by permitting a Person under the Control or direction of the Licensee to serve in essence as a substitute for a suspended Licensee, or a Person ineligible to participate in a particular activity.

SUBCHAPTER 3. GAMING LICENSE CLASSIFICATIONS

325:80-3-1. Types of Gaming Licenses

(a) Organization License, which authorizes the Licensee to conduct a race meeting in Oklahoma and accept pari-mutuel wagers on the outcome of live and simulcast horse racing.

(b) Racetrack Gaming Operator License, which authorizes an Organization Licensee to conduct Authorized Games as defined by the Act under the regulation, implementation and enforcement of the Commission. The License authorizes the approved Licensee to acquire, own, lease, possess, and operate Gaming Machine on its licensed premises.

(c) Recipient Racetrack Gaming License, which authorizes the approved Licensee to receive the funds authorized in the Act from Participating Tribes.

(d) Occupation Gaming License, which means any gaming license issued by the Commission other than a Racetrack Gaming Operator License or a Recipient Racetrack Gaming License.

- (e) Manufacturer License, which authorizes the approved Licensee to manufacture, fabricate, assemble, produce, program, refurbish, or make Modifications to any Gaming Machine, or associated equipment in accordance with the Act and Commission Rules;
- (f) Distributor License, which authorizes the approved non-Manufacturer to lease, sell, distribute or market any Gaming Machine, associated equipment, game program or Program Storage Device in Oklahoma or outside the State in accordance with the Act and Commission Rules; and
- (g) Manufacturer/Distributor License, which authorizes the approved licensee to manufacture, fabricate, assemble, produce, refurbish, lease, sell, distribute, market or make Modifications to any Gaming Machine, associated equipment, game program or Program Storage Device in Oklahoma or outside the State in accordance with the Act and Commission Rules;
- (h) Vendor License, which authorizes a Vendor, not licensed as a Manufacturer, Distributor, or Manufacturer/Distributor, that conducts operations on-site at a racetrack Gaming Facility to sell or lease goods and/or services to Racetrack Gaming Operator Licensees.
- (i) Manufacturer's Employee License, which authorizes the approved Licensee to be an employee of a Manufacturer who supplies gaming-related goods and/or services to the Racetrack Gaming Operator Licensee on-site at the Gaming Facility.
- (j) Distributor's Employee License, which authorizes the approved Licensee to be an employee of a Distributor who supplies gaming-related goods and/or services to the Racetrack Gaming Operator Licensee on-site at the Gaming Facility.
- (k) Manufacturer/Distributor's Employee License, which authorizes the approved Licensee to be an employee of a Manufacturer/Distributor who supplies gaming-related goods and/or services to the Racetrack Gaming Operator Licensee on-site at the Gaming Facility.
- (l) Key Executive License, which authorizes the recipient to be employed as a Key Executive.
- (m) Vendor Employee License, which authorizes any employee to work for a licensed Vendor and supply goods and/or services on-site at the Gaming Facility.
- (n) Gaming Employee License, which authorizes the recipient to be employed as a Gaming Employee.
- (o) Gaming Machine License, which authorizes the Racetrack Gaming Operator Licensee to use or have a Gaming Machine on the Racetrack Premises.
- (p) None of these gaming licenses may be transferred, sold, or assigned.

SUBCHAPTER 5. GAMING LICENSES AND APPLICATIONS

325:80-5-1. General provisions

- (a) Any license, certification, registration, renewal or other approval issued by the Commission is deemed a revocable privilege. Except as otherwise provided in these Rules, all gaming licenses of whatever type are issued for a calendar year and no matter when issued during a calendar year, the license will expire at midnight, December 31, of the calendar year.
- (b) Any application submitted under the provisions of the Act or these Rules constitute the seeking of a privilege, and the burden of proving qualification is on the applicant.
- (c) Any application for license, certification, registration, renewal or other approval from the Commission will constitute a request to the Commission for a decision on the applicant's general suitability, character, integrity, and ability to engage in, or be associated with, gaming activity in Oklahoma. By filing an application with the Commission, the applicant specifically consents to investigation to the extent deemed appropriate by the Commission. Without limiting the foregoing, the investigation may include a background investigation and a credit check of the applicant and, in the case of Manufacturers, Distributors, Manufacturers/Distributors and Vendors who supply goods and/or services which are used in the actual gaming, gaming monitoring and gaming surveillance, and/or, in the case of Gaming Machine Manufacturers, Distributors and Manufacturers/Distributors, all Persons or entities having a 10% or more interest in the applicant.
- (d) By applying for and obtaining any license, certification, registration, renewal or other approval from the Commission, the holder agrees to abide by all provisions of the Act and these Rules.
- (e) By applying for a license, certification, registration, renewal or other approval from the Commission, the applicant accepts all risks of adverse public notice, embarrassment, criticism, damages, or financial loss that may result from any disclosure or publication of any material or

information contained in or relating to any application to the Commission. The mere fact that a Person or entity labels information submitted to the Commission or its staff as confidential does not make the information provided confidential. Confidentiality privileges are created by law and not by a Person or an entity submitting information to the State or its agents.

325:80-5-2. Time for filing an application for Racetrack Gaming Operator License

An application for a Racetrack Gaming Operator License must be filed no later than June 1 of each year for gaming conducted in the subsequent calendar year. Applications to operate Authorized Games in Calendar Year 2005 may be filed any time prior to June 1, 2005. At the request of any applicant, the Commission may extend the deadline for Calendar Year 2005.

325:80-5-3. Application amendment and withdrawal

(a) If there is any change in the information submitted to the Commission in the application, the applicant must file, within ten (10) business days of becoming aware of the change, a written amendment disclosing all facts necessary to adequately inform the Commission of the change in circumstances before the Commission takes the requested action.

(b) An applicant may amend the application at any time prior to final action by the Commission.

(c) An amendment to an application filed by the applicant after the date on which the Commission has taken the action sought under the application, if the amendment is approved by the Commission, will become effective on the date determined by the Commission.

(d) An applicant may file a written request for withdrawal of the application at any time prior to final action on the application by the Commission.

325:80-5-4. Payment of non-refundable fees and costs required

The Commission may refuse to take final action on any application if all license regulation, investigation and fingerprint fees have not been paid in full. The Commission may deny the application if the applicant refuses or fails to pay all such fees. Additionally, an applicant who has refused or failed to pay the required costs will not be eligible to file any other application with the Commission until all such fees are paid in full. Neither the license fee or regulation fees nor any other fee is refundable.

325:80-5-5. Conditions of a Racetrack Gaming Operator License

In addition to conditions imposed in any conditional license issued by the Commission, the original and/or renewal licenses issued by the Commission are subject to the following conditions:

(1) With respect to a Racetrack Gaming Operator Licensee, the Licensee will at all times make its Gaming Facility and Racetrack Premises available for inspection by the Commission or the Oklahoma State Auditor and Inspector or their authorized representatives, with or without prior announcement. Additionally, the Licensee understands that a Gaming Agent is authorized to be present anywhere within the Gaming Facility each day any time during operation of the Gaming Facility, and whenever else deemed appropriate by the Commission Director of Law Enforcement.

(2) The Licensee consents to the examination of all accounts, bank accounts, and records of, or under the Control of the Licensee, or any entity in which the Licensee has a direct or indirect Controlling interest. Upon request of the Commission or its authorized representative, the Licensee must authorize all third parties in possession or Control of the requested documents to allow the Commission or the Oklahoma State Auditor and Inspector or their representatives to examine such documents.

(3) The Licensee accepts all risks of adverse public notice, embarrassment, criticism, damages, or financial loss that may result from any disclosure or publication of material or information supplied to the agency in connection with any application to the Commission.

(4) The Licensee will be responsible for all applicable registration, taxation, and licensing imposed by the Act or other State law upon the license, Gaming Machine, or associated equipment.

(5) The Licensee shall observe and enforce the Rules. The gaming license is granted on the condition that the Licensee, its officials, its employees and its concessionaires shall obey all decisions and orders of the Commission. Each Licensee shall have a continuing duty to report to the Commission Law Enforcement Division any violation of the rules or applicable Laws of the State of Oklahoma by the Licensee, its officials, its employees or other occupational licensees, and its concessionaires. Failure to report violations will result in disciplinary action against the Licensee.

[SOURCE: Amended at 26 Ok Reg 810, eff 4-25-09.]

325:80-5-6. General grounds for refusal to issue license or denial of Gaming License applications

The Commission may refuse to issue a license or deny any license application on any grounds deemed reasonable by the Commission. Without limiting the foregoing, the Commission may deny the application on any of the following grounds:

- (1) evidence of an untrue or misleading statement of material fact, or willful omission of any material fact, in any application, statement, or notice filed with the Commission, made in connection with any investigation, including the background investigation, or otherwise made to the Commission or its staff;
 - (2) conviction of any felony in any jurisdiction;
 - (3) conviction of any gambling offense in any jurisdiction;
 - (4) entry of any civil or administrative judgment against the applicant that is based, in whole or in part, on conduct that allegedly constituted a felony crime in the State or other jurisdiction the conduct occurred, or involved a gambling violation(s);
 - (5) association with Persons or businesses of known criminal background or Persons of disreputable character that may adversely affect the general credibility, security, integrity, honesty, fairness or reputation of the proposed activity;
 - (6) any aspect of the applicant's past conduct, character, or behavior that the Commission determines would adversely affect the credibility, security, integrity, honesty, fairness or reputation of the proposed activity;
 - (7) failure of the applicant or its employees to demonstrate adequate business ability and experience to establish, operate, and maintain the business for the type of activity for which application is made;
 - (8) failure to demonstrate adequate financing for the operation proposed in the application;
 - (9) failure to satisfy any requirement for application or to timely respond to any request by the Commission for additional information;
 - (10) permanent suspension, revocation, denial or other limiting action on any gaming license issued by any jurisdiction;
 - (11) approval of the application would otherwise be contrary to Oklahoma law or public policy;
- or
- (12) with respect to a Racetrack Gaming Operator Licensee's or Recipient Racetrack Gaming Licensee's failure to conduct the number of live races required by the Act (unless written consent to such failure has been received from the official horsemen's representative organization(s) for the breed or breeds to which such failure relates).

SUBCHAPTER 7. REQUIREMENTS FOR RACETRACK GAMING OPERATOR LICENSE AND RECIPIENT RACETRACK GAMING LICENSE

325:80-7-1. Prerequisite for eligibility for initial license and renewals

(a) To qualify to hold and operate a Racetrack Gaming Operator License or Recipient Racetrack Gaming License, a racetrack must be licensed by the Oklahoma Horse Racing Commission

pursuant to provisions of Title 3A of the Oklahoma Statutes to conduct live horse races or simulcast races and must meet the requirements pursuant to Title 3A and provisions of the Act and these Rules.

(b) After initial issuance of a Racetrack Gaming Operator's License, the license shall be renewed each year upon the following conditions:

- (1) the payment of the annual Racetrack Gaming Operator Licensee application license fee, the annual Racetrack Gaming Operator Licensee regulation fee and the annual Racetrack Gaming Operator Licensee's Gaming Machine license fees;
- (2) the applicant has conducted the required number of live races to be eligible to operate Authorized Games and furnishing the Commission with any supplementary information required by the Commission or its staff; and
- (3) the issuance of an Organization License to that applicant for the applicable calendar year.

325:80-7-2. General form and requirements for Racetrack Gaming Operator License application

(a) Every application and statement required to be filed under the Act or these Rules must be submitted on forms supplied or approved by the Executive Director and must contain such information and documents as required.

(b) The applicant must file with the application all required supplemental forms.

(c) Upon request of the Commission, the applicant must further supplement any information provided in the application. The applicant must provide all requested documents, records, supporting data, and other information within the time period specified in the request. If the applicant fails to provide the requested information within the required time period as set forth in the request or these Rules, the Commission may deny the application unless good cause is shown.

(d) All information required to be included in an application must be true and complete as of the date of Commission action sought by the applicant. If there is any change in the information contained in the application, the applicant must file a written amendment in accordance with these Rules.

(e) The application and any amendments must be sworn to or affirmed by the applicant before a notary public. If any document is signed by an attorney for the applicant, the signature must certify that the attorney has read the document and that, to the best of the attorney's knowledge, information and belief, based on diligent inquiry, the contents of the documents supplied are true.

(f) The applicant must cooperate fully with the Commission and any agent of the Commission with respect to the background investigation of the applicant, including, upon request, making available any and all of its books and records for inspection. The Commission will examine the background, personal history, financial associations, character, record and reputation of the applicant to the extent the Commission determines.

(g) The Commission will automatically deny the application of any applicant that refuses to submit to a background investigation as required pursuant to the Act and these Rules.

(h) Neither the State, the Commission, any agency with which the Commission contracts to conduct background investigations, nor the employees of any of the foregoing, may be held liable for any inaccurate information obtained through such an investigation.

325:80-7-3. Operations Plan requirement

(a) The applicant for a Racetrack Gaming Operator License must submit with the application a proposed operations plan for the conduct of gaming. The plan must include the following:

- (1) a drawing or drawings to scale of the building(s) in which the applicant proposes to conduct gaming, with the area(s) designated as the proposed Gaming Facility clearly outlined;
- (2) a general description of the type and number of Gaming Machines proposed for operation;
- (3) generic description of the games to be played on the machines and the proposed placement of the machines in the Gaming Facility;

- (4) proposed administrative, accounting, and internal control procedures, including monetary control operations;
- (5) proposed security plan;
- (6) proposed staffing plan for gaming operations, including identification of Key Executives and employees;
- (7) license applications for Key Executives;
- (8) method to be used for prize payouts;
- (9) details of any proposed progressive systems; and
- (10) any other information requested by the Commission.

(b) The operations plan must provide for an escrow account or accounts to be established and maintained in accordance with Commission requirements for the purpose of holding in reserve large or progressive prizes to be won by participants and generated by the Gaming Facility. In the alternative, the Operator could secure the payment of such prizes through other funding mechanisms such as an irrevocable surety bond, irrevocable trust with an independent financial institution, other trust mechanism, or letters of credit. The use of such alternative methods of prize payment must in every instance be preapproved by the Commission. Any purse monies generated by the Gaming Facility must be maintained in a separate escrow account.

(c) An applicant for a Racetrack Gaming Operator License is responsible for ensuring that Key Executive applications are filed in accordance with the Act and these Rules. The Commission may delay approval of or deny an application for a Racetrack Gaming Operator License on the grounds that a Key Executive application has not been submitted as required.

(d) A Racetrack Gaming Operator License will not be granted unless the Commission first determines that the operations plan submitted is suitable for the type of operation proposed and otherwise complies with the requirements of the Act and these Rules.

325:80-7-4. Security Plan requirement

(a) Racetrack Gaming Operator Licensees must implement and maintain security measures that will ensure safe and honest operation of the gaming establishment.

(b) Security personnel must be licensed by the Commission and must display a valid Commission license badge at all times while on duty. All armed security personnel must be Council on Law Enforcement Education and Training (CLEET) certified.

(c) At the same time that the applicant submits an application for a Racetrack Gaming Operator License, the applicant must submit a security plan for approval by the Commission Director of Law Enforcement. The security plan shall provide for a sufficient number of security personnel who must be on duty and in appropriate areas to ensure that gaming activities are conducted safely, honestly, and in compliance with the law. The Operator's security plan must specify how many security officers will be present during operating hours and how many will be armed. If the Commission's Director of Law Enforcement determines that the security measures at a Gaming Facility are inadequate, the Director shall notify the Operator, who may either correct the deficiency within forty-eight (48) hours or a longer period of time established by the Law Enforcement Director, or request a hearing on the issue before the Executive Director who shall resolve the issue. The Executive Director's decision may be appealed to the Commission. The security plan submitted to the Commission shall include a surveillance system which meets the minimum requirements established in these Rules.

325:80-7-5. Requirements for a Recipient Racetrack Gaming License

Applicants for a Recipient Racetrack Gaming License must submit an application to the Commission on a form approved or provided by the Executive Director which demonstrates: 1) the applicant has been granted an Organization License by the Commission, 2) the applicant is eligible, under the Act, to be a Recipient Racetrack Gaming Licensee, and 3) there is a Participating Tribe(s) within a radius of twenty (20) miles of the applicant's racing Enclosure that is operating Authorized Games under a Model Compact. The applicant must submit the required license fee with the application.

SUBCHAPTER 9. REQUIREMENTS FOR MANUFACTURER, DISTRIBUTOR, OR MANUFACTURER/DISTRIBUTOR, AND THEIR EMPLOYEE LICENSE APPLICANTS

325:80-9-1. Application for Manufacturer, Distributor, or Manufacturer/Distributor License

(a) A Person may act as a Manufacturer, Distributor, or Manufacturer/Distributor of Gaming Machines, or Gaming Machine Components, to Racetrack Gaming Operator Licensees only if that Person has received from the Commission a license specifically authorizing that Person to act as a Manufacturer, Distributor, or Manufacturer/Distributor's License¹.

(b) Applications for Manufacturer, Distributor, or Manufacturer/Distributor Licenses must be made on a form prescribed by the Commission.

(c) An applicant for a Manufacturer, Distributor, or Manufacturer/Distributor's License may be required to post, as a condition of issuance of the license, a bond in a manner and in an amount established by the Commission. Any such instrument must be issued by a surety company authorized to transact business in Oklahoma and must be satisfactory to the Commission.

(d) All renewal applications for Manufacturer, Distributor, or Manufacturer/Distributor Licenses must be submitted to the Commission no later than November 15th of the current license year. Failure to submit renewal applications by the November 15th deadline may result in disciplinary action in accordance with Title 3A, O.S. § 204.

[SOURCE: 26 Ok Reg 2192, eff 6-25-09.]

325:80-9-2. Manufacturer's, Distributor's, or Manufacturer/Distributor's Employee License

Any employee, who works for a licensed Manufacturer, Distributor, or Manufacturer/Distributor and will be supplying gaming-related goods and/or services to the Racetrack Gaming Operator Licensee on-site at the Gaming Facility, must have a Manufacturer's Employee License, a Distributor's Employee License, or a Manufacturer/Distributor's Employee License. A Manufacturer, Distributor, or Manufacturer/Distributor License must be issued before an employee can be issued a license to represent that company. An application for Manufacturer's Employee License, Distributor's Employee License, or Manufacturer/Distributor's Employee License must be signed by an authorized representative of the Manufacturer, Distributor, or Manufacturer/Distributor for whom the employee works or will work. All Manufacturer's, Distributor's, or Manufacturer/Distributor's employee license renewals must be submitted to the Commission no later than November 15th of the current license year. Failure to submit renewal applications by the November 15th deadline may result in disciplinary action in accordance with Title 3A, O.S. § 204.

[SOURCE: 26 Ok Reg 2192, eff 6-25-09.]

