

SUBCHAPTER 1. GENERAL PROVISIONS

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19:45-1.30 Procedure for shift changes at gaming tables

(a) Whenever gaming tables are to remain open for gaming activity at the conclusion of a shift, the gaming chips, coins and plaques remaining at the gaming tables at the time of the shift change shall be counted by either the dealer or boxman assigned to the outgoing shift and the dealer or boxman assigned to the incoming shift or the dealer or boxman assigned to the gaming table at the time of a drop box shift change which does not necessarily coincide with an employee shift change. The count shall be observed by the casino

supervisor assigned to the gaming table of the outgoing shift or the casino supervisor assigned to the table game at the time of the drop box shift change.

(b) The gaming chips, coins and plaques counted shall be recorded on Table Inventory Slips by the casino supervisor assigned to the gaming table of the outgoing shift or the casino supervisor assigned to the gaming table at the time of a drop box shift change.

(c) Table Inventory Slips shall be two-part forms, at a minimum, and on the original of the slip ("Closer") and the duplicate of the slip ("Opener"), the casino supervisor shall record the following:

1. The date and identification of the shift ended;
2. The game and table number;
3. The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table; and
4. The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(d) Signatures attesting to the accuracy of the information recorded on the Table Inventory Slips shall be of either the dealer or boxman and the casino supervisor assigned to the incoming and the outgoing shifts of the dealer or boxman and the casino supervisor assigned to the gaming table at the time of a drop box shift change.

(e) Upon meeting the signature requirements as described in (d) above, the Closer shall be deposited in the drop box that is attached to the gaming table immediately prior to the change of shift and the Opener shall be deposited in the drop box that is attached to the gaming table immediately following the change of shift.

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19:45-1.31 Procedure for closing gaming tables

(a) Whenever gaming activity at a gaming table is concluded, the gaming chips, coins and plaques remaining at the gaming table shall be counted by the

dealer or boxman assigned to the gaming table and observed by a casino supervisor assigned to the gaming table.

(b) The gaming chips, coins and plaques counted shall be recorded on a Table Inventory Slip by the casino supervisor assigned to the gaming table.

(c) The Table Inventory Slip shall be two-part forms, at a minimum, and on the original of the slip ("Closer") and the duplicate of the slip ("Opener"), the casino supervisor shall record the following:

1. The date and identification of the shift ended;
2. The game and table number;
3. The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table; and
4. The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(d) Signatures attesting to the accuracy of the information recorded on the Table Inventory Slips at the time of closing gaming tables shall be of the dealer or boxman and the casino supervisor assigned to the gaming table who observed the dealer or boxman count the contents of the Table Inventory.

(e) Upon meeting the signature requirements described in (d) above, the Closer shall be deposited in the drop box attached to the gaming table immediately prior to the closing of the table.

(f) Upon meeting the signature requirements described in (d) above, the Opener and the gaming chips and plaques remaining at the table shall be placed in the container specified in N.J.A.C. 19:45-1.20, after which the container shall be locked and either transported directly to the cashiers' cage by a security department member or secured to the gaming table provided that there is adequate security, as approved by the Commission. If the locked containers are transported to the cashiers' cage, a cage cashier shall determine that all locked containers have been returned, or if the locked containers are secured to the gaming table, a casino representative shall account for all the locked containers.

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19:45-1.32 Count rooms; characteristics

(a) Except as provided in (d) below, each casino licensee shall have immediately adjacent to the cashiers' cage a room, to be known as the "count room," specifically designated, designed and used for counting the contents of drop boxes, slot cash storage boxes, slot drop buckets and slot drop boxes.