SUBCHAPTER 11. REQUIREMENTS FOR VENDOR LICENSE

325:80-11-1. Approved Vendor list

The Racetrack Gaming Operator Licensee shall maintain a list of all Vendors the Racetrack Gaming Operator Licensee approves. Before doing business with the Racetrack Gaming Operator Licensee, a Vendor must be issued a Vendor License by the Commission.

325:80-11-2. Vendor License

A Vendor's License is required of any Vendor not licensed as a Manufacturer, Distributor, or Manufacturer/Distributor that conducts operations on-site at a racetrack Gaming Facility. An applicant for a Vendor's License must complete the appropriate Commission application form. That form must be signed by an authorized representative of the Racetrack Gaming Operator Licensee(s) for which the Vendor wishes to do business. A letter from the Racetrack Gaming

Operator Licensee(s) authorizing the Vendor to do business may be used in lieu of a signature on the application form. If, after initial licensing, any other Racetrack Gaming Operator Licensee desires to acquire goods and/or services from the licensed Vendor, the Operator must file the letter with the Commission indicating that desire; provided that attorneys shall be exempt from the licensing requirement herein to the extent that they are providing services covered by their professional licenses. All Vendor License renewals must be submitted to the Commission no later than December 1st of the current license year. Failure to submit renewal applications by the December 1st deadline may result in disciplinary action in accordance with Title 3A, O.S. § 204.

[SOURCE: 26 Ok Reg 2192, eff 6-25-09.]

325:80-11-3. Vendor Employee License

Any employee who works for a licensed Vendor and will be supplying goods and/or services on-site at the Gaming Facility must have a Vendor Employee License. A Vendor License must be issued before a Vendor Employee can be issued a license to represent that company. A Vendor Employee License must be signed by an authorized representative of the Vendor for whom the Vendor Employee works or will work. All Vendor Employee License renewals must be submitted to the Commission no later than December 1st of the current license year. Failure to submit renewal applications by the December 1st deadline may result in disciplinary action in accordance with Title 3A, O.S. § 204.

[SOURCE: 26 Ok Reg 2192, eff 6-25-09.]

325:80-11-4. Vendor disclosure requirement

(a) For each Vendor on the Racetrack Gaming Operator Licensee's list, the Operator must indicate whether the Racetrack Gaming Operator Licensee anticipates purchasing more than \$500,000 of goods and/or services from the Vendor in a consecutive 12 month period. Further, for each Vendor which the Racetrack Gaming Operator Licensee anticipates expending more than \$500,000 in a consecutive 12 month period, the Operator shall also indicate whether any of the Operator's key employees or any Person or entity having a 3% or more interest in the applicant Operator owns 3% or more interest in the approved Vendor.

(b) Any Vendor that receives more than \$500,000 in a consecutive 12 month period for goods and/or services from a Racetrack Gaming Operator Licensee must confirm that fact by notifying in writing both the Operator and the Commission. The Racetrack Gaming Operator Licensee must maintain a list of approved Vendors including payments to such Vendors for submission to the Commission on a monthly basis.

SUBCHAPTER 13. REQUIREMENTS FOR KEY EXECUTIVE LICENSE OR GAMING EMPLOYEE LICENSE AND AMENDMENTS TO ANY EMPLOYEE LICENSE

325:80-13-1. Application required

An applicant for a Key Executive License or Gaming Employee License must submit a complete Application with his or her fingerprints in duplicate on fingerprint cards and his or her photograph in duplicate. The fingerprints will not be accepted unless the fingerprints were taken under the supervision of, and certified by, Commission licensing personnel, a federal agency, a State police officer, a county sheriff, a municipal chief of police, or sworn city or county peace officer. The photographs must be no smaller than 3" x 2" and must be satisfactory to the Commission. The photographs also must have been taken no earlier than three months before the date the application for license was filed.

325:80-13-2. When Key Executive applications are due

At the time of filing an application for license by a Racetrack Gaming Operator Licensee, applications of all known Key Executives must be submitted. Applications for other Key Executives must be filed within thirty (30) business days within employment by the Racetrack Gaming Operator Licensee.

325:80-13-3. Employer-specific nature of all Employee Licenses

All licenses issued to Key Executives, Gaming Employees, Vendor Employees and employees of Manufacturers, Distributors, or Manufacturer/Distributors shall be employer-specific, and each license shall identify not only the employee to whom the license is issued, but also specify the full name of the employing Licensee.

325:80-13-4. Amended Employee Licenses

All licenses issued to Key Executives, Gaming Employees, Vendor Employees and employees of Manufacturers, Distributors, Manufacturer/Distributors, and Independent Testing Laboratories may, upon written application of a licensed employer, other than the original employer, be amended to enable the Licensee to begin employment with a different licensed employer. An amended license issued in response to such a request shall contain the name of the employee and the full name of the new licensed employer. No Licensee may begin working for a new employer until the employee has been issued an amended license containing the name of the new employer.

325:80-13-5. License required prior to employment

With the exception of those who apply for a Key Executive License or Gaming Employee License as provided in Rule 325:80-13-8, a Key Executive or Gaming Employee of a Racetrack Gaming Operator Licensee may not be employed until such time as his or her application for a license has been completed, and the Commission has issued the applicant a Key Executive License or Gaming Employee License.

325:80-13-6. Employee Licenses - Refusal to issue or denial and license termination upon loss of employment

All employee licenses are the property of the State of Oklahoma. Any employee whose employment is terminated for any reason must surrender his or her license to the Commission within five (5) business days of termination. An application for any type employee license may be denied for any reason that an application for a horse racing Occupation Gaming License may be denied. It may also be denied if an applicant has had a gaming or horse racing license revoked or suspended in any other jurisdiction or has been found guilty or pled guilty or no contest to any felony, or any crime involving gaming or horse racing. The grounds listed above in these Rules may also be used as a basis for refusal to issue a license.

325:80-13-7. Additional grounds for denial of Key Executive License application

In addition to the general grounds for denying any type of employee license, an application for a Key Executive License may be denied if the Commission Director of Law Enforcement finds that the applicant 1) has knowingly had a business or social relationship with a convicted felon, 2) has or has had a substance abuse problem, 3) has an employment, military, or financial history which may affect the applicant's ability to properly perform his or her duties or reflect unfavorably on the integrity of a Gaming-Facility, or 4) has a reputation which may affect the applicant's ability to properly perform his or her duties or reflect unfavorably on the integrity of a Facility.

325:80-13-8. Limited pre-licensed employment for Key Executives and Gaming Employees

Applicants for a Key Executive License or Gaming Employee License who provide the required fingerprint cards, photographs, completed Application, and intent to employ statement may be issued by the Executive Director a written certification that their applications for a Key Executive License or Gaming Employee License are presently being processed. Upon the issuance of such certification to an applicant for a Key Executive License or a Gaming Employee License, the applicant may for a period of no more than 90 days be employed as a Gaming Employee by the Racetrack Gaming Operator Licensee whose name appears on the applicant's intent to employ statement. On application of such a Gaming Employee's employer, that 90 day period may be extended by the Commission Director of Law Enforcement if, and only if, the licensing process has not been completed. No further extensions are allowed.

**SUBCHAPTER 15. REQUIREMENTS FOR
INDEPENDENT TESTING LABORATORY LICENSE**

325:80-15-1. Application required

Testing laboratories that wish to function as a Commission-approved Independent Testing Laboratory must apply to be issued an Independent Testing Laboratory License. The application must be accompanied by the required application fee and an investigation fee in an amount equal to one-half of the license fee. The deadline for renewal license applications is October 1 of the current license year.

(1) In addition to other information required on the application, any applicant must provide the following information for each of the last three years:

- (A) address of main office and number of square feet used for testing;
- (B) addresses of all satellite offices, if any, and number of square footage;
- (C) number of full-time employees;
- (D) number of machines tested;
- (E) list of states for which the Laboratory has performed tests;
- (F) list of countries for which the Laboratory has performed tests;
- (G) list of states and countries in which the Laboratory has been licensed or certified.

(2) In addition, the Commission review of consideration of an application for an Independent Testing Laboratory shall include:

(A) For the testing laboratory and its parent corporation, if any, a complete corporate financial disclosure and review; a complete disclosure and review of any criminal proceedings, civil litigation or investigations by a regulatory entity; and an evaluation of its corporate good standing in the jurisdiction(s) where it is incorporated and/or does business.

(B) For its principal shareholders (10% or greater) and its officers and directors, a complete individual financial disclosure and review; a complete disclosure and review of any criminal proceedings, civil litigation or investigations by a regulatory entity; and a finding of suitability.

(C) The testing laboratory will demonstrate its relevant technical skill and capability by providing evidence of suitable testing previously conducted for state or tribal regulatory authorities. The Commission's Law Enforcement Division may conduct an on-site review of the testing laboratory's facilities as part of its evaluation and will be satisfied that the testing laboratory is qualified and competent to perform the testing required before making any recommendation for approval to the Commission. The frequency of the on-site review will be recommended by the Commission Law Enforcement Division's Director to the Commission Executive Director.

(D) The testing laboratory must have in-house staff personnel in the following categories:

- (i) Mathematicians
- (ii) Mechanical, electrical and software engineering staff
- (iii) Compliance engineering staff
- (iv) Accounting system and communication protocol engineering specialists
- (v) High-level engineering staff for new and current technology

- (vi) Quality assurance staff
- (E) The testing laboratory must have the ability to provide twenty-four hour, seven-day a week support for the Commission, including in-house personnel coverage.
- (F) The testing laboratory must provide training and support staff for on-site field inspections to assist and/or train Gaming Agents on the security, compliance and accounting/auditing practices that should be used, with expenses paid by the testing laboratory.
- (G) The testing laboratory must provide a quality assurance staff that verifies each test result.
- (H) The testing laboratory must conduct an annual due diligence investigation on each employee of the testing laboratory and maintain such due diligence files on each employee.
- (I) The testing laboratory must have physical building security in terms of surveillance systems and alarms to protect confidential information.
- (J) The testing laboratory must demonstrate that it possesses multiple units of the approved signature device(s); that it provides signatures of the approved software with each certification which will assist in the conduct of field audits of the equipment; and that the Laboratory has the ability to provide the specifications on the various software verification methods (i.e., KOBETRON, DataMan and other types of algorithms that allow checking of gaming equipment) to assist the Commission in determining which verification tools will be acceptable.
- (K) The testing laboratory must have adequate equipment to support the submissions for testing and also, additional units available for on-site inspections when laboratory presence is requested; must provide the requested signatures by taking those signatures at the Laboratory prior to storage of the storage media independent of the supplier; and a testing laboratory shall not rely on supplier-generated signatures.
- (L) During the detailed communication protocol tests that are performed on the device side and the system side, the testing laboratory must use testing tools and testing techniques that are developed in compliance with the protocol used. The testing laboratory must have the ability to develop such tools independently without having to rely on the Manufacturer for the equipment.
- (M) The testing laboratory must demonstrate that the testing it performs includes complete detailed tests to examine all external and internal functions, such as examinations of memory and communication protocol with all devices, of the gaming equipment being tested.
- (N) The testing laboratory must have a national reputation for honesty, independence, competence and timeliness.

[SOURCE: 26 Ok Reg 2192, eff 6-25-09; amended at 30 Ok Reg 1327, eff 6-27-13]

SUBCHAPTER 17. FEES AND ASSESSMENTS

325:80-17-1. Payment of fees and assessments

Applicants for any license issued by the Commission under the provisions of Chapters 80, 85 and 90 of This Title must pay all fees and assessments prescribed either by law or these Rules in the manner and at the time prescribed by law and/or these Rules. Application fees and applicable assessments for all Racetrack Gaming Operator Licenses and Recipient Racetrack Gaming Licenses must be paid by the applicant at the time that an application is filed with the Commission.

**SUBCHAPTER 19. CONSIDERATION OF LICENSE APPLICATION AND
LICENSEE DISCIPLINARY ACTIONS**

325:80-19-1. Procedures for consideration of Applications for Racetrack Gaming Operator Licenses and Independent Testing Laboratory Licenses

Applications for a Racetrack Gaming Operator License and an Independent Testing Laboratory License will be heard and issued by the Commission.

325:80-19-2. Procedures for consideration of Applications for Manufacturer, Distributor, Manufacturer/Distributor and Key Executive Licenses

Applications for a Manufacturer, Distributor, Manufacturer/Distributor and Key Executive Licenses will be determined by the Executive Director after the Commission's Law Enforcement Division completes its background investigation and, based upon that investigation, makes a recommendation to the Executive Director.

- (1) If the Law Enforcement Division recommendation is that the license be approved, the Executive Director shall grant the application by issuing a license.
- (2) If the recommendation of the Law Enforcement Division is that the license not be issued, the applicant shall be notified in writing of the recommendation and the reasons therefore. If the applicant wishes to contest the recommendation, the applicant shall, within ten (10) days of receipt of the notice, request in writing a hearing before the Executive Director. If a written request for such a hearing is not received in the Commission office by close of business on the tenth day after receipt of notice of adverse recommendation, the recommendation of the Law Enforcement Division shall be approved and no license shall be issued.
- (3) If a written request for a hearing is received in a timely manner, the Executive Director shall conduct a hearing in accordance with the Oklahoma Administrative Procedures Act and issue Findings of Fact, Conclusions of Law, and Order. If the Executive Director Rules in favor of the applicant, the matter may be disposed of by the issuance of a license without the issuance of a formal Order. Decisions adverse to the applicant are appealable to the District Court under the Oklahoma Administrative Procedures Act.

325:80-19-3. Procedures for consideration of Applications for Vendor, Vendor Employee and Gaming Employee Licenses

Applications for a Vendor, Vendor Employee or Gaming Employee License will be determined by the Commission's Board of Stewards after the Commission's Law Enforcement Division completes its background investigation and, based upon that investigation, makes a recommendation to the Board of Stewards.

- (1) If the Law Enforcement Division recommendation is that the license be approved, the Board of Stewards shall grant the application by issuing a license.
- (2) If the recommendation of the Law Enforcement Division is that the license not be issued, the applicant shall be notified in writing of the recommendation and the reasons therefore. If the applicant wishes to contest the recommendation, the applicant shall, within ten (10) days on receipt of the notice, request in writing a hearing before the Board of Stewards. If a written request for such a hearing is not received in the Commission office by close of business on the tenth day after receipt of notice of adverse recommendation, the recommendation of the Law Enforcement Division shall be approved and no license shall be issued.
- (3) If the written request is received in a timely manner, the Board of Stewards shall conduct a hearing in accordance with the Oklahoma Administrative Procedures Act and issue Findings of Fact, Conclusions of Law, and Order. If the Board of Stewards rules in favor of the applicant, the matter may be disposed of by issuing a license without the issuance of a formal Order. Decisions adverse to the applicant are appealable to the District Court under the Oklahoma Administrative Procedures Act.

325:80-19-4. Disciplinary actions against Racetrack Gaming Operator Licensees and Independent Testing Laboratories

Disciplinary actions against a Racetrack Gaming Operator Licensee and an Independent Testing Laboratory Licensee shall be conducted, after required written notice and hearing before the Commission, in the same manner as conducted in regard to Organization Licensees and in accordance with the Oklahoma Administrative Procedures Act.

325:80-19-5. Disciplinary actions against all other occupation gaming Licensees

Disciplinary actions against all other Occupation Gaming Licensees shall be conducted by the Board of Stewards using the same procedures for disciplinary action regarding Persons issued racing Occupation Gaming Licenses by the Commission. Any appeals from the Board of Stewards' decisions shall be appealable to the Commission.

**CHAPTER 85. GAMING MACHINE SPECIFICATIONS AND
USE AND OPERATION REQUIREMENTS**

SUBCHAPTER 1. GENERAL PROVISIONS

325:85-1-1. Purpose

The objective of this chapter is to provide for the regulation, implementation and enforcement of provisions of the Act that pertain to the operation of Authorized Games by Racetrack Gaming Operator Licensees.

325:85-1-2. Definitions

Unless otherwise defined below, terms used in this chapter have the same meanings as set forth in the State-Tribal Gaming Act.

"**Act**" means the State-Tribal Gaming Act enacted by the people with passage of State Question 712.

"**Authorized games**" means Electronic Amusement Games as defined in the Act, Electronic Bonanza-Style Bingo Games as defined in the Act, Electronic Instant Bingo Games as defined in the Act, Compact Electronic Games as defined in these Rules, and Non-Compact Electronic Games as defined in these Rules.

"**Central computer**" means a computer or computers to which Player Terminals may be linked to allow competition in Electronic Bonanza-Style Bingo Games;

"**Commission**" means the Oklahoma Horse Racing Commission.

"**Compact**" means a Model Compact or any other tribal-state compact entered into between the State of Oklahoma and a federally recognized Indian tribe in accordance with the Indian Gaming Regulatory Act, and which has been approved by the United States Secretary of the Interior, as evidenced by publication of the approval in the Federal Register.

"**Compact Electronic Game**" means any Gaming Machine allowed by Oklahoma law that a federally recognized Indian tribe in Oklahoma is authorized to use by virtue of a Compact.

"**Component**" means a part of a Gaming Machine that is necessary for the proper operation and essential function of the Gaming Machine, including but not limited to a hopper, coin acceptor, microprocessor and related circuitry, Program Storage Device, bill acceptor, cashless system, progressive system, monitoring system, meter, and any other parts the Commission determines are Components; a Component is necessary for the proper operation and essential function of a Gaming Machine if it affects, directly or indirectly, the Gaming Machine's operation, game outcome, security, record-keeping, or communication with the central monitoring system; parts such as light bulbs, buttons, wires, decorative glass, fuses, batteries, handles, springs, brackets, and locks are not Components if they do not directly or indirectly affect the Gaming Machine's operation, game outcome, security, record-keeping, or communication with the central monitoring system.

"**Control**," when used as a noun, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person or to exercise significant influence over management and policies due to financial investment, assumption of debts or expenses, or other monetary or non-monetary considerations extended to the applicant or Licensee; when used as a verb, "Control" means to exert, directly or indirectly, such power, or to be in a position to exert such power.

"**Electronic Amusement Game**" means a game that is played in an electronic environment in which a player's performance and opportunity for success can be improved by skill that conforms to the Standards set forth in the Act.

"**Electronic Bonanza-Style Bingo Game**" means a game played in an electronic environment in which some or all of the numbers or symbols are drawn or electronically determined before the bingo cards for that game are sold that conforms to the Standards set forth in the Act.

"**Electronic Instant Bingo Game**" means a game played in an electronic environment in which a player wins if his or her electronic instant bingo card contains a combination of numbers

or symbols that was designated in advance of the game as a winning combination. There may be multiple winning combinations in each game and multiple winning cards.

"Executive director" means the executive director of the Commission.

"Gaming agent" means a Commission employee trained in machine gaming, responsible for on-site enforcement of the Act and these Rules and other regulatory responsibilities as assigned by the Executive Director.

"Game play credits" means a method of representing value obtained from the exchange of cash or cash equivalents, or earned as a prize, in connection with the play of Authorized Games. Game Play Credits may be redeemed for cash or a cash equivalent.

"Gaming facility" means that area within an Organization Licensee's Racetrack Premises approved by the Commission that has been set aside for the use of Authorized Games and related activities and access to which is limited to patrons 18 years of age or older.

"Gaming machine" means a contrivance designed primarily for gambling purposes which for a consideration affords the player an opportunity to obtain something of value, the award of which is determined by chance, or any token, chip, paper, receipt or other document which evidences, purports to evidence or is designed to evidence participation in a lottery or the making of a bet. The fact that the prize is not automatically paid by the device does not affect its character as a gambling device.

"Independent testing laboratory" means a laboratory with a national reputation for honesty, independence, competence and timeliness that is demonstrably competent and qualified to scientifically test and evaluate devices for compliance with the Act and to otherwise perform the functions assigned to it in the Act. An Independent Testing Laboratory shall not be owned or Controlled by an Organization Licensee, an Indian tribe, the State, or any Manufacturer, supplier or operator of Gaming Machines. The use of an Independent Testing Laboratory for any purpose related to the operation of Authorized Games by an Organization Licensee under the Act shall be made from a list of one or more laboratories approved by the Commission.

"Manufacturer" means a Person who manufactures, fabricates, assembles, produces, programs, refurbishes, or makes Modification to any Gaming Machine or Component thereof, or associated Program Storage Device for sale, lease, distribution, use or play by a Racetrack Gaming Operator Licensee in the State of Oklahoma.

"Model Compact" means a tribal-state compact between the State of Oklahoma and an Indian tribe entered into pursuant to 3A., O.S., § 280 and 281.

"Modification" means a change or alteration in an approved Gaming Machine or Component thereof that affects the manner or mode of play (including the percentage paid by the Gaming Machine), as well as a change in control or graphics programs. "Modification" does not include a conversion from one approved mode of play to another approved mode of play, replacement of one game for another approved game, replacement of one Component with another pre-approved Component, or the rebuilding of a previously approved Gaming Machine with pre-approved Components.

"Non-Compact Electronic Game" means any Gaming Machine that a federally recognized Indian tribe in Oklahoma is lawfully permitted to operate without a Compact under the Indian Gaming Regulatory Act. In determining whether a Gaming Machine qualifies as a Non-Compact Electronic Game, it shall be presumed that an Indian tribe is lawfully permitted to operate such Gaming Machine if such Indian tribe is operating such Gaming Machine within the State of Oklahoma and each of the following is true: (a) the National Indian Gaming Commission has not issued a Notice of Violation related to the unlawfulness of the Gaming Machine, instituted a formal action against the Indian tribe seeking to cause the Indian tribe to cease operating the Gaming Machine due to the unlawfulness of such Gaming Machine, issued an Order of Closure related to the Gaming Machine due to the unlawfulness of such Gaming Machine, nor assessed a civil fine related to the unlawfulness of the Gaming Machine; and (b) the Oklahoma Office of State Finance has not sent formal written notice to the Indian Tribe requesting that the Indian tribe cease operating the Gaming Machine due to the unlawfulness of such Gaming Machine. This presumption is a rebuttable presumption, which shall be deemed rebutted if substantial information to the contrary is presented or available to the Commission or its Executive Director.

"Organization license" means a license issued by the Commission which authorizes the licensee to conduct a race meeting in Oklahoma and accept pari-mutuel wagers on the outcome of live and simulcast horse racing.

"Organization licensee" means any Person receiving an Organization License issued by the Commission.

"Person" means any individual, partnership, corporation, or other association or entity.

"Player Terminals" means electronic terminals housed in cabinets with input devices and video screens or electromechanical displays on which players play Authorized Games.

"Program storage device" means an EPROM (Erasable Programmable Read-Only Memory), hard drive, DVD, CD-ROM or other storage medium which is used for storing program instructions in a Gaming Machine, system or other associated equipment.

"Racetrack gaming operator license" means a license issued by the Commission which authorizes an Organization Licensee to conduct Authorized under the regulation, implementation and enforcement of the Commission.

"Racetrack gaming operator licensee" means any Organization Licensee which has been issued a Racetrack Gaming Operator License by the Commission.

"Racetrack premises" means the property that is owned or leased by the Organization Licensee that is used for racetrack purposes.

"Rules" means the Commission's *Rules for Racetrack Gaming*.

"Standards" means the descriptions and specifications of Electronic Amusement Games, Electronic Bonanza-Style Bingo Games, and Electronic Instant Bingo Games, or Components thereof, as set forth in the Act, including technical specifications for Component parts, requirements for cashless transaction systems, software tools for security and audit purposes, and procedures for operation of such games.

"State" means the State of Oklahoma.

"This Title" means Title 325 of the Oklahoma Administrative Code.

"Use and operation requirements" means (a) with respect to Electronic Amusement Games, Electronic Bonanza-Style Bingo Games and Electronic Instant Bingo Games, the use and operation requirements set forth in Subchapter 17, and (b) with respect to Compact Electronic Games and Non-Compact Electronic Games, the use and operation requirements set forth in Subchapter 19.

SUBCHAPTER 3. AUTHORIZED GAMES

325:85-3-1. Types of Authorized Games

Subject to all provisions of the Act, including, but not limited to, limitations on the number of Player Terminals, a Racetrack Gaming Operator Licensee is authorized to conduct the following types of machine gaming, generally referred to as "Authorized Games", are":

- (1) "Electronic Amusement Game" as defined in the Act.
- (2) "Electronic Bonanza-Style Bingo Game" as defined in the Act.
- (3) "Electronic Instant Bingo Game" as defined in the Act.
- (4) "Compact Electronic Game" as defined in these Rules.
- (5) "Non-Compact Electronic Game" as defined in these Rules.

325:85-3-2. Waiver by Commission

The Commission shall have the power to waive any requirement set forth in these Rules (including without limitation the rules set forth in Chapters 80, 85 and 90) if the Commission finds that such waiver is in the best interest of the public and the horse racing industry of the State of Oklahoma. The Executive Director shall have the power to waive any Use and Operation Requirements if the Executive Director finds such waiver is in the best interest of the public and the horse racing industry of the State of Oklahoma.

SUBCHAPTER 5. ELECTRONIC AMUSEMENT GAMES SPECIFICATIONS

325:85-5-1. Required specifications

Electronic Amusement Games must meet the following specifications:

- (1) Electronic Amusement Games shall be played through the use of Player Terminals which, following the payment of a fee, present games in which the player can win prizes in a format in which a player's performance can be improved by skill.
- (2) Electronic Amusement Games are games in which a player's performance can be improved by skill. Each Player Terminal employed in an Electronic Amusement Game shall only offer games that meet the following minimum standards:
 - (A) Each Electronic Amusement Game must require decisions or actions by players that could affect the result of the game;
 - (B) No auto-hold, "smart-hold," or similar feature shall be employed which permits the Player Terminal to automatically determine optimum play or make decisions for players;
 - (C) Each Player Terminal must prominently display either on the Player Terminal or on a help screen:
 - (i) the rules of the game and instructions and other information regarding the concept of the game so that a novice player can understand how to improve his or her performance, and
 - (ii) possible winning combinations based on the amounts paid to play the game and the other information required in this section. Such information may not be incomplete, confusing or misleading;
 - (D) In Electronic Amusement Games in which players are competing against others, the players shall be informed about whether and how winning prizes will be shared; and
 - (E) No Electronic Amusement Game shall base its outcome on the number or ratio of prior wins to prior losses or any other factor relating to the profit or revenues retained by the operator from prior plays of the game.
- (3) Following any play on a Player Terminal, data shall be maintained electronically and shall be viewable either electronically or by printed report. Such data shall provide basic information regarding the amount paid in, the game played, the result, and the prize awarded, if any.
- (4) Player Terminals must be operated either through the insertion of coins or currency, cash voucher, or through the use of a cashless transaction system. The available games must be displayed on the Player Terminal's video screen or otherwise prominently displayed on the Player Terminal. The rules of the game also must be displayed either prominently on the Player Terminal or on a help screen, and include sufficient information to alert novice players on the concept of the game so that a novice player can understand how to improve his or her performance. Depending on the game selected, the player must physically interact with the screen (through touch screen technology) or by depressing or activating buttons or other input devices, to cause an intended result.
- (5) Following play on a Player Terminal, the result shall be displayed and prizes awarded. Prizes may be dispensed in the form of cash, coin, cash voucher, merchandise or through a cashless transaction system.
- (6) Every play of the game shall be recorded, monitored and regulated to ensure full accountability and integrity of play, in accordance with the provisions of the Act and the Use and Operation Requirements.
- (7) For auditing and security purposes, any Electronic Amusement Game shall include and have available a secure software tool that conforms to the Use and Operation Requirements to audit the software of each Electronic Amusement Game. Such tool shall be used only during authorized audits of Electronic Amusement Games, or in cases of player disputes.

SUBCHAPTER 7. ELECTRONIC BONANZA-STYLE BINGO GAMES SPECIFICATIONS

325:85-7-1. Required specifications

Electronic Bonanza-Style Bingo Games must meet the following specifications:

- (1) Electronic Bonanza-Style Bingo Games authorized by the Act shall only be conducted using a system which uses linked Player Terminals which allow players to purchase and play electronic bonanza-style bingo cards. Players compete, following the payment of a fee, to be the first player to cover a previously designated bingo pattern using a set of numbers or symbols at least some of which were drawn or electronically determined before the sale of bingo cards began. The first player to cover the game-winning pattern wins the game-winning prize. Interim and consolation prizes also may be awarded.
- (2) Player Terminals must be operated either through the insertion of coins or currency, cash voucher, or through the use of a cashless transaction system. The available games must be displayed on the Player Terminal's video screen or otherwise prominently displayed on the Player Terminal. The rules of the game also must be displayed either prominently on the Player Terminal or a help screen.
- (3) After the player purchases a bingo card, the Player Terminal must cover any numbers or symbols on the player's bingo card that match numbers or symbols previously drawn or electronically determined for that game.
- (4) Although the results of the bingo game may be shown using entertaining video and/or mechanical displays, the player have the option to view the electronic bingo card and current ball draw on the video screen of the Player Terminal.
- (5) Following play on a Player Terminal, the result shall be displayed and prizes awarded. Prizes may be dispensed in the form of cash, coin, cash voucher, merchandise or through a cashless transaction system.

SUBCHAPTER 9. ELECTRONIC INSTANT BINGO GAMES SPECIFICATIONS

325:85-9-1. Required specifications

Electronic Instant Bingo Games must meet the following specifications:

- (1) Electronic Instant Bingo Games authorized by the Act shall only use Player Terminals which allow players to purchase and play electronic instant bingo cards. Players receive, after the payment of a fee, an electronic instant bingo card. A player wins if his or her card contains a combination of numbers or symbols that was designated in advance of the game as a winning combination. There may be multiple winning combinations in each game and multiple winning cards.
- (2) Player Terminals must be operated either through the insertion of coins or currency, cash voucher, or through the use of a cashless transaction system. The available games must be displayed on the Player Terminal's video screen or otherwise prominently displayed on the Player Terminal. The rules of the game also must be displayed either prominently on the Player Terminal or on a help screen.
- (3) After the player purchases an electronic instant bingo card, the combination of numbers or symbols on that card is revealed to the player.
- (4) The results of the electronic instant bingo card may be shown to the player using entertaining video and/or mechanical displays.
- (5) Following play on a Player Terminal, the result must be displayed and prizes awarded. Prizes may be dispensed in the form of cash, coin, cash voucher, merchandise or through a cashless transaction system.

**SUBCHAPTER 11. REQUIRED CERTIFICATION AND APPROVAL OF
ELECTRONIC AMUSEMENT GAMES, ELECTRONIC BONANZA-STYLE BINGO GAMES
AND ELECTRONIC INSTANT BINGO GAMES**

325:85-11-1. Certification by Independent Testing Laboratory and Commission approval required

(a) Before any Electronic Amusement Game, Electronic Bonanza-Style Bingo Game, or Electronic Instant Bingo Game, or any Component thereof, may be placed into operation by a Racetrack Gaming Operator Licensee, the Racetrack Gaming Operator Licensee shall first have obtained and submitted to the Commission or the Executive Director a written certification from the Manufacturer that upon installation, each such game or Component thereof:

- (1) Conforms to the Standards contained in Act and to the Use and Operation Requirements all as certified by an Independent Testing Laboratory;
- (2) Can be used with Components manufactured by others in accordance with open architectural and communication standards, platform and protocols approved by the Commission that promotes competition among Manufacturers and Vendors of equipment and Components for such games; and
- (3) Operates in accordance with the Standards contained in the Act and with the Use and Operation Requirements.

(b) Further, before any Electronic Amusement Game, Electronic Bonanza-Style Bingo Game, or Electronic Instant Bingo Game, or Component thereof, may be placed into operation, Commission or Executive Director approval is required. The Commission or Executive Director shall review and approve an Electronic Amusement Game, Electronic Bonanza-Style Bingo Game, or Electronic Instant Bingo Game, or any Component thereof, based solely on (a) the Standards, subject to modification in accordance with subsection B of 268 of Title 3A, (b) the Use and Operation Requirements, and (c) the certification received from the Independent Testing Laboratory.

325:85-11-1.1. Certification reciprocity

A Racetrack Gaming Operator Licensee may rely on any certification of an Electronic Amusement Game, Electronic Bonanza-Style Bingo Game, or Electronic Instant Bingo Game, or Component thereof, previously approved by the Commission for any other Racetrack Gaming Operator Licensee. The Racetrack Gaming Operator Licensee may also rely on any certification of an Electronic Amusement Game, Electronic Bonanza-Style Bingo Game, or Electronic Instant Bingo Game, or Component thereof, obtained by any Indian tribe operating under a Model Compact and approved pursuant to the provisions of the Act.

325:85-11-5. Submission of prototype for testing by Independent Testing Laboratory required

(a) A prototype of an Electronic Amusement Game, Electronic Bonanza-Style Bingo Game, or Electronic Instant Bingo Game, or any Component thereof, which a Racetrack Gaming Operator Licensee intends to offer for play shall be tested and certified by an Independent Testing Laboratory as meeting the Standards contained in the Act and the Use and Operation Requirements.

(b) A Racetrack Gaming Operator Licensee shall provide, or require that the Manufacturer or Vendor provide to the Independent Testing Laboratory a written request as to each game for which certification is sought, any fees required to be deposited with the Independent Testing Laboratory, and, on a confidential basis: two (2) copies of the game illustrations, schematics, block diagrams, circuit analyses, technical and enterprise manuals, program object and source codes, hexadecimal dumps (the compiled computer program represented in base 16 format), and any other information requested by the Independent Testing Laboratory. The Racetrack Gaming Operator Licensee shall send copies of the requests for certification to the Commission when made and shall make all materials submitted to the Independent Testing Laboratory available to the Commission upon request. Any materials so submitted which are designated by the

Manufacturer or Vendor as proprietary shall remain confidential and shall not be subject to the disclosure requirements of the Oklahoma Open Records Act.

(c) If requested by the Independent Testing Laboratory, the Racetrack Gaming Operator Licensee shall require the Manufacturer or Vendor to transport not more than two (2) working models of the game for which certification is sought to a location designated by the Independent Testing Laboratory for testing, examination, and/or analysis. Neither the State nor the Independent Testing Laboratory shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the Components of the game. If requested by the Independent Testing Laboratory, the Racetrack Gaming Operator Licensee shall require the Manufacturer or Vendor to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination, and/or analysis. At the conclusion of each test, the Independent Testing Laboratory shall provide to the Commission a report that contains findings, conclusions and a certification that the game conforms or fails to conform to the Standards contained in the Act. If the Independent Testing Laboratory determines that the game fails to conform to such Standards, and if Modifications can be made which would bring the game into compliance, the report may contain recommendations for such Modifications. The Independent Testing Laboratory shall retest for compliance following such Modifications. The Independent Testing Laboratory shall report all findings and conclusions to the Racetrack Gaming Operator Licensee, the Manufacturer/Vendor and the Commission provided that at any time prior to issuance of a final report by the Independent Testing Laboratory, the Racetrack Gaming Operator Licensee may instruct it to terminate the process, in which case no report shall be made.

325:85-11-8.1. Procedures for Commission approval of Gaming Machines and Components

(a) The Commission, through the Executive Director, shall review and approve a proposed Electronic Amusement Game, Electronic Bonanza-Style Bingo Game, or Electronic Instant Bingo Game, or any Component thereof, based solely on (1) the Standards, subject to modification in accordance with subsection B of 268 of Title 3A, (2) the Use and Operation Requirements, and (3) the report and certification received from the Independent Testing Laboratory. The Commission's review shall be completed within twenty (20) days of receipt of: (1) the report and certification from the Independent Testing Laboratory, or (2) evidence that the Gaming Machine or Component thereof is entitled to reciprocity pursuant to Section 325:85-11-2. With respect to Modifications to previously approved games, the Commission's review shall be completed within ten (10) days of the receipt of the certification of the Modification.

(b) The game shall be deemed approved if the Executive Director does not disapprove the proposed game within the twenty (20) day or ten (10) day period, as may be applicable. If within the twenty (20) day or ten (10) day periods described in this section, the Executive Director gives notice to the Racetrack Gaming Operator Licensee that it has disapproved a proposed game, such game shall not be placed in any Gaming Facility or, if already there, shall be removed or taken offline for play, to allow time for an appeal to be made in accordance with the applicable appeal process if an appeal is sought. The sole issue in the appeal process shall be whether the game, or a Component thereof, meets the Standards and the Use and Operation Requirements. The Executive Director and Commission staff shall have the authority to discuss the Independent Testing Laboratory's report with representatives of the Independent Testing Laboratory without any cost to the Commission and to physically review any game as part of the applicable appeal process.

325:85-11-9. Submitting Modifications to a previously certified item

No Modification to any Electronic Amusement Game, Electronic Bonanza-Style Bingo Game, or Electronic Instant Bingo Game, or Component thereof, may be made by a Racetrack Gaming Operator Licensee after it is tested, certified and approved, without certification of the Modification by the Independent Testing Laboratory and approval thereof by the Commission, through the Executive Director. In situations where immediate Modifications are necessary to preserve the

integrity of a game that has been operating pursuant to an approval obtained under this section, the Independent Testing Laboratory may issue an emergency certification of the Modification based on information provided to it by the Racetrack Gaming Operator Licensee or obtained independently, so long as such certification must be issued immediately to preserve the integrity of the game, and such certification would likely be issued under ordinary circumstances. Such emergency certifications shall be deemed to be temporarily approved by the Commission and remain in effect until the Commission takes final action under this section on the certification.