(b) The count room shall be designed and constructed to provide maximum security for the materials housed therein and for the activities conducted therein. Each casino licensee shall design and construct a count room with, at a minimum, the following security measures:

1. A metal door installed on each entrance and exit;
2. Each entrance and exit door shall be equipped with:
 - i. Two separate locks;
 - ii. An alarm device, approved by the Commission, which audibly signals the monitoring rooms required by N.J.A.C. 19:45-1.10 and the casino security department whenever a door to the count room is opened at times other than those times for which the casino licensee has provided prior notice pursuant to N.J.A.C. 19:45-1.33(b) or 1.43(b); and
 - iii. A light system, approved by the Commission, which illuminates one or more lights in the monitoring rooms required by N.J.A.C. 19:45-1.10, at each count room door, and at such other locations as the Commission may require, for purposes of maintaining constant surveillance on whether each count room door is open or closed;
3. Each lock required by (b)(2)(i) above shall be controlled by a key which is different from:
 - i. The key to the other lock on that door;
 - ii. The keys to the locks securing the contents of each drop box, slot cash storage box, and slot drop box; and

iii. The keys to the locks of each slot drop bucket compartment;

4. The key to one of the locks required by (b)(2)(i) above shall be maintained and controlled by the casino security department in a secure area within the casino security department, access to which may be gained only by a security supervisor, and the key to the other lock shall be maintained and controlled by a Commission inspector; and

5. The casino security department shall establish a sign-out procedure for all keys removed from the security department.

(c) Located within the count room shall be:

1. A table constructed of clear glass or similar material for the emptying, counting, and recording of the contents of drop boxes and slot cash storage boxes which shall be known as the "count table";

2. Closed circuit television cameras and microphone wired to monitoring rooms capable of, but not limited to, the following:

i. Effective and detailed audio-video monitoring of the entire count process;

ii. Effective, detailed video-monitoring of the interior of the count room, including storage cabinets or trolleys used to store drop boxes and slot cash storage boxes; and

iii. Audio-video taping of the entire count process and any other activities in the count room.

(d) Each casino licensee may count the contents of slot drop buckets and slot drop boxes in a different room, to be known as the "hard count room," from that used for counting the contents of drop boxes and slot cash storage boxes, in which event the latter room shall be known as the "soft count room." In all other respects the hard count room shall comply with the requirements of this section, except that the hard count room need not contain the audio equipment required by (c)2i and (c)2iii above. In addition, the hard count room shall contain a fixed-door type or hand-held metal detector to inspect all persons exiting the hard count room.

(e) In addition to the light system required by (b)2iii above, each hard count room shall contain a separate light system or other device approved by the Commission which shall provide a continuous visual signal at the count room door, the Commission booth and such other locations as the Commission may require whenever any access door to the count room is opened while the system is activated. The light system or device shall:

1. Maintain the visual signal until the system is reset or deactivated; and
2. Be designed so as to permit its activation, deactivation or resetting only by the Commission.

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19:45-1.33 Procedure for opening, counting and recording contents of drop boxes and slot cash storage boxes and the recording of keno revenue

(a) The contents of the drop boxes and slot cash storage boxes shall be counted and recorded in the count room in conformity with this section and a workflow diagram which shall be filed with the Commission's Principal Inspector, Division and the surveillance department.

1. The workflow diagram shall indicate, at a minimum, the location of all equipment in the count room, all equipment used in the counting process (for example, baskets and bins) and the flow of all currency, coupons, gaming vouchers and paperwork from the start of the count to the conclusion of the count.

2. Each casino licensee shall include in its internal control submission a description of all computer equipment used in the counting and recording process and all other systems, if any, that communicate with that computer equipment for purposes related to the counting of gross revenue. The submission shall include, at a minimum:

- i. A detailed description of the design and use of the computer equipment and any communication interfaces, software, screens, menus and reports related to the counting process;
- ii. The names of all revenue files and who has access and what type of access they have to these files;
- iii. Procedures for controlling changes to computer equipment, communication interfaces, configuration and software which provide for, at a minimum, written or electronic notification to the Commission at least 72 hours prior to the implementation of any proposed change; and
- iv. Controls that prevent access to any count room information by anyone outside of the count room until the entire count process is concluded.

(b) Each casino licensee shall place on file with the Commission and the Division the specific times during which the contents of drop boxes removed from gaming tables and contents of slot cash storage boxes are to be counted and recorded. Slot cash storage boxes shall be removed from bill changers in accordance with N.J.A.C. 19:45-1.42(a) and shall be counted and recorded, at a minimum, once a week. Drop boxes shall be removed from gaming tables and counted and recorded, at a minimum, once each gaming day, provided, however, a drop box need not be so removed if:

1. The drop box is from a gaming table that was never opened for gaming on that gaming day pursuant to N.J.A.C. 19:45-1.21; and
2. The casino licensee has established internal control procedures, as approved by the Commission, which ensure that the casino security department knows which drop boxes to collect and the count room supervisor knows which drop boxes should be counted.

(c) The opening, counting, and recording of the contents of drop boxes and slot cash storage boxes (the "soft count") shall be performed in the presence of a Commission inspector and a casino key employee who shall be referred to herein as a count room supervisor. The soft count shall be performed by at least three employees ("count team"), which may include the count room supervisor. To gain entrance to the count room, the Commission inspector shall present an official identification card containing his or her photograph issued by the Commission.

(d) All persons present in the count room during the counting process, except representatives of the Commission and Division, shall wear as outer garments, only a full-length, one-piece, pocketless garment with openings only for the arms, feet, and neck.

(e) No person present shall:

1. Carry a pocketbook or other container unless it is transparent;
- or
2. Remove his or her hands from or return them to a position on or above the count table, banking table or counting equipment unless the backs and palms of his or her hands are first held straight out and exposed to the view of other members of the count team and the closed circuit television camera.

(f) Except as otherwise provided in this section, access to the count room during the counting process shall be limited to those persons whose presence is necessary to complete the count. No count room employee shall, during the counting process, enter a storage area for table drop boxes or slot cash storage boxes that is adjacent to the count room to perform any function that is not directly related to the counting process.

1. Immediately prior to the commencement of the count:
 - i. The doors to the count room shall be securely locked and remain locked at all times except when the doors are opened for an authorized purpose pursuant to (f)2 below;

ii. A count team member shall notify a person assigned to the closed circuit television monitoring station in the establishment that the count is about to begin, after which such person shall make a continuous audio-video recording, with the time and date inserted thereon, of the entire counting process;

iii. The count room supervisor or his or her supervisor shall notify the Commission inspector, in writing, of the name and Commission license number of each member of the count team and whether each such individual is scheduled to:

(1) Be present in the count room during the entire counting process;

(2) Enter the count room during the counting process; or

(3) Leave the count room prior to the conclusion of the counting process; and

iv. The Commission inspector shall ensure that the Commission key that unlocks the contents of the drop boxes and slot cash storage boxes is secured to the count table in a manner approved by the Commission.

2. Once the counting process has started, the doors to the count room shall only be opened for one of the following purposes:

i. To allow one or more members of the count team to take a work break or to allow for a change of Commission Inspectors;

ii. At the start or conclusion of a count team employee's shift;

iii. To permit table drop boxes or slot cash storage boxes to be secured in the count room;

iv. To permit empty table drop boxes, slot cash storage boxes, emergency table game drop boxes or emergency slot cash storage boxes that were not part of the current count to be removed from the count room in accordance with procedures approved by the Commission;

v. To allow a main bank cashier or cage supervisor to enter the count room to perform the responsibilities set forth in (i) below;

vi. In the event of an emergency; or

vii. To allow the count team and the Commission inspector to exit the room at the conclusion of the count.

(g) No person shall be permitted to enter or leave the count room during the counting process unless his or her name is on the written notice required by (f) above. Notwithstanding the foregoing, the name of any person who enters or leaves the count room in furtherance of a purpose identified in (f)2iii through vi above shall not have to be included on the written notice required by (f) above if he or she enters or leaves the count room during the counting process solely for that purpose.

1. If any person enters or leaves the count room during the counting process, any employee remaining in the count room shall be required to display his or her hands in accordance with (e) above and to step away from the count table, banking table and counting equipment until the person has entered or left the count room.