325:85-11-12. Procedures for appeal of decision disapproving Gaming Machines or Components

Appeals from a disapproval by the Executive Director shall be made to the District Court in accordance with the Oklahoma Administrative Procedures Act.

SUBCHAPTER 12. REQUIRED CERTIFICATION AND VERIFICATION OF COMPACT ELECTRONIC GAMES AND NON-COMPACT ELECTRONIC GAMES

325:85-12-1. Certification by Independent Testing Laboratory and Commission approval required

(a) Before any Compact Electronic Game or Non-Compact Electronic Game, or Component thereof, may be placed into operation by a Racetrack Gaming Operator Licensee, the Racetrack Gaming Operator Licensee shall first have obtained and submitted to the Commission or the Executive Director a written certification from the Manufacturer containing:

- (1) A statement that upon installation, such game or Component thereof, is the same as a game that is being operated by a federally recognized Indian tribe in Oklahoma;
- (2) A statement that such game conforms to the Use and Operation Requirements, as certified by an Independent Testing Laboratory;
- (3) The name of the Indian tribe referred to in the preceding clause, and the location of the Indian tribe's facility within the State of Oklahoma where such game is being operated;
- (4) A statement as to whether such game is being operated pursuant to a Compact, and if so including a copy of such Compact; and
- (5) If such game is being operated pursuant to a Compact and if such Compact requires that the game be certified by a testing laboratory, a copy of the certificate required by the Compact (it being acknowledged that the testing laboratory preparing such certificate must meet the qualifications, if any, contained in the Compact).

(b) Upon receipt of the certification, the Commission or Executive Director shall review and approve a proposed Compact Electronic Game or Non-Compact Electronic Game, or Component thereof, shall include consideration of the following: (a) the certification of the Manufacturer that the game is the same as a game that is being operated by a federally recognized Indian tribe in Oklahoma, (b) the certification of the Independent Testing Laboratory that such game conforms to the Use and Operation Requirements, and (c) if such game is being operated pursuant to a Compact and if such Compact requires that the game be certified by a testing laboratory, the Commission's or Executive Director's receipt of a copy of the certificate required by the Compact (it being acknowledged that the testing laboratory preparing such certificate must meet the qualifications, if any, contained in the Compact).

325:85-12-2. Certification reciprocity

A Racetrack Gaming Operator Licensee may rely on any certification of a Compact Electronic Game or Non-Compact Electronic Game, or Component thereof, previously approved by the Commission for any other Racetrack Gaming Operator Licensee. The Racetrack Gaming Operator Licensee may also rely on any certification of a Compact Electronic Game or Non-Compact Electronic Game, or Component thereof, obtained by an Indian tribe and approved pursuant to the provisions of the Act.

325:85-12-3. Submission of Prototype for testing by Independent Testing Laboratory required

(a) A prototype of a Compact Electronic Game or Non-Compact Electronic Game, or Component thereof, which a Racetrack Gaming Operator Licensee intends to offer for play shall be tested and certified by an Independent Testing as conforming to the Use and Operation Requirements.

(b) A Racetrack Gaming Operator Licensee shall provide, or require that the Manufacturer or Vendor provide, to the Independent Testing Laboratory a written request as to each game for which certification is sought, any fees required to be deposited with the Independent Testing Laboratory, and, on a confidential basis, all information requested by the Independent Testing Laboratory in order to make such a determination. The Racetrack Gaming Operator Licensee shall send copies of the requests for certification to the Commission when made and shall make all materials submitted to the Independent Testing Laboratory available to the Commission upon request. Any materials so submitted which are designated by the Manufacturer or Vendor as proprietary shall remain confidential and shall not be subject to the disclosure requirements of the Oklahoma Open Records Act.

(c) If requested by the Independent Testing Laboratory, the Racetrack Gaming Operator Licensee shall require the Manufacturer or Vendor to transport not more than two (2) working models of the game for which certification is sought to a location designated by the Independent Testing Laboratory for testing, examination, and/or analysis. Neither the State nor the Independent Testing Laboratory shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the Components of the game. If requested by the Independent Testing Laboratory, the Racetrack Gaming Operator Licensee shall require the Manufacturer or Vendor to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination, and/or analysis. At the conclusion of each test, the Independent Testing Laboratory shall provide to the Commission a report that contains findings, conclusions and a certification that the game conforms or fails to conform to the Use and Operation Requirements. If the Independent Testing Laboratory determines that the game fails to satisfy such requirements, and if Modifications can be made which would bring the game into compliance, the report may contain recommendations for such Modifications. The Independent Testing Laboratory shall retest for compliance following such Modifications. The Independent Testing Laboratory shall report all findings and conclusions to the Racetrack Gaming Operator Licensee, the Manufacturer/Vendor and the Commission, provided that at any time prior to issuance of a final report by the Independent Testing Laboratory, the Racetrack Gaming Operator Licensee may instruct it to terminate the process, in which case no report shall be made.

325:85-12-4. Procedures for Commission approval of Gaming Machines and Components

(a) The Commission, through the Executive Director, shall review and approve a proposed Compact Electronic Game or Non-Compact Electronic Game, or Component thereof, based solely on the reports and certifications received from the Manufacturer and the Independent Testing Laboratory, and if such game is being operated pursuant to a Compact and if such Compact requires that the game be certified by a testing laboratory, the Commission's or Executive Director's receipt of a copy of the certificate required by the Compact (it being acknowledged that the testing laboratory preparing such certificate must meet the qualifications, if any, contained in the Compact). The Commission's review shall be completed within twenty (20) days of receipt of: (1) the reports and certifications from the Manufacturer and the Independent Testing Laboratory, or (2) evidence that the Gaming Machine or Component thereof is entitled to reciprocity pursuant to Section 325:85-13-2. With respect to Modifications to previously verified games, the Commission's review shall be completed within ten (10) days of the receipt of the certification of the Modification.

(b) The game shall be deemed approved if the Executive Director does not disapprove the proposed game within the twenty (20) day or ten (10) day period, as may be applicable. If within the twenty (20) day or ten (10) day periods described in this section, the Executive Director gives notice to the Racetrack Gaming Operator Licensee that it has disapproved a proposed game, such game shall not be placed in any Gaming Facility or, if already there, shall be removed or taken offline for play, to allow time for an appeal to be made in accordance with the applicable

appeal process if an appeal is sought. The sole issue in the appeal process shall be whether the game, or a Component thereof, is the same as a game that is being operated by a federally recognized Indian tribe in Oklahoma and conforms to the Use and Operation Requirements. The Executive Director and Commission staff shall have the authority to discuss the Independent Testing Laboratory's report with representatives of the Independent Testing Laboratory without any cost to the Commission and to physically review any game as part of the applicable appeal process.

325:85-12-5. Submitting Modifications to a previously certified item

No Modification to any Compact Electronic Game or Non-Compact Electronic Game, or Component thereof, may be made by a Racetrack Gaming Operator Licensee after it is tested, certified and approved, without certification of the Modification by the Manufacturer (stating that the game as modified is the same as a game being operated by a federally recognized Indian tribe in Oklahoma) and by the Independent Testing Laboratory (stating that the game conforms to the Use and Operation Requirements) and approval thereof by the Commission, through the Executive Director. In situations where immediate Modifications are necessary to preserve the integrity of a game that has been operating pursuant to an approval obtained under this section, the Independent Testing Laboratory may issue an emergency certification of the Modification based on information provided to it by the Racetrack Gaming Operator Licensee or obtained independently, so long as such certification must be issued immediately to preserve the integrity of the game, and such certification would likely be issued under ordinary circumstances. Such emergency certifications shall be deemed to be temporarily approved by the Commission and remain in effect until the Commission takes final action under this section on the certification.

325:85-12-6. Procedures for appeal of decision disapproving Gaming Machines or Components

Appeals from a disapproval by the Executive Director shall be made to the District Court in accordance with the Oklahoma Administrative Procedures Act.

SUBCHAPTER 13. CASHLESS TRANSACTIONS

325:85-13-1. General cashless transaction requirements

- (a) The following standards shall be met in connection with any cashless transaction system:
- (1) All player account information must be stored on at least two (2) separate nonvolatile media;
 - (2) An audit file must be kept of all financial transactions against the account. This file must be stored in at least two (2) separate nonvolatile media, and be accessible for purposes of audit and disputes resolution to authorized individuals. This file must be available on-line for a minimum of thirty (30) days, after which it must be available off-line for a minimum of one hundred eighty (180) days;
 - (3) Access controls must be in place to guarantee that unauthorized individuals will not have access to account information or history;
 - (4) Passwords or personal identification numbers (PINs), if used, must be protected from unauthorized access;
 - (5) All means for communicating information within the system shall conform to the Standards and the Use and Operation Requirements;
 - (6) Player accounts shall follow accounting procedures which are designed to verify and protect the accurate recording of all player transactions;
 - (7) Any card or other tangible instrument issued to a player for the purpose of using the cashless transaction system shall bear on its face a control or inventory number unique to that instrument;
 - (8) Encoded bearer instruments printed or magnetic may include coupons and other items distributed or sold for game play, promotional, advertising or other purposes, but may not

include cash. Such instruments must be in electronically readable form in addition to having unique identification information printed on the instrument face. The daily and monthly reporting must include with respect to such instruments:

- (A) cash converted to Game Play Credits,
- (B) outstanding unredeemed balance,
- (C) Game Play Credits converted to cash,
- (D) Game Play Credits used, and
- (E) Game Play Credits won;

(9) All customer accounts or instruments must have a redemption period of at least fourteen (14) days; and

(10) No ATM card, financial institution debit card or credit card shall be used as part of any cashless transaction system.

(b) Any "smart card" system which the licensee intends to implement as part of the cashless transaction system shall be tested by an Independent Testing Laboratory approved by the Commission to ensure the integrity of player funds. Any smart card must store on the card or on the system using the card an audit trail of the last ten (10) transactions involving the use of the card. Each transaction record must include, at a minimum, the type of transaction, the amount of the transaction, the date of the transaction, the time of the transaction, and the identification of the Player Terminal or cashier terminal or other points of cash exchange where the transaction occurred. The minimum daily and monthly reporting for smart card activity must include:

- (1) Total of cash transferred to smart cards;
- (2) Total of smart card amounts transferred to cash;
- (3) Total of smart card amounts transferred to Game Play Credits;
- (4) Total of Game Play Credits transferred to smart card amounts; and
- (5) Total unredeemed smart card balance.

(c) Systems shall be permissible that allow player tracking, maintenance tracking, and other gaming management or marketing functions. These systems shall not interfere with, or in any way affect, the outcome of any game being played or the accuracy of any information or records required to be maintained or reported by the Use and Operation Requirements or applicable law.

325:85-13-4. Security requirements

The communication process used by the Player Terminal and the host system must be robust and stable enough to secure each cashless transaction such that failure event(s) can be identified and logged for subsequent audit and reconciliation.

325:85-13-5. Prevention of unauthorized transactions

Sufficient controls shall be implemented by the host system to ensure that games are prevented from responding to commands for crediting outside of properly authorized cashless transactions (hacking). Sufficient controls must be in place to allow all cashless diagnostic activity that affects the Player Terminal's associated electronic meters to be audited by the Commission and those acting on its behalf.

325:85-13-6. Diagnostic Tests on a Cashless Player Terminal

Sufficient controls must be in place to allow all cashless diagnostic activity that affects the Player Terminal's associated electronic meters to be audited by the Commission and those acting on its behalf.

325:85-13-7. Transaction auditing

The system shall have the ability to produce logs and reports in both electronic form and hard copy for all pending and completed cashless transactions. These logs and reports shall be capable of being filtered by:

- (1) Machine number;
- (2) Patron account; and
- (3) Time/date

325:85-13-8. Financial and player reports

The system shall have the ability to produce the following financial and player reports, both in electronic form and hard copy:

- (1) Patron Account Summary and Detail Reports. These reports shall be immediately available to a patron upon request. These reports shall include beginning and ending account balance, transaction information depicting Player Terminal number, amount, and date/time.
- (2) Liability Report. This report shall include the previous day's starting value of outstanding cashless liability, aggregate cashless-in and out totals, and ending cashless liability.
- (3) Cashless Meter Reconciliation Summary and Detail Reports. These reports shall reconcile each participating Player Terminal's cashless meter(s) against the host system's cashless activity.
- (4) Cashier Summary and Detail Reports. These reports shall include patron account, buy-ins and cash-out, amount of transaction, and date and time of transaction.

**SUBCHAPTER 15. USE AND OPERATION REQUIREMENTS APPLICABLE TO
ELECTRONIC AMUSEMENT GAMES, ELECTRONIC BONANZA-STYLE BINGO GAMES
AND ELECTRONIC INSTANT BINGO GAMES**

325:85-15-0. Applicability

The Use and Operation Requirements set forth in this Subchapter 17 shall apply only to Electronic Amusement Games, Electronic Bonanza-Style Bingo Games and Electronic Instant Bingo Games. The Use and Operation Requirements set forth in this Subchapter 17 shall not apply to Compact Electronic Games or Non-Compact Electronic Games.

325:85-15-1. General Player Terminal specifications

Player Terminals shall conform to the following standards:

- (1) No Player Terminal shall be capable of being used as a stand-alone unit for the purposes of engaging in any game not permitted by the Act;
- (2) In addition to a video monitor or other electromechanical display, each Player Terminal may have one or more of the following: a printer, graphics and signage;
- (3) Each Player Terminal may have one or more of the following: electronic buttons, touch screen capability, and a mechanical, electromechanical or electronic means of activating the game and providing player input, including a means for making player selections and choices in games;
- (4) Each Player Terminal shall have a nonvolatile backup memory or its equivalent, which shall be maintained in a secure compartment on each Player Terminal for the purpose of storing and preserving a redundant set of critical data which has been error checked in accordance with the Act, and which data shall include, at a minimum, the following Player Terminal information:
 - (A) electronic meters required in the Act;
 - (B) recall of all wagers and other information associated with the last ten (10) plays, and
 - (C) error conditions that may have occurred on the Player Terminal;
- (5) An on/off switch that controls the electrical current that supplies power to the Player Terminal, which must be located in a secure place that is readily accessible within the interior of the Player Terminal;
- (6) The operation of each Player Terminal must not be adversely compromised or affected by static discharge, liquid spills, or electromagnetic interference;
- (7) A Player Terminal must have electronic accounting meters which have tally totals to a minimum of seven (7) digits and be capable of rolling over when the maximum value of at

least 9,999,999 is reached. The Player Terminal must provide a means for on-demand display of the electronic meters via a key switch or other secure method on the exterior of the machine. Electronic meters on each Player Terminal for each of the following data categories are required:

- (A) credits, or equivalent monetary units, deposited on a cumulative basis on that Player Terminal,
 - (B) if a Player Terminal offers more than one Electronic Bonanza-Style Bingo Game or Electronic Amusement Game for play, then for each game, the meter shall record the number of credits, or equivalent monetary units, wagered and won for each game,
 - (C) hand-paid and progressive jackpots paid for that Player Terminal, which must include the cumulative amounts paid by an attendant for any such jackpot not otherwise metered pursuant to subparagraph (b) of these rules.
 - (D) the number of games played on the Player Terminal, and
 - (E) the number of times the cabinet door is opened or accessed;
- (8) Under no circumstances shall the Player Terminal electronic accounting meters be capable of being automatically reset or cleared, whether due to an error in any aspect of its or a game's operation or otherwise. All meter readings must be recorded and dated both before and after an electronic accounting meter is cleared;
- (9) At a minimum, each Player Terminal shall have the following game information available for display on the video screen and/or displayed on the Player Terminal itself, in a location conspicuous to the player:
- (A) the rules of the game being played,
 - (B) the maximum and minimum cost of a wager, purchase or play activation and the amount of credits, or cash equivalents, which may be won for each game offered through that Player Terminal,
 - (C) the player's credit balance,
 - (D) the outcome of the game then being played, and
 - (E) any prize won on the game then being played;
- (10) The video screen or other means for displaying game rules, outcomes and other game information shall be kept under a glass or other transparent substance which places a barrier between the player and the actual surface of the display. At no time may stickers or other removable media be placed on the Player Terminal's face for purposes of displaying rules or payouts;
- (11) No hardware switches may be installed on a Player Terminal or any associated equipment which may affect the outcome or payout of any game for which the Player Terminal is used. Switches may be installed to control the ergonomics of the Player Terminal; and
- (12) Where the system or Components are linked with one another in a local network for progressive jackpot, function sharing, aggregate prizes or other purposes, communication protocols must be used which ensure that erroneous data or signals will not adversely affect the operations of any such system or Components.

325:85-15-3. General Player Terminal requirements

For Player Terminals connected to a game server, the following Standards shall apply:

- (1) The game server shall generate and transmit to the bank of Player Terminals a set of random numbers, color and/or symbols, some of which are drawn prior to the sale of bingo cards. The subsequent game results are determined at the Player Terminal and the resulting information is transmitted to the account server.
- (2) The game servers shall be housed in a game server room or secure locked cabinet outside of the Player Terminal.
- (3) The following are the Bonanza-Style Bingo Game Server requirements for ball drawing:
 - (A) The balls shall be drawn via an approved electronic RNG certified for use in the game of Bingo or be drawn by an approved Mechanical RNG (such as a ball blower);
 - (B) The Racetrack Gaming Operator Licensee shall have no discretion over which balls are drawn; and

(C) The Game Server shall have the ability to pre-draw and transmit the drawn balls to the individual Player Terminals prior to the sale of cards for that game, provided that it is understood that not all balls need to be pre-drawn.

325:85-15-4. Terminal security

The Player Terminal must be able to withstand forced entry, unless such entry causes an error condition.

325:85-15-8. Player Terminal identification

(a) A Player Terminal shall have an identification badge, designed to be non-removable, affixed to the exterior of the cabinet by the Manufacturer, and this badge shall include information sufficient to allow the Commission to determine the following:

- (1) The Manufacturer;
- (2) The Player Terminal's unique serial number;
- (3) The Player Terminal model number; and
- (4) The date of manufacture.

(b) The Commission may also affix to each Player Terminal on the premises a Commission identification tag.

325:85-15-9. Tower light

The Player Terminal shall have a light located conspicuously on top that automatically illuminates when a player has won an amount or is redeeming credits that the Player Terminal cannot automatically pay, or an error condition has occurred (including 'Door Open'), or a 'Call Attendant' condition has been initiated by the player. An audible alarm may be substituted for this requirement.

325:85-15-10. Power surges

The Player Terminal shall not be adversely affected by surges or dips of $\pm 20\%$ of the supply voltage other than resets that do not result in damage to the equipment or loss or corruption of data.

325:85-15-11. Coin diverter

For games that accept coins or tokens, the Player Terminal must use a coin 'Diverter' that directs coins to the hopper, or to the drop box when the hopper is full. The hopper full detector shall be monitored by the control program to determine whether a change in Diverter status is required. If the state of the detector changes, the Diverter shall operate as soon as possible, or within ten games, after the state change, without causing a disruption of coin flow, or creating a coin jam. Hopperless Player Terminals shall always divert coins to the drop box.