2. The counting and recording process shall be discontinued whenever less than three count team members are present in the count room. If the entire count team will be taking a break, prior to leaving the count room:

i. All cash, gaming vouchers and coupons that have been removed from either a drop box or slot cash storage box shall be counted at least once and secured in a manner approved by the Commission until the return of at least three soft count team members from the break; and

ii. Any trolleys that contain uncounted drop boxes or slot cash storage boxes shall be secured with both locks during the break.

3. Once the counting process has been started, the count room supervisor shall be required to notify the closed circuit television monitoring room whenever a count room door will be opened.

4. Once all currency, gaming vouchers and coupons have been counted and the final count totals have been obtained, no employee shall be

permitted to leave the count room, except in an emergency, until the recount and presentation procedures in (i) below have been completed.

(h) Procedures and requirements for conducting the count shall be as follows:

1. As each drop box or slot cash storage box is placed on the count table, one count team member shall verbalize, in a tone of voice to be heard by all persons present and to be recorded by the audio recording device, the game, table number, and shift marked thereon for drop boxes, or the asset or unique identification number marked thereon for slot cash storage boxes;

2. In full view of the closed circuit television cameras located in the count room, the contents of each drop box or slot cash storage box shall be emptied on the count table and either manually counted separately on the count table or counted on a counting machine which has been approved by the Commission and is located in a conspicuous location on, near or adjacent to the count table;

3. Immediately after the contents of a drop box or slot cash storage box are emptied onto the count table, the inside of the drop box or slot cash storage box shall be held up to the full view of a closed circuit television camera to assure all contents of the drop box or slot cash storage box have been removed, after which the drop box or slot cash storage box shall be locked and placed in the storage area for drop boxes and slot cash storage boxes. Any drop box or slot cash storage box shall be reopened at any time upon the request of a Commission inspector to assure that all the contents have been removed;

4. The contents of each drop box or slot cash storage box shall be segregated by a count team member into separate stacks on the count table by each denomination of coin, tokens, gaming chips, currency, gaming vouchers and coupons (by denomination where applicable), and by type of form, record or document, except that the Commission may permit the utilization of a machine to automatically sort currency, coupons and gaming vouchers in the same manner. A count team member shall also separate out any mutilated or

torn currency, gaming vouchers and coupons, ensure that each item is properly counted and recorded by denomination and by box, and attempt to match pieces of mutilated or torn items to determine if a complete bill, gaming voucher or coupon exists.

i. Mutilated or torn currency shall be recorded as revenue if the bill includes one entire serial number and one letter and number of the serial number from the other half of the bill.

ii. Mutilated or torn currency that is not recorded as revenue shall be placed in a sealed transparent envelope or container and transferred to the main bank by the main bank cashier or cage supervisor at the end of the count.

iii. All mutilated or torn coupons and gaming vouchers shall be recorded as revenue regardless of their condition;

5. Each denomination of coin, token, gaming chip, currency and drop box coupon, and any slot cash storage box coupons and gaming vouchers shall be counted separately and individually by one count team member who shall place them on the count table in full view of a closed circuit television camera, after which the foregoing items shall be counted by a second count team member who is unaware of the result of the original count and who, after completing this count, shall confirm the accuracy of the total, either verbally or in writing, with that reached by the first count team member; provided, however, that the Commission may permit a casino licensee to perform the following aggregate count in substitution of the second count:

i. An aggregate count by denomination of all currency and coupons, by each drop box, if the Commission is satisfied that the original count is being performed automatically by a machine that counts and automatically records the value of currency or coupons, and the accuracy of which has been suitably tested and proven in accordance with the provisions of (h)6 below; and

ii. An aggregate count of all currency, gaming vouchers and coupons, by each slot cash storage box, if the Commission is satisfied that the

original counts are being performed automatically by a machine that counts and automatically records the value of currency and also determines the value of each gaming voucher or coupon by independently examining information printed on the voucher or coupon, which information is either used by the machine to calculate the value internally or to obtain the value directly from the gaming voucher system in a secure manner approved by the Commission, and the accuracy of which has been suitably tested and proven in accordance with the provisions of (h)6 below. If the gaming voucher system is utilized to obtain the value of a gaming voucher, the gaming voucher system shall also perform a calculation or integrity check, as approved by the Commission, to ensure that the value of the gaming voucher has not been altered in the system in any manner whatsoever since the time of its issuance.

6. The Commission will permit the utilization of currency, gaming voucher and coupon counting machines if, prior to the start of the first use of each counting machine each gaming day, (except for (h)6i and ii below, which shall be performed prior to each count, and except when a Commission inspector may direct the testing of an automatic counting machine prior to each count), the count room supervisor shall, in the presence of a Commission inspector:

i. Verify that the counting machine has a zero balance on its display and cause a receipt to be printed which denotes "-0- cash, gaming vouchers or coupons on hand" and "-0- notes, gaming vouchers or coupons in machine," or some other approved means to indicate that the machine has been cleared of all currency, gaming vouchers and coupons.

ii. Visually check the counting machine to be sure there are no bills, gaming vouchers or coupons remaining in the various compartments of the machine.

iii. Supervise a count team member who shall randomly select a drop box or slot cash storage box. If slot storage boxes are being counted that day, a slot cash storage box must be selected and it must contain currency, and if issued by the licensee, gaming vouchers and coupons. The

count team member shall place the entire contents of the drop box or slot cash storage box into the first counting machine, which shall count the currency by denomination as well as any gaming vouchers and coupons. Any soiled or off-sorted bills, gaming vouchers or coupons shall be re-fed into the machine. Any items which the counting machine is not able to count automatically, such as coins, tokens, gaming chips or mutilated or torn currency, gaming vouchers, and coupons shall be manually counted, recorded either manually or in the counting machine, and segregated from items which the counting machine was able to count automatically. The count team member shall cause the counting machine, in conjunction with the gaming voucher system, to produce one or more printouts of the total value of currency, the total number and value of all gaming vouchers, and total number and value of all coupons, and the totals shall not be shown to anyone until completion of the final verification process.

iv. Supervise a second count team member, independent of the team member performing the initial count by machine, who shall manually count and summarize the total value of currency, total number and value of gaming vouchers, and total number and value of coupons contained in the drop box or slot cash storage box counted in (h)6iii above. The total shall be posted and maintained separately from the total posted in (h)6iii above. This total shall not be shown to anyone until completion of the final verification process.

v. Supervise the second count team member passing the currency, gaming vouchers, and coupons to a count team member who is unaware of the results of the manual count. The count team member shall count the entire contents of the drop box or slot cash storage box counted in (h)6iii above using a second counting machine. Any soiled or off-sorted bills, gaming vouchers or coupons shall be re-fed into the machine. Any items which the counting machine is not able to count automatically, such as coins, tokens, gaming chips, or mutilated or torn currency, gaming vouchers, and coupons shall be manually counted, summarized, recorded either in the counting machine or manually, and segregated from items which the counting

machine was able to count automatically. The count team member shall cause the counting machine, in conjunction with the gaming voucher system, to produce one or more printouts of the total value of currency, total number and value of all gaming vouchers, and total number and value of all coupons, and the totals as recorded by the counting machine or manually shall not be shown to anyone until completion of the final verification process.

vi. Following the completion of the test procedures in (h)6iii through 6v above, compare the three totals for agreement. If the three totals are in agreement, the count room supervisor will sign and date the printouts and forward them to the Accounting Department at the end of the count process.

vii. If the three totals do not agree, appropriate repairs shall be made to the counting machine and the procedures in (h)6i through (h)6vi above shall be repeated until all totals are in agreement. The Commission shall not permit the counting machine to be used until these totals are in agreement.

7. If a counting machine is used to perform the first count in accordance with (h)5 above, cash storage cassettes shall be emptied and held up to the full view of a closed circuit television camera and shall be shown to the Commission inspector to assure that the contents have been emptied prior to replacing the cassette into the counting machine.