325:85-15-12. Drop box

If the game is equipped to accept coins or tokens, then the following rules must be met:

- (1) Each Player Terminal equipped to accept coins or tokens shall contain a separate drop bucket or drop box to collect and retain all such coins or tokens that are diverted into the drop box;
- (2) A drop bucket shall be housed in a locked compartment separate from any other compartment of the Player Terminal; and
- (3) There must be a method to monitor the drop box area, even if manufactured by a different company.

325:85-15-13. External doors/compartments

The following requirements shall apply to the Player Terminal's external doors:

- (1) Doors shall be manufactured of materials that are suitable for allowing only legitimate access to the inside of the cabinet. That is, doors and their associated hinges shall be capable of withstanding determined illegal efforts to gain access to the inside of the Player Terminal and shall leave evidence of tampering if an illegal entry is made;
- (2) All external doors shall be locked and monitored by door access sensors, which shall detect and report all external door openings, both to the Player Terminal by the way of an error and to an on-line system. The drop box door open does not have to cease game play; however, it must still illuminate the tower light or alarm and notify the on-line system;
- (3) It shall not be possible to insert a device into the Player Terminal that will disable a door open sensor when the machine's door is closed, without leaving evidence of tampering; and
- (4) The sensor system shall register a door as being open when the door is moved from its fully closed and locked position.

325:85-15-14. Logic compartment

The logic compartment is a locked cabinet area(s) with its own locked door - which houses critical electronic components that have the potential to significantly influence the operation of the Player Terminal. There may be more than one such logic compartment in a Player Terminal.

- (1) CPUs and other electronic Components involved in the operation and calculation or display of game play (e.g., game controller electronics and Components housing the game or system firmware program storage media) must be housed in a logic component.
- (2) Communication controller electronics, and Components housing the communication program storage media or the communication board for the on-line system, need not be housed in a logic compartment and may reside outside the Player Terminal.
- (3) The logic compartment(s) shall be locked with a separate key kept by a Gaming Agent. A Gaming Agent must be personally present any time a logic compartment is opened, and only the Gaming Agent may insert and use the logic compartment key.

325:85-15-15. Coin and currency compartments

The coin and currency compartments shall be locked separately from the main cabinet area, except that a separate cash compartment shall not be required for coins necessary to pay prizes in a Player Terminal that pays prizes through a drop hopper. Coin and currency compartments must also meet the following requirements:

- (1) Access to the currency storage area shall be secured via separate key locks and shall be fitted with sensors that report to an on-line system that the door has opened/closed or the bill stacker has been removed.
- (2) Access to the currency storage area shall be through two levels of locks, the relevant outer door plus one other door or lock, before the receptacle or currency can be removed.

325:85-15-16. Function of a Random Access Memory (RAM) Clear

Following the initiation of a RAM reset procedure (using a certified RAM Clear method), the game program shall execute a routine, which initializes each and every bit in RAM to the default state. For games that allow for partial RAM clears, the methodology in doing so must be accurate and the game must validate the un-cleared portions of RAM. The default reel position or game display after a RAM reset shall not be the top award on any selectable line. The default game display, upon entering game play mode, shall also not be the top award. This applies to the base game only and not any secondary bonus devices.

325:85-15-17. Configuration setting

It shall not be possible to change a configuration setting that causes an obstruction to the electronic accounting meters without a RAM Clear. Any such change must be done by a secure means, which includes access to the locked logic compartment.

325:85-15-18. Critical memory defined

Critical memory is used to store all data that is considered vital to the continued operation of the Player Terminal. This includes, but is not limited to:

- (1) All electronic meters required in 'Electronic Metering within the Player Terminal,' including last bill data and power up and door open metering;
- (2) Current credits;
- (3) Player Terminal/game configuration data;
- (4) Information pertaining to the last ten plays with the Random Number Generator outcome, including the current game, if incomplete; and
- (5) Software state, the last normal state the Player Terminal software was in before interruption.

325:85-15-19. Critical memory integrity

Comprehensive checks of Critical Memory shall be made during each Player Terminal restart such as power-up cycle. The Player Terminal control program shall test for possible corruption of Critical Memory. Test methodology shall detect 99.99 percent of all possible failures. In addition, all Critical Memory (Non-Volatile) shall:

- (1) Have the ability to retain data for a minimum of thirty days after power is discontinued from the machine.
- (2) Only be cleared by accessing the locked logic compartment in which it's housed;
- (3) Result in a RAM Error if the control program detects an unrecoverable memory error; and
- (4) The RAM should not be cleared automatically, but shall require a full RAM clear (RAM Reset) performed by an authorized Person.

325:85-15-20. Program Storage Devices

All Program Storage Devices, including EPROMs, DVD, CD-ROM, Compact Flash and any other type of Program Storage Devices, shall be clearly marked with sufficient information to identify the software and revision level of the information stored in the devices and shall only be accessible with access to the locked logic compartment.

325:85-15-21. Write Once (Non-Writable) Program Storage

For Program Storage Devices that are written to once (i.e., EPROM, CD), the following requirements shall be met:

- (1) CD-ROM specific based Program Storage Devices shall:
 - (A) Not be a re-writeable disk; and
 - (B) The "Session" shall be closed to prevent any further writing.
- (2) Non-EPROM specific (including CD-ROM) Program Storage Devices shall meet the following requirements:
 - (A) The control program shall authenticate all critical files by employing a Hashing Algorithm which produces a 'Message Digest' output of at least 128 bits at minimum, as certified by the Independent Testing Laboratory. The Message Digest(s) shall be stored on a memory device (ROM-based or other medium) within the Player Terminal. Message Digests which reside on any other medium shall be encrypted, using a public/private key Algorithm with a minimum of a 512 bit key.
 - (B) The Player Terminal shall authenticate all critical files against the stored Message Digest(s), as required in (i), above. In the event of a failed authentication after the game has been powered up, the Player Terminal should immediately enter an error condition

with the appropriate tower light signal and record the details including time and date of the error in a log. This error shall require operator intervention to clear. The game shall display specific error information and shall not clear until either the file authenticates properly, following the operator intervention, or the medium is replaced or corrected, and the device's memory is cleared, the game is restarted, and all files authenticate correctly.

325:85-15-22. Writable Program Storage

This section applies to Player Terminals where the control program is capable of being erased and re-programmed without being removed from the Player Terminal, bill acceptor or other equipment or related device, which shall meet the following requirements:

- (1) Re-programmable Program Storage Devices shall only write to alterable storage media containing data, files, and programs that are not critical to the basic operation of the game, such as marketing information. Notwithstanding the foregoing, such device may write to media containing critical data, files, and programs provided that:
 - (A) A log of all information that is added, deleted, and modified be stored on the media;
 - (B) Verifies the validity of all data, files, and programs which reside on the media using the methods listed in the Non-EPROM Specific requirements;
 - (C) Contains appropriate security to prevent unauthorized Modifications;
 - (D) Does not allow game play while the media containing the critical data, files, and programs is in a modifiable state; and
- (2) Downloadable software shall not be used until specifically authorized by Commission Rule.

325:85-15-23. Integrity of the Control Program

The control program shall ensure the integrity of all critical program Components during the execution of said Components and the first time the files are loaded for use, even if only partially loaded. RAM and PSD (Program Storage Device) space that is not critical to machine security (e.g., video or sound ROM) is nevertheless required to be validated. If any of the video or sound files contain payout amounts or other information needed by the player, the files or program storage must have a secure method of verification.

325:85-15-24. Multi-station games

A multi-station game is a gaming device that incorporates more than one Player Terminal which may be controlled by a master terminal. The master terminal, containing the game's CPU, will house the game display, which is shared among the Player Terminals. Each station must meet the technical standards outlined throughout these Rules, including Player Terminal identification and metering.

325:85-15-25. Circuit board identification

- (a) Each printed circuit board shall be identifiable by some sort of name (or number) and revision level;
- (b) The top assembly revision level of the printed circuit board shall be identifiable. If track cuts and/or patch wires are added to the printed circuit board, then a new revision number or level must be assigned to the assembly; and
- (c) Manufacturers shall ensure that circuit board assemblies, used in their Player Terminals, conform functionally to the documentation and the certified versions of those printed circuit boards that were evaluated and certified by the Independent Testing Laboratory.

325:85-15-26. Mechanical devices used for displaying game outcomes

Electro-mechanically controlled display devices, such as reels or wheels, shall have a sufficiently closed loop of control so as to enable the software to detect a malfunction, or an

attempt to interfere with the correct operation of that device. If a reel or wheel is not in the position it is supposed to be in, an error condition must be generated and reported to the on-line system;

325:85-15-27. Video monitors/touchscreens

Touch screens requiring calibration must be able to be re-calibrated by venue staff without access to the Player Terminal cabinet other than opening the main door. There shall be no hidden or undocumented buttons/touch points anywhere on a touch screen that affect game play, except as provided for by the game rules.

325:85-15-28. Coin or token acceptors

(a) If the Player Terminal uses a coin acceptor, the acceptor shall be reasonably designed to accept or reject a coin on the basis of metal composition, mass, composite makeup, or equivalent security. In addition, the coin acceptor shall be reasonably designed to prevent the use of cheating methods such as slugging (counterfeit coins), stringing (coin pullback), the insertion of foreign objects and other manipulation.

(b) Acceptance of coins for crediting to the credit meter shall only be possible when the Player Terminal is enabled for play. Other states, such as error conditions, including door opens, audit mode and game play, shall cause the disabling of the coin acceptor system.

325:85-15-29. Bill acceptors

All acceptance devices shall be reasonably designed to detect the entry of valid bills, coupons, ticket vouchers, or other approved notes, if applicable, and provide a method to enable the Player Terminal software to interpret and act appropriately upon a valid or invalid input. In addition, bill acceptor devices(s) shall only register credits when the bill or other note has passed the point where it is accepted and stacked; and the acceptor has sent the "irrevocably stacked" message to the machine.

325:85-15-33. Accountability of bills/tickets or other items accepted

A Player Terminal which contains a bill acceptor device shall maintain sufficient electronic metering to be able to report the following:

- (1) Total monetary value of all items accepted;
- (2) Total number of all items accepted; and
- (3) A breakdown of the items accepted, as follows:
 - (A) For bills, the game shall report the number of bills accepted for each bill denomination;
 - (B) For all other notes, the game shall have a separate meter that reports the number of notes accepted, not including bills.

325:85-15-34. Bill acceptor recall

A Player Terminal that uses a bill acceptor shall retain in its memory and display the denomination of the last five items accepted by the bill acceptor, including, for example, U.S. currency, ticket vouchers and coupons.

325:85-15-35. Bill acceptor error conditions

Each Player Terminal and/or bill acceptor shall have the capability of detecting and displaying an error condition, for the conditions below. It is acceptable for the bill acceptor to disable or flash a light or lights to indicate the error has occurred, provided the information is communicated to the Player Terminal and the bill acceptor disables:

- (1) Bill Stacker Full;
- (2) Bill Jams;

- (3) Bill Acceptor Door Open — where a Bill Acceptor door is the belly glass door, a door open signal is sufficient; and
- (4) Bill Stacker Door Open or Bill Stacker Removed.

325:85-15-36. Bill acceptor stacker requirements

Each bill acceptor shall have a secure bill stacker and items accepted by the bill acceptor shall be deposited into the secure stacker. The secure bill stacker shall be attached to the Player Terminal in such a manner so that it cannot be easily removed by physical force and shall meet the following requirements:

- (1) The bill acceptor device shall have a 'stacker full' sensor;
- (2) There shall be a separate key to access the bill stacker area. This key shall be separate from the main door. In addition, a separate key shall be required to remove the bills from the bill stacker; and
- (3) A tower light or alarm shall be activated whenever there is access to the bill door or the stacker has been removed.

325:85-15-39. Hoppers & hopper error conditions

(a) For hopper games, there shall not be an abnormal payout when the hopper is exposed to higher levels of electro-static discharge or if power is lost at any time during a payout. The hopper shall be interfaced in such a way as to allow the Player Terminal control program to monitor the hopper mechanism in all game states, to identify the following events and lock up the game in an error condition, requiring attendant intervention, when the following occur:

- (1) Extra coin paid;
- (2) Hopper jam or empty.

(b) The hopper shall be resistant to manipulation by the insertion of a light source or any foreign object.

325:85-15-40. Payment by ticket printers

(a) If the Player Terminal has a printer that is used to make payments, the printer shall be located in a locked area of the Player Terminal, which requires opening of the main door to access, but the printer shall not be located in the logic compartment or the drop box.

(b) The Player Terminal in which the printer is housed shall be linked to a ticket validation system, which records the ticket information. Validation approval or information shall come from the ticket validation system in order to validate tickets. Tickets may be validated at any location, as long as it meets the standards within this section.

(c) Each Player Terminal shall be designed so that if communication is lost, and validation information cannot be sent to the ticket validation system, there is an alternate method of payment. The validation system must be able to identify duplicate tickets, to prevent fraud.

(d) The printer shall print on a ticket and must provide the ticket data to a ticket validation system that records the following information regarding each payout ticket printed:

- (1) Value of credits in local monetary units in numerical form;
- (2) Time of day the ticket was printed in twenty-four hour format showing hours and minutes — printing of this information is not required, provided that storage of this information is retained in the database;
- (3) Date, in any recognized format, indicating the day, month, and year;
- (4) Player Terminal number or machine number; and
- (5) Unique validation number, or barcode.

(e) If the taxation limit is reached on any single play when using a ticket printer, then the ticket must not be able to be redeemed at any place other than through human interaction - not on another machine or at a self-serve kiosk.

(f) The Player Terminal shall either keep a duplicate copy or print only one copy to the player but have the ability to retain the ticket-out information within the cashless transaction log, to resolve player disputes. In addition, an approved ticket validation system shall be used to validate the

payout ticket, and the ticket information on the system shall be retained at least as long as the ticket is valid at that location.

(g) A printer shall have mechanisms to allow the Player Terminal to interpret and act upon the following conditions. Such conditions must disable the game, and produce an error condition, requiring attendant intervention to resume play:

- (1) Out of paper/paper low (It is not necessary to lock up a game during a 'Paper Low' condition.);
- (2) Printer jam/failure; and
- (3) Printer disconnected. (It is permissible for the Player Terminal to detect this error condition when the game tries to print.)

325:85-15-42. Credit meter

The credit meter shall be maintained in credits or cash value.

325:85-15-43. Electronic accounting and occurrence meters

The required electronic meters are as follows (accounting meters are designated with an asterisk *).

- (1) The Amounts Wagered* (OR cash in) meter shall cumulatively count the total amounts wagered during game play, except credits that are won during the game that are subsequently risked in a double-up mode.
- (2) The Amounts Won* (OR credit out) meter shall cumulatively count all amounts won by the player at the end of the game that were not paid by an Attendant, including amounts paid by a ticket printer. This meter must not increment for bills inserted and cashed out (used as a change machine).
- (3) The drop* meter shall maintain a cumulative count of the number of coins that have been diverted into a drop bucket and credit value of all bills and tickets/coupons inserted into the Bill Acceptor for play. NOTE: It is acceptable to have separate 'drop' meters for coins, bills, tickets, and coupons.
- (4) The handpays* meter shall reflect the cumulative amounts paid by an Attendant for progressive and non-progressive wins.
- (5) The games-played meter shall display the cumulative number of games played since the last RAM clear.
- (6) A cabinet door meter shall display the number of times the front cabinet door was opened since the last RAM clear.
- (7) The drop door meter shall display the number of times the drop door and the Bill Acceptor door was opened since the last RAM clear.
- (8) The cancelled credit* meter shall reflect the cumulative amounts paid by an Attendant that are in excess of the credit limit and residual credits that are collected. NOTE: Printer games do not require a cancelled credit meter unless a 'printer limit' option exists on the game.
- (9) The progressive occurrence meter shall count the number of times each progressive meter is activated.

325:85-15-44. Multi-game game specific meters

In addition to the electronic accounting meters required above, each individual game available for play shall have at least "Amount Bet" and "Amount Won" meters in either credits or dollars. Even if a 'doubleup or gamble' game is lost, the initial win amount/credits bet amount shall be recorded in the game specific meters. Alternatively, there can be separate meters that account for the double-up or gamble information. Either way, the method of metering must be understood on the screen.

325:85-15-45. Double-up or gamble meters

For each type of double-up or gamble offered, there shall be two meters to indicate the amount doubled and the amount won, which should increment every time a double -up or gamble occurs. If the Player Terminal does not supply accounting for the double -up or gamble information, the feature must not be enabled for use.

325:85-15-46. Cashless transaction log

All Player Terminals must have the capacity to display a complete transaction history for the most recent transaction with a cashless wagering system (this would include tickets, coupons, electronically transferred promotional and/or bonusing credits, etc.), and the previous ten (10) transactions prior to the most recent transaction that incremented any of the accounting meters.

325:85-15-47. Error conditions

Player Terminals shall be capable of detecting and displaying the following error conditions and illuminate the tower light for each or sound an audible alarm. They shall be cleared either by an attendant or upon initiation of a new play sequence and be communicated to an on-line monitoring and control system, if applicable:

- (1) Coin-in jam;
- (2) Coin-out jam;
- (3) Hopper empty or timed out;
- (4) Hopper runaway or extra coin paid out;
- (5) RAM error;
- (6) Low RAM battery, for batteries external to the RAM itself or low power source;
- (7) Currency-in jam;
- (8) Program error or authentication mismatch;
- (9) Door open (including bill acceptor);
- (10) Reverse Coin-in (coin traveling wrong way through acceptor);
- (11) Reel spin errors, including a mis-index condition for rotating reels, that affect the outcome of the game:
 - (A) The specific reel number shall be identified in the error code;
 - (B) In the final positioning of the reel, if the position error exceeds one-half of the width of the smallest symbol excluding blanks on the reel strip; and
 - (C) Microprocessor-controlled reels shall be monitored to detect malfunctions such as a reel which is jammed, or is not spinning freely, or any attempt to manipulate their final resting position.
- (12) Power reset;
- (13) Any credits on the Player Terminal that are attempted to be transferred to the host system that result in a communication failure for which this is the only available payout medium (the patron cannot cashout via hopper or ticket printer) must result in a hand-pay lockup or tilt on the Player Terminal.

325:85-15-48. Game interruption and resumption

After a program interruption (e.g., power down), the software shall be able to recover to the state it was in immediately prior to the interruption occurring and:

- (1) If a Player Terminal is powered down while in an error condition, then upon restoring power, the error message shall be displayed and the Player Terminal shall remain locked-up. This is unless power-down is used as part of the error reset procedure, or if on power-up or door closure, the Player Terminal checks for the error condition and detects that the error is no longer in existence.
- (2) Upon program resumption, the following procedures shall be performed as a minimum requirement:
 - (A) Any communications to an external device shall not begin until the program resumption routine, including self-tests, is completed successfully;

- (B) Player Terminal control programs shall test themselves for possible corruption due to failure of the program storage media;
- (C) The integrity of all critical memory shall be checked; and
- (D) Games utilizing microprocessor-controlled mechanical displays (e.g., reels or wheels) shall re-spin automatically to display the last valid game's result when the play mode is re entered, and the reel positions have been altered.

325:85-15-49. Door open events

When the Player Terminal's main door is opened, the game shall cease play, enter an error condition, display an appropriate error message, disable coin acceptance and bill acceptance, and either sound an alarm or illuminate the tower light or both. When the Player Terminal's main door is closed, the game shall return to its original state and display an appropriate error message, until the next game has ended. The software shall be able to detect any meter access to the following doors or secure areas:

- (1) All external doors;
- (2) Drop box door;
- (3) Bill acceptor door.

325:85-15-50. RNG requirements

Where the authorized game or system uses a RNG to make selections, such RNG and the selections shall:

- (1) Be statistically independent.
- (2) Conform to the desired random distribution.
- (3) Pass various recognized statistical tests.
- (4) Be unpredictable.
- (5) Be cycled continuously in the background between games and during game play at a speed that cannot be timed by the player.
- (6) Randomly determine the first seed by an uncontrolled event. After every game, there shall be a random change in the RNG process (new seed, random timer, delay, etc.). This will verify the RNG does not start at the same value, every time. It is permissible not to use a random seed; however, the Manufacturer must ensure that the games will not synchronize.
- (7) If a random number with a range shorter than that provided by the RNG is required for some purpose within the Player Terminal, the method of re-scaling, (i.e., converting the number to the lower range) is to be designed in such a way that all numbers within the lower range are equally probable.
- (8) If a particular random number selected is outside the range of equal distribution of rescaling values, it is permissible to discard that random number and select the next in sequence for the purpose of re-scaling.
- (9) Unless otherwise denoted on the payglass, where the Player Terminal plays a game that is recognizable such as electronic card games, the same probabilities associated with the live game shall be evident in the simulated game. For example, the odds of drawing a specific card or cards in an electronic card game shall be the same in the live game as if a physical deck of cards were being used. Card games also must meet the following:
 - (A) Cards once removed from the deck shall not be returned to the deck except as provided by the rules of the game depicted; and
 - (B) As cards are removed from the deck, they shall be immediately used as directed by the rules of the game (i.e., the cards are not to be discarded due to adaptive behavior by the Player Terminal).
- (10) Mechanical-based RNG games are games that use the laws of physics to generate the outcome of the game. All mechanical-based RNG games must meet the requirements of these Rules with the exception of the requirement stated above that dictate the requirements for electronic RNGs.

(11) Each possible permutation or combination of game elements that produces winning or losing game outcomes shall be available for random selection at the initiation of each play, unless otherwise denoted by the game.

(12) A Player Terminal shall use appropriate communication protocols to protect the RNG and random selection process from influence by associated equipment, which may be communicating with the Player Terminal.

325:85-15-51. Required notice of average theoretical percentage payout

Although the specifications for Authorized Games do not specify a minimum percentage payout requirement, the Independent Testing Laboratory, when testing the prototype for each game, shall determine the theoretical payout minimum during the expected life for each game. The Independent Testing Laboratory report shall inform the Commission and Racetrack Gaming Operator Licensee of the theoretical minimum payout of each game tested. Using the theoretical minimum payout provided for each game, the Racetrack Gaming Operator Licensee shall determine the average theoretical payout for each game installed at its Gaming Facility. The Racetrack Gaming Operator Licensee shall submit all such payout information, including the material assumptions used in the preparation of the payouts, to the Commission where such information shall be made available to the public at the Commission office.

325:85-15-52. Bonus games

If the game contains a 'bonus feature' including a game within a game, the following requirements shall be met:

(1) The game shall display clearly to the player which game rules apply to the current game state;

(2) Each game which offers free games during game play (i.e., "fever" mode - a mode which gives the player an opportunity for the following 'X' number of hands to achieve a certain winning combination with the pay-off being some number of bonus credits) should include the number of hands remaining for the free game event(s) as each free game is played;

(3) The game, other than those that occur randomly, shall display to the player sufficient information to indicate the current status towards the triggering of the next bonus game (i.e., if the game requires obtaining several events/symbols towards a feature, the number of events/symbols needed to trigger the bonus shall be indicated along with the number of events/symbols collected at any point);

(4) The game shall not adjust the likelihood of a bonus occurring, based on the history of prizes obtained in previous games (i.e., games shall not adapt their theoretical return to player based on past payouts);

(5) If a bonus or feature game requires extra credits to be wagered and the game accumulates all winnings (from the trigger and the feature) to a temporary "win" meter (rather than directly to the credit meter), the game shall:

(A) Provide a means where winnings on the temporary meter can be bet (via the credit meter) to allow for instances where the player has an insufficient credit meter balance to complete the feature;

(B) Transfer all credits on the temporary meter to the credit meter upon completion of the feature;

(C) Not exceed the max bet limit, if one is set; and

(D) Provide the player an opportunity NOT to participate.

(6) If a game's bonus is triggered after accruing a certain number of events/symbols or combination of events/symbols of a different kind, the probability of obtaining like events/symbols shall not deteriorate as the game progresses (e.g., for identical events/symbols it is not permitted that the last few events/symbols needed are more difficult to obtain than the previous events/symbols of that kind);

(7) The game shall make it reasonably clear to the player that they are in this mode to avoid the possibility of the player walking away from the Player Terminal not knowing the game is in a bonus mode.

325:85-15-53. Multi-line games

Each individual line to be played shall be clearly indicated by the Player Terminal so that the player can reasonably determine which lines are being bet on. In addition, the winning playline(s) shall be reasonably discernable to the player.

325:85-15-54. Multiple games offered for play at one Player Terminal

The following requirements apply to Player Terminals that offer more than one (1) game to be played:

- (1) The methodology employed by a player to select and discard a particular game for play on a multi-game Player Terminal shall be clearly explained to the player on the Player Terminal, and be easily followed.
- (2) The Player Terminal shall be able to clearly inform the player of all games, their rules and/or the paytables before the player must commit to playing them.
- (3) The player shall at all times be made aware of which game has been selected for play and is being played, as applicable.
- (4) The player shall not be forced to play a game just by selecting that game. The player shall be able to return to the main menu.
- (5) It should not be possible to start a new game before the current play is completed and all relevant meters have been updated (including features, gamble and other options of the game) unless the action to start a new game terminates the current play in an orderly manner.
- (6) The set of games offered to the player for selection, or the payable, can be changed only by a secure certified method which includes turning on and off games available for play through a video screen interface. The requirements outlined in 'Configuration Setting' of these Rules shall govern the RAM Clear control requirements for these types of selections. However, for games that keep the previous payable's (the payable just turned off) data in memory, a RAM clear is not required.
- (7) No changes to the set of games offered to the player for selection (or to the payable) are permitted while there are credits on the player's credit meter or while a game is in progress.

325:85-15-55. Taxation reporting limits

The game shall be capable of entering a lock-up condition if the sum of awards from a single game is equal to the 'Taxation Limit' and which requires an Attendant to clear (currently \$1,200 per IRS limits).

325:85-15-56. Test/diagnostic mode (demo mode)

- If in a test mode the game shall clearly indicate that it is in a test mode, not normal play, and:
- (1) Any test that incorporates credits entering or leaving the Player Terminal (e.g., a hopper test) shall be completed on resumption of normal operation;
 - (2) There shall not be any test mode that increments any of the electronic meters (test meters are permissible provided the meter indicates as such);
 - (3) Any credits on the Player Terminal that were accrued during the test mode shall be cleared before the test mode is exited;
 - (4) The main cabinet door of the Player Terminal may automatically place the Player Terminal in a service or test-mode or may also be entered, via an appropriate instruction, from an attendant during an audit mode access; and
 - (5) When exiting from test mode, the game shall return to the original state it was in when the test mode was entered.

325:85-15-57. Number of last plays required

Information on at least the last ten games is to always be retrievable on the operation of a suitable external key-switch, or another secure method that is not available to the player. Last

play information shall provide all information required to fully reconstruct the last ten plays. All values shall be displayed, including the initial credits, credits bet, credits won, and credits paid. If a progressive was awarded, it is sufficient to indicate the progressive was awarded and not display the value. This information should include the final game outcome, including all player choices and bonus features. The results of double-up or gamble, if applicable, should also be included. The last game recall shall reflect bonus rounds in their entirety. If a bonus round lasts 'x number of events,' each with separate outcomes, each of the 'x events' shall be displayed with its corresponding outcome if the outcome results in an award. The recall shall also reflect position-dependent events if the outcome results in an award. For games that may have infinite free games, there shall be a minimum of fifty games recallable.

325:85-15-58. Software verification

The device shall have the ability to allow for an independent integrity check of the device's software from an outside source. This must be accomplished by being authenticated by a third-party device, which may be embedded within the game software or having an interface port for a third-party device to authenticate the media. This integrity check will provide a means for field testing the software to identify and validate the program. The Independent Testing Laboratory, prior to device approval, shall approve the integrity check method. If the authentication program is contained within the game software, the Manufacturer must receive written approval from the Independent Testing Laboratory prior to submission.

325:85-15-59. Progressive prize management

Systems shall be permissible that allow progressive prize management.

325:85-15-60. Progressive meter/display

(a) A progressive meter/display can be one or more on-site progressive Player Terminal(s) that are linked, directly or indirectly, to a display, which may be a mechanical, electrical, or electronic device, including the video display that shows the payoff which increases in increments at a set rate of progression as credits are wagered.

(b) For games that have progressives such as 'Mystery Jackpot', the payoff does not have to be displayed to the player, although there should be an indication as to this type of feature on the game. All progressive meter displays shall be reasonably accurate and shall be reasonably visible to players.

325:85-15-61. Progressive Controllers

A Progressive Controller is all of the hardware and software that controls all communications among the devices that calculates the values of the progressives and displays the information within a progressive Player Terminal link (if applicable, progressive Player Terminal(s) may be internally controlled) and the associated progressive meter. This equipment includes but is not limited to PC-based computers, wiring, and collection nodes, etc. The method by which system jackpot parameter values are modified or entered shall be secure. Progressive Controllers shall:

(1) During the 'Normal Mode' of progressive Player Terminals, the Progressive Controller shall continuously monitor each device on the link for credits bet and shall multiply the same by the rate of progression and denomination in order to determine the correct amounts to apply to the progressive jackpot. This shall be at least 99.99% accurate.

(2) The Progressive Controller or other approved progressive system Component shall keep the following information in non-volatile memory, which shall be displayed on demand:

(A) The number of progressive jackpots won on each progressive level if the progressive display has more than one winning amount;

(B) The cumulative amounts paid on each progressive level if the progressive display has more than one winning amount;

(C) The maximum amount of the progressive payout for each level displayed;

- (D) The minimum amount of the progressive payout for each level displayed;
 - (E) The rate of progression for each level displayed.
- (3) If the following events occur, the game that is using the progressive is to be disabled, and an error shall be displayed on the progressive meter, other approved progressive system Component or Player Terminal:
- (A) During a communication failure;
 - (B) When there have been multiple communication errors;
 - (C) When a controller checksum or signature has failure;
 - (D) When a controller's RAM or PSD (Program Storage Device) mismatch or failure occurs;
 - (E) When the jackpot configuration is lost or is not set;
- (4) The Progressive Controller shall have a secure means of transferring a progressive jackpot and/or prizes to another on-site Progressive Controller or other approved on-site progressive system Component. Transferring of progressive jackpots must meet the Commission's internal control procedures.
- (5) There shall be a secure, two-way communication protocol between the main game processor board and progressive. In addition, the progressive system shall be able to:
- (A) Send to the electronic Player Terminal the amount that was won for metering purposes; and
 - (B) Constantly update the progressive display as play on the link is continued.
- (6) Each Progressive Controller used with a progressive Player Terminals shall be housed on-site in a secure environment allowing only authorized accessibility. Access to the controller must conform to the Commission's internal control procedures.

325:85-15-62. Linked Player Terminal odds

Each device on the link shall have the same probability of winning the progressive, adjusted for the denomination played. For instance, the probability shall remain the same for multiple denomination games, based on the monetary value of the wager.

325:85-15-63. Game cycle

A game is considered completed when the final transfer to the player's credit meter takes place (in case of a win), or when all credits wagered or won that have not been transferred to the credit meter are lost.

325:85-15-64. Periodic payments and merchandise prizes

Limitations on the prize amount (annuities, periodic payments, etc.) shall be clearly explained to the player. When merchandise is awarded as a prize, the value attributed to the merchandise by the Racetrack Gaming Operator Licensee shall be the true fair market value of the merchandise.

SUBCHAPTER 20. USE AND OPERATION REQUIREMENTS APPLICABLE TO COMPACT ELECTRONIC GAMES AND NON-COMPACT ELECTRONIC GAMES

325:85-20-1. Applicability

The Use and Operation Requirements set forth in this Subchapter 19 shall apply only to Compact Electronic Games and Non-Compact Electronic Games. The Use and Operation Requirements set forth in this Subchapter 19 shall not apply to Electronic Amusement Games, Electronic Bonanza-Style Bingo Games and Electronic Instant Bingo Games.

325:85-20-2. Terminal security

The Player Terminal must be able to withstand forced entry, unless such entry causes an error condition.

325:85-20-3. Player Terminal identification

(a) A Player Terminal shall have an identification badge, designed to be non-removable, affixed to the exterior of the cabinet by the Manufacturer, and this badge shall include information sufficient to allow the Commission to determine the following:

- (1) The Manufacturer;
- (2) The Player Terminal's unique serial number;
- (3) The Player Terminal model number; and
- (4) The date of manufacture.

(b) The Commission may also affix to each Player Terminal on the premises a Commission identification tag.

325:85-20-4. Power surges

The Player Terminal shall not be adversely affected by surges or dips of $\pm 20\%$ of the supply voltage, other than resets that do not result in damage to the equipment or loss or corruption of data.

325:85-20-5. External doors/compartments

The following requirements shall apply to the Player Terminal's external doors:

- (1) Doors shall be manufactured of materials that are suitable for allowing only legitimate access to the inside of the cabinet. That is, doors and their associated hinges shall be capable of withstanding determined illegal efforts to gain access to the inside of the Player Terminal and shall leave evidence of tampering if an illegal entry is made;
- (2) All external doors shall be locked and monitored by door access sensors, which shall detect and report all external door openings, both to the Player Terminal by the way of an error and to an on-line system. The drop box door open does not have to cease game play; however, it must still illuminate the tower light or alarm and notify the on-line system;
- (3) It shall not be possible to insert a device into the Player Terminal that will disable a door open sensor when the machine's door is closed, without leaving evidence of tampering; and
- (4) The sensor system shall register a door as being open when the door is moved from its fully closed and locked position.

325:85-20-6. Logic compartment

(a) The logic compartment is a locked cabinet area(s) with its own locked door - which houses critical electronic components that have the potential to significantly influence the operation of the Player Terminal. There may be more than one such logic compartment in a Player Terminal. CPUs and other electronic Components involved in the operation and calculation or display of game play (e.g., game controller electronics and Components housing the game or system firmware program storage media) must be housed in a logic component.

(b) Communication controller electronics, and Components housing the communication program storage media or the communication board for the on-line system, need not be housed in a logic compartment and may reside outside the Player Terminal.

(c) The logic compartment(s) shall be locked with a separate key kept by a Gaming Agent. A Gaming Agent must be personally present any time a logic compartment is opened, and only the Gaming Agent may insert and use the logic compartment key.

325:85-20-7. Coin or token acceptors

If the Player Terminal uses a coin acceptor, the acceptor shall be reasonably designed to accept or reject a coin on the basis of metal composition, mass, composite makeup, or equivalent security. In addition, the coin acceptor shall be reasonably designed to prevent the use of cheating methods such as slugging (counterfeit coins), stringing (coin pullback), the insertion of foreign objects and other manipulation. Acceptance of coins for crediting to the credit meter shall only be possible when the Player Terminal is enabled for play. Other states, such as error conditions, including door opens, audit mode and game play, shall cause the disabling of the coin acceptor system.

325:85-20-8. Bill acceptors

All acceptance devices shall be reasonably designed to detect the entry of valid bills, coupons, ticket vouchers, or other approved notes, if applicable, and provide a method to enable the Player Terminal software to interpret and act appropriately upon a valid or invalid input. In addition, bill acceptor devices(s) shall only register credits when: the bill or other note has passed the point where it is accepted and stacked; and the acceptor has sent the "irrevocably stacked" message to the machine.

325:85-20-9. Credit meter

The credit meter shall be maintained in credits or cash value in a manner that is accurate and not misleading to the player.

325:85-20-10. Door open events

When the Player Terminal's main door is opened, the game shall cease play, enter an error condition, display an appropriate error message, disable coin acceptance and bill acceptance, and either sound an alarm or illuminate the tower light or both. When the Player Terminal's main door is closed, the game shall return to its original state and display an appropriate error message, until the next game has ended. The software shall be able to detect any meter access to the following doors or secure areas:

- (1) All external doors;
- (2) Drop box door;
- (3) Bill acceptor door.

325:85-20-11. Taxation reporting limits

The game shall be capable of entering a lock-up condition if the sum of awards from a single game is equal to the 'Taxation Limit' and which requires an Attendant to clear (currently \$1,200 per IRS limits).

325:85-20-12. Progressive prize management

Systems shall be permissible that allow progressive prize management.

325:85-20-13. Periodic payments and merchandise prizes

Limitations on the prize amount (annuities, periodic payments, etc.) shall be clearly explained to the player. When merchandise is awarded as a prize, the value attributed to the merchandise by the Racetrack Gaming Operator Licensee shall be the true fair market value of the merchandise.

SUBCHAPTER 21. ACCOUNTING SYSTEM REQUIREMENTS

325:85-21-2. Electronic Accounting Systems

One or more on-site electronic accounting systems shall be required to perform reporting and other functions in support of the activities described in the Act. These systems may communicate with the other computers, Player Terminals and other game Components described in the Act using Standards set forth in the Act. The electronic accounting system shall not interfere with the outcome of any game functions.

325:85-21-6. Jackpot/fill functionality

(a) An electronic accounting system (EAS) must have an application or facility that accurately captures and processes every handpay message from each Player Terminal.

(b) For every single win event that is equal to or greater than the tax reporting threshold (established by the US Internal Revenue Service; currently \$1,200), the EAS user must be advised of the need for a W2G or 10425 (required by the US Internal Revenue Service only) which is to be processed, either via the EAS or manually. This option must not be capable of being overridden.

325:85-21-8. EAS stored accounting meters

The EAS must collect and store the following meter information from each Player Terminal:

- (1) Total In (credits-in);
- (2) Total Out (credits-out);
- (3) Total Dropped (coins-dropped or total value of all coins, bills and tickets dropped);
- (4) Hand Paid (handpays);
- (5) Cancelled Credits (if supported on Player Terminal);
- (6) Bills In (total monetary value of all bills accepted);
- (7) Individual Bill Meters (total number of each bill accepted per denomination);
- (8) Games-Played;
- (9) Cabinet Door (instance meter which may be based on EAS count of this event);
- (10) Drop Door(s) (instance meter which may be based on EAS count of this event);
- (11) Tickets In (total monetary value of all tickets accepted); and
- (12) Tickets Out (total monetary value of all tickets produced).

325:85-21-9. EAS required reports

The EAS must generate, at a minimum, the following reports on a life-to-date basis and such other frequency as is required by the Executive Director:

- (1) Net Win/Revenue Report for each Player Terminal;
- (2) Drop Comparison Reports for each medium dropped (examples = coins, bills) with dollar and percent variances for each medium and aggregate for each type;
- (3) Metered vs. Actual Jackpot Comparison Report with the dollar and percent variances for each and aggregate;
- (4) Theoretical Hold vs. Actual Hold comparison with variances;
- (5) Significant Event Log for each Player Terminal; and
- (6) Other Reports, as required by the Commission Executive Director and the Office of the Oklahoma State Auditor and Inspector.

325:85-21-10. Security access control

The EAS shall not permit the alteration of any significant log information communicated from the Player Terminal. Additionally, there should be a provision for system administrator notification and user lockout or audit trail entry, after a set number of unsuccessful login attempts.

325:85-21-11. Data alteration

The EAS shall not permit the alteration of any accounting or significant event log information that was properly communicated from the Player Terminal without supervised access controls. In the event financial data are changed, an audit log must be capable of being produced to document:

- (1) Data element altered;
- (2) Data element value prior to alteration;
- (3) Data element value after alteration;
- (4) Time and date of alteration; and
- (5) Personnel that performed alteration (user login).

325:85-21-12. System back-up

The EAS shall have sufficient redundancy and modularity so that if any single Component or part of a Component fails, gaming can continue. There shall be redundant copies of each log file or system database or both, with open support for backups and restoration.

325:85-21-13. Recovery requirements

In the event of a catastrophic failure when the EAS cannot be restarted in any other way, it shall be possible to reload the system from the last viable backup point and fully recover the contents of that backup, which must consist of at least the following information:

- (1) Significant events;
- (2) Accounting information;
- (3) Auditing information; and
- (4) Specific site information such as device file, employee file, progressive set-up, etc.

325:85-21-17. Ticket validation system - additional requirements

A ticket validation system may be entirely integrated into a EAS or exist as an entirely separate entity. Payment by ticket printer as a method of credit redemption on a Player Terminal is only permissible when the Player Terminal is linked to an approved ticket validation system. Validation information shall be communicated from the system to the Player Terminal using a secure communication protocol.

325:85-21-18. Ticket information

A ticket shall contain the following printed information at a minimum:

- (1) Casino Name/Site Identifier;
- (2) Machine Number (or Cashier/Change Booth location number or equivalent context, if ticket creation, outside the Player Terminal, is supported);
- (3) Date and time;
- (4) Alpha and numeric dollar amount of the ticket;
- (5) Ticket sequence number;
- (6) Validation number;
- (7) Bar code or any machine readable code representing the validation number;
- (8) Type of transaction or other method or differentiating ticket types (assuming multiple ticket types are available); and
- (9) Indication of an expiration period from date of issue, or date and time the ticket will expire.

325:85-21-19. Ticket types

If Player Terminal ticket generation is to be supported while not connected to the validation system, a ticket system must generate two different types of tickets at minimum. On-line and off-line types are denoted respectively by ticket generation either when the validation system and Player Terminal are properly communicating or the validation system and Player Terminal are not

communicating properly. When a patron cashes out of a Player Terminal that has lost communication with the validation system, the Player Terminal must lock up and, after reset, may print an off-line ticket or handpay receipt. The ticket or handpay receipt must be visually distinct from an on-line ticket either in format or content while still maintaining all information required.

325:85-21-21. Ticket redemption

Tickets may be inserted in any Player Terminal participating in the validation system providing that no credits are issued to the Player Terminal prior to confirmation of ticket validity. The customer may also redeem a ticket at a validation terminal (i.e., cashier/change booth, redemption terminal or other approved methods). All validation terminals shall be user and password-controlled.

325:85-21-22. Invalid ticket notification

The ticket validation system must have the ability to identify invalid tickets and notify the Player Terminal to 'Reject' the ticket or advise the cashier that one of the following conditions exists:

- (1) Ticket cannot be found on file (stale date, forgery, etc.);
- (2) Ticket has already been paid; or
- (3) Amount of ticket differs from amount on file (requirement can be met by display of ticket amount for confirmation by cashier during the redemption process).

325:85-21-23. Offline ticket redemption

If the on-line data system temporarily goes down and validation information cannot be sent to the validation system, an alternate method of payment must be provided either by the validation system possessing unique features (e.g., validity checking of ticket information in conjunction with a local database storage) to identify duplicate tickets and prevent fraud by reprinting and redeeming a ticket that was previously issued by the Player Terminal; or by use of an approved alternative method as designated by the regulatory jurisdiction that will accomplish the same.

325:85-21-24. Required reports

The following reports shall be generated at a minimum and reconciled with all validated/redeemed tickets:

- (1) Ticket Issuance Report;
- (2) Ticket Redemption Report;
- (3) Ticket Liability Report;
- (4) Ticket Drop Variance Report;
- (5) Transaction Detail Report must be available from the validation system that shows all tickets generated by a Player Terminal and all tickets redeemed by the validation terminal or other Player Terminal; and
- (6) Cashier Report, which is to detail individual tickets, the sum of the tickets paid by cashier/change booth or redemption terminal.

325:85-21-25. Security of ticket information

Once the validation information is stored in the database, the data may not be altered in any way. The validation system database must be encrypted or password-protected and should possess a non-alterable user audit trail to prevent unauthorized access. Further, the normal operation of any device that holds ticket information shall not have any options or methods that may compromise ticket information. Any device that holds ticket information in its memory shall not allow removing of the information unless it has first transferred that information to the database or other secured Component(s) of the validation system.

325:85-21-26. General standards for redemption kiosks

Redemption kiosks shall meet the Player Terminal standards and use requirements in these Rules, including the memory and communication requirements. In addition, kiosks are required to have an interface to the ticket validation system.

325:85-21-27. Redemption kiosk error conditions

(a) The redemption kiosk must be capable of detecting and displaying the following error conditions. The error condition must illuminate the tower light or sound an audible alarm. This requirement may be substituted for a notification system that alerts casino staff of error conditions. The redemption kiosk shall be able to recover to the state it was in immediately prior to the interruption occurring, including during payment. Error conditions not requiring attendant intervention are A, B, H, I, J, and K. Error conditions requiring attendant intervention are C, D, E, F, G, and L.

- (1) Power loss or power reset;
- (2) System and kiosk not communicating, which non-communication may be detected upon ticket insertion only;
- (3) Coin or currency out error;
- (4) Coin hopper or cash dispenser empty or timed out. This condition does not require immediate intervention if alternate method of payment is available.
- (5) RAM error (critical memory);
- (6) Low RAM battery (if battery external to the RAM itself used);
- (7) Ticket voucher-in jam;
- (8) Door open (all external doors);
- (9) Bill acceptor stacker full;
- (10) Bill acceptor door open;
- (11) Bill stacker door open or bill stacker removed; and
- (12) Printer errors (If internal printer is supported).

(b) If the redemption kiosk uses error codes instead of a text explanation of the error conditions, a description of error codes and their meanings must be affixed on the inside of the redemption kiosk. If any of the above error conditions occur during the acceptance and/or escrowing of a ticket voucher, the ticket voucher must be returned to the patron without a status change on the ticket validation system or, once the error condition is cleared, proceed to pay the patron and have a status of 'Redeemed' on the system.

325:85-21-28. Maximum redeemable value

The maximum ticket value that can be paid by a kiosk is: \$1,199.99.

325:85-21-29. Metering

The redemption kiosk must maintain the following meters, which can be by denomination:

- (1) A "Total In" meter that accumulates the total value of all bills and ticket vouchers accepted by the device. Separate 'In meters' shall report the value of all tickets redeemed and the value of all bills redeemed; and
- (2) A "Total Out" meter(s) for payments issued by the machine. Separate 'Out meters' shall report the value of all coins dispensed and the value of all bills dispensed.

325:85-21-30. Clearing meters

The redemption kiosk must not have a mechanism whereby an unauthorized user can cause the loss of stored accounting meter information.

325:85-21-31. Required logs

Logs must be maintained in critical memory. For a redemption kiosk that uses a paper log, the log must be housed within the redemption kiosk and must contain the following:

- (1) A "Voucher In event log," which must properly log the following information about the voucher redeemed:
 - (A) Date/time of redemption;
 - (B) Amount of voucher; and
 - (C) At least last 4-digits of validation number.
- (2) The redemption kiosk must maintain at least 35 events in the "Voucher In" event log.
- (3) If the device utilizes a printer to record the information required within this section, the printer must be capable of monitoring any printer fault.

325:85-21-32. Ticket acceptance

Tickets may only be accepted when the redemption kiosk is communicating with the system. Tickets inserted into a redemption kiosk must be rejected when the system link is down and payment shall only be made when the ticket is 'Stacked' within the bill staker.

**SUBCHAPTER 25. TRANSPORTATION, RECEIPT, INSTALLATION
AND DISPOSAL OF GAMING MACHINES**

325:85-25-1. Restriction on sales, display, distribution, transportation and operation of Gaming Machines

- (a) Except as otherwise provided in these rules, no Person may sell, display, supply, ship, transport, or distribute any Gaming Machine or Component thereof for use or play by a Racetrack Gaming Operator Licensee in Oklahoma. Further, no Gaming Machine of a Racetrack Gaming Operator Licensee may be sold, shipped, transported or distributed out-of-State other than by the Racetrack Gaming Operator Licensee itself, unless the Person shipping, transporting or distributing the Gaming Machine is licensed by the Commission as a Distributor, Manufacturer, or Distributor/Manufacturer.
- (b) No Racetrack Gaming Operator Licensee may sell or transfer a Gaming Machine to any Person that could not lawfully own or operate the Gaming Machine.
- (c) No purchaser or transferee may operate a Gaming Machine at a Gaming Facility without first obtaining a Racetrack Gaming Operator License in the manner set forth in this Title.

325:85-25-2. Transportation Of Gaming Machines into the state

- (a) A Gaming Machine is shipped or transported into the State when the starting point for shipping or transporting begins outside the State and the shipping or transporting terminates in the State.
- (b) A licensed Manufacturer shipping or transporting a Gaming Machine into the State for use at a Gaming Facility must provide the following information to the Commission, prior to shipment, on forms provided or approved by the Commission:
 - (1) the full name, address, and license number of the Person making the shipment;
 - (2) the method of shipment and the name of the carrier, if any;
 - (3) the full name, address, and license number of the Person to whom the Gaming-Machines are being sent and the destination of the shipment, if different from the address;
 - (4) the number of Gaming-Machines in the shipment;
 - (5) the serial number of each Gaming Machine;
 - (6) the model number and description of each Gaming Machine;
 - (7) the expected arrival date of the Gaming-Machines at their destination within the State; and
 - (8) All controlled program devices or other system components certified by a Commission licensed Independent Testing Laboratory that require signature verification prior to installation must be removed from and shipped separately from all gaming machines being shipped.

- (9) All controlled program devices or other system components that are shipped to a Racetrack Gaming Operator Licensee must arrive at least five business days prior to installation addressed to the Commission Agents for signature verification, unless a written waiver is given by the Commission; and
- (10) such other information as required by the Commission.
- (11) Non-compliance shall result in disciplinary action.

[SOURCE: Amended at 25 Ok Reg 882, eff 5-11-08.]

325:85-25-3. Receipt of Gaming Machines in the state

(a) Any Person in the State that receives a Gaming Machine to be used in a Gaming Facility must, upon receipt of the Gaming Machine, provide the Commission with the following information on forms provided or approved by the Commission:

- (1) the full name, address, and license number of the Person receiving the Gaming Machine;
- (2) the full name, address, and license number of the Person from whom the Gaming Machine was received;
- (3) the date of receipt of the Gaming Machine;
- (4) the serial number of each Gaming Machine;
- (5) the model number and description of each Gaming Machine;
- (6) the Manufacturer of the Gaming Machine;
- (7) the location where the Gaming Machine will be placed and the license number of the licensed premises;
- (8) the expected date and time of installation of the Gaming Machine at the new location; and
- (9) such other information as required by the Commission.

(b) If such Gaming Machine will not be placed in operation within five days of its receipt, the Person who received the Gaming Machine must notify the Commission of the address where the Gaming Machine is warehoused. The warehouse location must be approved in advance by the Commission. At the time such Gaming Machine is removed from inventory and transported to another location within the State, the Racetrack Gaming Operator Licensee must comply with the requirements of these rules.

325:85-25-4. Transportation of Gaming Machines between Commission licensed Gaming Facilities in the state

(a) Manufacturer Licensees, Distributor Licensees, and, subject to the limitations set forth in these rules, Racetrack Gaming Operators Licensees are authorized to transport Gaming Machines within the State.

(b) Except as otherwise provided in these rules, any authorized Person transporting a Gaming Machine from one location to another in the State for use by a Gaming Facility licensed by the Commission must notify the Commission before transporting the Gaming Machine and provide the following information on forms provided or approved by the Commission:

- (1) the full name, address, and license number of the Person transporting the Gaming Machine from its current location;
- (2) the reason for transporting the Gaming Machine;
- (3) the full name, address, and license number of the Person to whom the Gaming Machine is being sent and the destination of the Gaming Machine-if different from that address;
- (4) the name and address of the carrier and the method of transport;
- (5) the model and serial number of the Gaming Machine;
- (6) the Gaming Machine License number, if any;
- (7) the Manufacturer of the Gaming Machine;
- (8) the expected date and time of delivery and/or installation of the Gaming Machine at the new location;

(9) All controlled program devices or other system components certified by a Commission licensed Independent Testing Laboratory that require signature verification prior to installation must be removed from and shipped separately from all gaming machines being shipped.

(10) All controlled program or other system components that are shipped to a Racetrack Gaming Operator Licensee must arrive at least five business days prior to installation addressed to the Commission Agents for signature verification, unless a written waiver is given by the Commission; and

(11) such other information as the Commission may require.

(12) Non-compliance shall result in disciplinary action.

(c) This section does not apply to the movement of Gaming Machines within the same Gaming Facility. Such relocation is subject to Commission approval pursuant to these Rules.

(d) A Racetrack Gaming Operator Licensee may sell or transfer a Gaming Machine only to another Racetrack Gaming Operator Licensee or to a licensed Distributor, Manufacturer, or licensed Distributor/Manufacturer, or a federally recognized Indian tribe that is operating under a Compact. The Racetrack Gaming Operator Licensee must notify the Commission in advance by providing the information required by this section.

[SOURCE: Amended at 25 Ok Reg 882, eff 5-11-08.]

325:85-25-5. Approval to distribute Gaming Machines outside of the state

(a) Manufacturers and Distributors located in the State may not sell, ship, transport, or distribute out of the State a Gaming Machine that has been used or located in a Gaming Facility without the prior approval of the Commission. Applications for approval to sell, ship, transport, or distribute gaming machines out of the State must be made, processed, and determined in such manner and using such forms as the Commission may provide or approve. Each application must include:

(1) the full name, state of residence, and address of the purchaser;

(2) the full name, state of residence, and address of the Person to whom shipment is being made, if different than the purchaser;

(3) the destination;

(4) the number of Gaming Machines to be shipped;

(5) the serial number of each Gaming Machine;

(6) the model number of each Gaming Machine and year manufactured;

(7) the denomination of each Gaming Machine, if applicable;

(8) the expected date and time of shipment;

(9) the method of shipment and name and address of the carrier; and

(10) a statement by the purchaser under penalty of perjury that the Gaming-Machines will be used only for lawful purposes.

(b) Manufacturers and Distributors may not ship Gaming Machines to any destination where possession of Gaming Machines is illegal.

(c) If the Commission does not deny the application for approval to distribute Gaming-Machines outside of the State within 10 business days of receipt of a complete application, the application will be deemed approved.

325:85-25-6. On-site testing, installation and placement of Gaming Machines— including each Player Terminal and each game

(a) All Gaming Machines — including each Player Terminal and each game — at a Gaming Facility must be physically located as follows:

(1) in an area that is at all times monitored by the Racetrack Gaming Operator Licensee or a Gaming Employee to prevent access or play of the Gaming Machines by Persons under the age of 18;

(2) in an area that ensures that public access to the Gaming Machines is restricted to Persons legally entitled to play the Gaming Machines at the licensed premises; and

(3) in the sight and Control of the Racetrack Gaming Operator, Licensee or a Gaming Employee.

(b) The initial installation and placement of each Player Terminal and each game within a Gaming Facility must take place in the presence of a Gaming Agent who will at the time of installation test each Player Terminal and each game to ensure that each Player Terminal and each game is

identical to a prototype that has been certified by an Independent Testing Laboratory. If the on-site test indicates that a Player Terminal or game does not conform to the certified prototype, the Racetrack Gaming Operator Licensee shall remove the game or Player Terminal from the floor and it may not be placed into operation until such time, if any, as a Gaming Agent finds that it is identical to a prototype certification issued by an Independent Testing Laboratory.

(c) If the on-site test by the Gaming Agent demonstrates that the game or Player Terminal is identical to a prototype certification issued by an Independent Testing Laboratory, the Gaming Agent shall seal the Program Storage Device with a Commission numbered seal.

(d) The Gaming Agent shall also perform a test to ensure that the game and Player Terminal are operating properly, then will conduct a test to determine that they are properly communicating with the Racetrack Gaming Operator Licensee's accounting system(s). Only machines and games that are found to be identical to prototypes certified by an Independent Testing Laboratory and that pass both the operation and communication tests conducted by the Gaming Agent may be installed and placed into operation.

(e) Once the Program Storage Device has been sealed by a Gaming Agent, the seal may only be broken or removed in the presence of a Gaming Agent. The seal may be broken or removed for the purposes of repair or Commission-authorized change to the Program Storage Device in the presence of a Gaming Agent, who, after the change or repair, will verify the new software, if applicable, retest the machine and game and reseal it if the tests show the machine and game are in compliance. If, after retesting, they are found not to be in compliance, the machine or game cannot be placed into operation until such time that the Gaming Agent determines that the machine or game complies with the applicable requirements.

(f) Any relocation of a Player Terminal or game within the licensed premises requires prior written approval by the Gaming Agent.

(g) Licensed Manufacturers and Distributors may store and display, and Persons certified pursuant to this Title may repair, gaming machines or devices only at locations approved in advance by the Commission.

325:85-25-7. Disposal of Gaming Machines

(a) A Gaming Machine used or located at a Gaming Facility may be disposed of only with the Commission's approval and only if the manner of disposition makes the Gaming Machine incapable of use or operation. Any Person seeking to dispose of such Gaming Machine must notify the Commission in writing prior to disposal and provide the following information:

- (1) the full name, address, and license number of the Person seeking to dispose of the Gaming Machine;
- (2) the serial number of the Gaming Machine;
- (3) the model number and description of the Gaming Machine;
- (4) the Manufacturer of the Gaming Machine;
- (5) the Gaming Machine License number;
- (6) the Gaming Machine's hard meter readings;
- (7) the location of the Gaming Machine;
- (8) the proposed manner, time, and place of disposal; and
- (9) any other information required by the Commission.

(b) Unless the Commission notifies the Person seeking to dispose of the Gaming Machine within 30 days of receipt of the notice required by this section, the method of disposal will be deemed approved.

(c) If the disposing of a Gaming Machine is not conducted in the presence of a Gaming Agent, the Person seeking to dispose of a Gaming Machine must submit to the Commission, within 10 days of disposal, a sworn affidavit verifying the date, time, place, and manner of disposal and the names of all Persons witnessing the disposal.

SUBCHAPTER 27. REQUIREMENTS FOR AUDITS PERFORMED BY GAMING AGENTS

325:85-27-1. Daily and spot audits

(a) The Commission, through its Gaming Agents or otherwise, is authorized to conduct a daily audit of gaming proceeds, drop count (which can include examination of full reports and records of specific machines as well as reports from the Racetrack Gaming Operator Licensee's Central Computer) and may also audit internal controls, surveillance procedures, audit procedures, compulsive gambling programs, and any other activities at the Gaming Facility. The Commission may further conduct full annual audits of gaming operations. Further, the Commission, through its Gaming Agents or otherwise, may conduct spot audits of games, machines, devices and the Central Computer system.

(b) Such audits shall be in addition to audits performed by the Commission and audits performed by the Office of the State Auditor and Inspector.

CHAPTER 90. GAMING OPERATIONS

SUBCHAPTER 1. GENERAL PROVISIONS

325:90-1-1. Purpose

The Rules in this chapter provide requirements and procedures for unresolved patron disputes and for compulsive gambling assistance plans which include minimum standards, employee training and annual reporting regarding compulsive gambling activities.

325:90-1-2. Definitions

Unless otherwise defined below, terms used in this chapter have the same meanings as set forth in the State-Tribal Gaming Act:

"**Act**" means the State-Tribal Gaming Act enacted by the people with passage of State Question 712.

"**Authorized Games**" means Electronic Amusement Games as defined in the Act, Electronic Bonanza-Style Bingo Games as defined in the Act, Electronic Instant Bingo Games as defined in the Act, Compact Electronic Games as defined in these Rules, and Non-Compact Electronic Games as defined by these Rules.

"**Commission**" means the Oklahoma Horse Racing Commission.

"**Executive director**" means the executive director of the Commission.

"**Gaming agent**" means a Commission agent trained in machine gaming, responsible for on-site enforcement of the Act and these rules and other regulatory responsibilities as assigned by the Executive Director.

"**Gaming employee**" means any employee of a Racetrack Gaming Operator Licensee who works in any capacity within the confines of the Gaming Facility.

"**Gaming employee license**" means a license issued to a Gaming Employee by the Commission.

"**Gaming facility**" means that area within an Organization Licensee's Racetrack Premises approved by the Commission that has been set aside for the use of Authorized Games and related activities and access to which is limited to patrons 18 years of age or older.

"**Minor**" means any individual less than eighteen (18) years of age.

"**Organization license**" means a license issued by the Commission which authorizes the licensee to conduct a race meeting in Oklahoma and accept pari-mutuel wagers on the outcome of live and simulcast horse racing.

"**Organization licensee**" means any Person receiving an Organization License issued by the Commission.

"**Person**" means any individual, partnership, corporation, or other association or entity.

"**Racetrack gaming operator license**" means a license issued by the Commission which authorizes an Organization Licensee to conduct Authorized under the regulation, implementation and enforcement of the Commission.

"**Racetrack gaming operator licensee**" means any Organization Licensee which has been issued a Racetrack Gaming Operator License by the Commission.

"**Racetrack premises**" means the property that is owned or leased by the Organization Licensee that is used for racetrack purposes.

"**Rule**" means the Commission's *Rules for Racetrack Gaming*.

SUBCHAPTER 3. SECURITY AND SURVEILLANCE MINIMUM REQUIREMENTS

325:90-3-1. Surveillance Systems

(a) Each Racetrack Gaming Operator Licensee must install, maintain and continuously operate an on-site surveillance system at its licensed Gaming Facility. The purpose of the surveillance system is to assist the Racetrack Gaming Operator Licensee and the State in safeguarding the Licensee's assets, in deterring, detecting and prosecuting criminal acts, and in maintaining public

confidence and trust that licensed gaming activity is conducted honestly and free of criminal elements and activity.

(b) The surveillance system plan must include descriptions of all equipment used by the surveillance system, a blueprint or diagram that shows all of the areas to be monitored and the placement of surveillance equipment in relation to the activities being observed, a description of the procedures used in the operation of the surveillance system, and any other information required by the Commission. To ensure the integrity of the surveillance system, access to the surveillance system plan, and any related information, shall be limited to authorized employees or agents of the Racetrack Gaming Operator Licensee and the Commission.

(c) The surveillance system, through the use of fixed and moveable cameras, must possess the ability to monitor and record the Gaming Facility floor and all Player Terminals from multiple angles to ensure the Racetrack Gaming Operator Licensee's ability to monitor and record all activities at each Player Terminal. The surveillance system must provide sufficient clarity to permit identification of players, employees, patrons and spectators. Each camera shall be installed in a manner that prevents it from being readily obstructed, tampered with, or disabled by customers or employees.

(d) Employees of the Racetrack Gaming Operator Licensee, when assigned to monitoring duties in the surveillance room, shall have no other gaming related duties while performing such duties.

(e) The interior of the surveillance room shall not be visible or accessible to the public.

(f) Agents of the Commission's Law Enforcement Division, upon presentation of proper Commission credentials, shall be provided immediate access to the surveillance room and other surveillance areas. In addition, these Agents are to be provided, upon request, copies of recorded videotapes of activities as well as copies of any images produced on a video printer. Agents of the Commission's Law Enforcement Division shall have absolute, unfettered access to the surveillance room at all times.

(g) Except in the event of circumstances beyond the reasonable Control of the Licensee or unless authorized by the Commission, the surveillance room shall be maintained at all times by a sufficient number of approved surveillance operators as reflected in the security plan approved by the Commission. The Executive Director, after consultation with the Commission's Director of Law Enforcement, may require additional surveillance personnel should the Executive Director determine that an inadequacy of surveillance monitoring exists.

(h) Before implementing any material changes to a surveillance system that affects the approved security plan, the Racetrack Gaming Operator Licensee must submit the proposed changes to the Commission's Director of Law Enforcement for approval.

(i) A Racetrack Gaming Operator Licensee must notify a Gaming Agent immediately of any failure of the surveillance system to continuously monitor the Gaming Facility or to otherwise operate properly. The Commission may require temporary suspension of gaming activities until the surveillance system is restored.

325:90-3-2. Security and Surveillance Logs

(a) The Racetrack Gaming Operator Licensee shall maintain a surveillance log(s) approved by the Commission's Director of Law Enforcement. The log(s) shall be maintained by surveillance room personnel in the surveillance room. The Commission's Law Enforcement Division staff and other Commission staff authorized by the Director of Law Enforcement shall have access at all times to the log(s). A log(s) entry shall be made in the surveillance log(s) of each surveillance activity. The following information shall be recorded in the surveillance log(s):

- (1) the names of all Persons entering or exiting the surveillance room;
- (2) a summary, including the date and time each surveillance activity commenced and terminated;
- (3) record of any equipment or camera malfunctions;
- (4) description of the activity observed or performed; and
- (5) any additional information as required by the Commission's Director of Law Enforcement or Gaming Agent.

(b) The Racetrack Gaming Operator Licensee shall maintain a security log of any and all unusual occurrences for which the assignment of a security department employee is made. Each incident,

without regard to materiality, shall be assigned a sequential number and an entry made in the log(s) containing, at a minimum, the following information:

- (1) the assignment number;
- (2) the date of the incident;
- (3) the time of the incident;
- (4) the location of the incident;
- (5) the nature of the incident;
- (6) the Person(s) involved in the incident; and
- (7) the security department employee(s) assigned.

325:90-3-3. Storage and retrieval of surveillance recordings

(a) All surveillance recordings shall be retained for at least seven days, unless these Rules provide otherwise, and shall be listed on a log by surveillance personnel with the date, times, and identification of the Person monitoring or changing the tape or other recording medium in the recorder. Original surveillance recordings will be released to the Commission's Law Enforcement Division upon demand.

(b) Any surveillance recording of illegal or suspected illegal activity shall, upon completion of the tape or other recording medium, be removed from the recorder and etched or otherwise labeled in a manner as approved by the Commission's Director of Law Enforcement with date, time and identity of surveillance personnel. The recordings shall be placed in a separate, secure area and notification given to the Commission's Law Enforcement Division.

(c) All surveillance recordings relating to the following shall be retained in a secure area approved by the Commission Director of Law Enforcement for at least 15 days and shall be listed on a log maintained by surveillance personnel:

- (1) all count room areas;
- (2) the vault area;
- (3) all credit and fill slip confirmation recordings; and
- (4) any areas with cashiers or where the patrons go to cash out vouchers.

325:90-3-4. Maintenance and testing

The Racetrack Gaming Operator Licensee shall be responsible to ensure that any malfunction of surveillance equipment shall be immediately repaired or replaced with a working unit. If immediate replacement is not possible, alternative live monitoring must be provided by the Racetrack Gaming Operator Licensee's security personnel; otherwise, gaming in the unmonitored area(s) of the Gaming Facility must be immediately ceased.

325:90-3-5. Surveillance system compliance

The Racetrack Gaming Operator Licensee shall have a continuing duty to review its surveillance system plan to ensure the surveillance system plan remains in compliance with provisions of the Act and Commission Rules.

325:90-3-6. Commission office

The Racetrack Gaming Operator Licensee shall provide a private on-site office for use by the Commission and its Gaming Agents with the same surveillance monitoring capability as is available to the Racetrack Gaming Operator Licensee's surveillance staff.

SUBCHAPTER 5. UNRESOLVED PATRON DISPUTES

325:90-5-1. Unresolved Patron Disputes

(a) This Subchapter deals with disputes between the Racetrack Gaming Operator Licensee and a patron involving a game outcome, prize, fee paid or other aspect of a player's use of an Authorized Game. In the event a dispute arises with a patron and the dispute is not resolved to the patron's satisfaction within two hours, the Racetrack Gaming Operator Licensee must notify the patron that the patron has a right to contact a Gaming Agent regarding the dispute.

(b) A Racetrack Gaming Operator Licensee must immediately notify the Gaming Agent if the Racetrack Gaming Operator Licensee refuses to pay alleged winnings to a patron and the Racetrack Gaming Operator Licensee and the patron are unable to resolve the dispute to the patron's satisfaction within two hours. This notice, which must be in writing, shall include the following information:

- (1) The name, address and phone number of the patron.
- (2) The nature of the dispute.
- (3) The amount of money involved in the dispute.
- (4) The number of machines involved and the name of the game involved.

(c) Upon receipt of such notice, the Gaming Agent may assist the parties in trying to resolve the dispute. Patron disputes not resolved to the patron's satisfaction within 48 hours of the occurrence of the dispute shall be decided by the Commission in the following manner. The initial determination of unresolved disputes involving \$500.00 or less will be made by the Gaming Agent. The Gaming Agent will conduct whatever review he/she deems necessary and will determine whether payment should be made to the patron. The determination shall be based on a review of all available surveillance tapes, Gaming Machine records, and required written statements from both the Racetrack Gaming Operator Licensee and the patron. The Racetrack Gaming Operator Licensee shall make all audio/visual tapes and records available to the Gaming Agent with failure to do so resulting in an automatic decision in favor of the patron.

(d) The Gaming Agent's determination shall be made in writing and state the factual and legal basis for the decision unless both the Racetrack Gaming Operator Licensee and the patron waive this requirement and agree to an expedited verbal decision by the Gaming Agent. Expedited, verbal decisions shall be final and unappealable, and the patron shall be advised of this fact before waiving his/her right to a written determination. Written decisions are appealable to the Executive Director, the appeal must be sent to the Executive Director in writing by the patron and received within 10 calendar days of the initial determination by the Agent, and the Executive Director's decision is appealable to the District Court under the provisions of the Oklahoma Administrative Procedures Act.

(e) Unresolved disputes involving more than \$500.00 will be initially decided by the Executive Director. The Executive Director's decision in all instances shall be in writing and shall be based on a review of all available surveillance tapes, Gaming Machine records, required written statements from both the Racetrack Gaming Operator Licensee and the patron. The Executive Director's decision may be appealed to the Commission and thereafter to the District Court under the provisions of the Oklahoma Administrative Procedures Act.

[SOURCE: Amended at 26 Ok Reg 811, eff 4-25-09.]

325:90-5-2. Compulsive Gambling Assistance Plan

(a) An applicant for a Racetrack Gaming Operator License must submit with the application a plan to address compulsive gambling in accordance with the requirements of these regulations for assisting in the prevention and education of compulsive gambling.

(b) No Racetrack Gaming Operator License application will be approved unless the Commission first approves the applicant's compulsive gambling assistance plan.

(c) Failure to implement the compulsive gambling assistance plan or to satisfactorily maintain and administer a plan once implemented will be grounds for suspension or revocation of the Racetrack Gaming Operator License, assessment of a fine, or both.

(d) A plan must meet or exceed the minimum standards set forth in these Rules. The development of such a plan by the applicant and the approval of a plan by the Commission are conditions of issuance of the original Racetrack Gaming Operator License. The maintenance of a plan, as approved by the Commission, is a condition of annual renewal of the license.

325:90-5-3. Minimum standards for Compulsive Gambling Assistance Plan

(a) The compulsive gambling assistance plan must include all of the following elements unless the applicant or Racetrack Gaming Operator Licensee obtains a written waiver of any element from the Commission:

- (1) Identification of a plan manager or other Person responsible for ensuring that a plan is implemented and administered by the Racetrack Gaming Operator Licensee and monitored to maintain the minimum standards established by these rules;
- (2) A mission statement that identifies the goals of the Racetrack Gaming Operator Licensee in administering a plan;
- (3) Policies concerning the handling of compulsive gambling problems, commitment to training, intervention, the employee's role and duties, management's role and duties, and the patron's responsibilities;
- (4) Procedures to determine appropriate intervention techniques in a given circumstance, and carrying out the intervention techniques;
- (5) Printed materials to educate patrons about compulsive gambling and inform them of local and Statewide resources available to compulsive gamblers and their families. The materials may include signs and posters located inside the licensed premises and brochures discussing compulsive gambling issues and sources of treatment and information. A plan must also specify a source of the printed materials and proposed distribution methods;
- (6) Policy and procedures that prohibit facilitating, participating in, or allowing the issuance of any loans or extension of credit to a patron for gaming purposes;
- (7) A comprehensive Gaming Employee and on-site Key Executive training program satisfactory to the Commission, including training manuals and other materials necessary to educate employees about compulsive gambling issues; the training plan must include instruction in the psychology of the compulsive gambling, methods of recognizing compulsive gambling behavior, intervention techniques and other subjects as determined by the Commission;
- (8) Completion and submission of a form certifying to the Commission's satisfaction that each employee required to obtain the training has done so within the time period specified by these Rules;
- (9) Details of a follow-up training program to periodically reinforce employee training;
- (10) Estimated costs for implementation and administration;
- (11) Timetable and procedures for implementing the compulsive gambling assistance plan. A plan must be implemented no later than thirty (30) days from the date gaming commences on the licensed premises;
- (12) Preventing gaming by Minors; and
- (13) Any other policies and procedures designed to encourage responsible gaming that the applicant or Racetrack Gaming Operator Licensee wishes to include.

325:90-5-4. Employee training regarding Compulsive Gambling Assistance Plan

(a) The compulsive gambling assistance plan must be designed with employee training and education as fundamental aspects of a plan. The purpose of the training is to develop awareness of compulsive gambling and to provide resources to assist the employee in handling compulsive gambling issues.

(b) The employee training program must include training and materials on the following topics:

- (1) characteristics and symptoms of compulsive gambling behavior;
- (2) prevalence of compulsive gambling in the general population;
- (3) relation of compulsive gambling to other addictions;

- (4) social costs of compulsive gambling, such as indebtedness, costs for treatment, suicide, criminal behavior, lost jobs, and counseling for family problems;
- (5) identification of vulnerable populations, including women, low-income patrons, the elderly and Persons who abuse drugs and alcohol;
- (6) intervention techniques to be employed where a compulsive gambling problem is identified or suspected; and
- (7) assistance and referral programs, including specific resources and training on how to discuss compulsive gambling with a patron and give advice concerning access to available services.

(c) Training must be conducted within thirty (30) days of the employee's hire date. Certification of such training must be submitted on a form approved by the Commission. Failure to submit the required certification may result in administrative action against the Racetrack Gaming Operator Licensee.

325:90-5-5. Annual report regarding Compulsive Gambling Activities

Each Racetrack Gaming Operator Licensee must submit to the Commission, initially six months following the commencement of gaming activities and thereafter by March 31 annually, a report detailing the Racetrack Gaming Operator Licensee's compulsive gambling activities for the previous calendar twelve month period ending December 31.

SUBCHAPTER 7. SMOKING REGULATIONS

325:90-7-1. Requirements for smoking in Gaming Facility

The gaming areas of the premises of an Organization Licensee and, except for the off-track wagering facilities specified in Section 205. 6a of Title 3A of the Oklahoma Statutes, the areas where simulcast wagering is conducted by an Organization Licensee shall not be subject to the provisions of Section 1247 of Title 21 of the Oklahoma Statutes or to the provisions of the Smoking in Public Places and Indoor Workplaces Act (FNI) if the following conditions are met:

- (1) Each gaming or simulcast area in which smoking is permitted shall be fully enclosed, directly exhausted to the outside, under negative air pressure so smoke cannot escape to nonsmoking areas when a door is opened, and no air from a smoking area is recirculated to nonsmoking areas of the building; and
- (2) No exhaust from such gaming or simulcast area shall be located within twenty-five (25) feet of any entrance, exit, or air intake.