8. Notwithstanding (h)5 above, a casino licensee may use one piece of counting equipment to count and strap the currency, gaming vouchers and coupons; provided, however, that the counting equipment and the procedures for utilizing the equipment have been approved by the Commission and the equipment functions in such a manner that it automatically provides two separate counts of the items at different stages of the counting process and, if these separate counts are not in agreement, the machine shall document the discrepancy and cease operation until the discrepancy is resolved by a count team member. Currency, gaming vouchers and coupons not being separately verified in accordance with (h)5 above, including but not limited to gaming vouchers and coupons from slot cash storage boxes for which

the counting equipment obtains the value from the gaming voucher system in accordance with (h)5ii above, shall be verified by the operator in a manner approved by the Commission.

9. Any coupon deposited in a drop box or any coupon or gaming voucher deposited in a slot cash storage box shall be counted and included in the calculation of table game win or loss in accordance with (h)11 below or on the slot win report, without regard to the validity of the coupon or gaming voucher.

10. Any drop box coupon which has not already been cancelled upon acceptance or during the count shall be cancelled prior to the conclusion of the count, in a manner approved by the Commission.

11. The Master Game Report shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the casino licensee chooses, pursuant to (i)3 below, to make copies of the original Master Game Report, in which case only an original shall be required. Each additional copy of a multi-part Master Game Report shall be clearly labeled as a copy. As the contents of each drop box are counted, a count team member shall manually record or cause a computer system to record, in a manner approved by the Commission, the following information on the Master Game Report or other supporting documentation by game and table number:

- i. The value of each denomination of currency counted;
- ii. The total value of all denominations of currency counted;
- iii. The value of coin and/or tokens counted;
- iv. The value of gaming chips counted;
- v. The total value of currency, coin/tokens and gaming chips counted;
- vi. The value of each denomination of coupons other than match play coupons;
- vii. The total value of all denominations of coupons other than match play coupons;
- viii. The value of each denomination of match play coupons;

- ix. 50 percent of the total value of all denominations of match play coupons;
- x. The amount recorded on each document evidencing a credit card chip transaction;
- xi. The total of the amounts recorded on all documents evidencing credit card chip transactions;
- xii. The amount recorded on each document evidencing a debit card chip transaction;
- xiii. The total of the amounts recorded on all documents evidencing debit card chip transactions;
- xiv. The amount of the Opener;
- xv. The amount of the Closer;
- xvi. The serial number and amount of each Counter Check;
- xvii. The amount of all Counter Checks counted;
- xviii. The serial number and amount of each Fill;
- xix. The amount of all Fills;
- xx. The serial number and amount of each Credit;
- xxi. The amount of all Credits;
- xxii. The amount recorded on each Complimentary Vigorish Form documenting uncollected baccarat or minibaccarat vigorish;
- xxiii. The total of the amounts recorded on all Complimentary Vigorish Forms documenting uncollected baccarat or minibaccarat vigorish;
- xxiv. The table game win or loss or, for poker, the poker revenue; and
- xxv. The gaming date of the items being recorded, the total number of drop boxes opened and counted and the date the Master Gaming Report is being prepared or generated.

12. After the contents of each drop box are counted and recorded, a member of the count team shall manually record or cause the computer to record on the Master Game Report, by game, the total value of currency, coin, and coupons, and the total amounts recorded on Table Inventory Slips,

Counter Checks, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, Fills, and Credits counted, and win or loss, together with such additional information as may be required on the Master Game Report by the Commission or the casino licensee.

13. Notwithstanding the requirements of (h)11 and 12 above, if the casino licensee's system of internal controls provides for the recording on the Master Game Report or supporting documents of Fills, Credits, Counter Checks, documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips by cage cashiers prior to commencement of the count or includes a computerized system whereby all Fills, Credits, Counter Checks, documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips are entered into the system at the time of preparation, a count team member shall compare for agreement the totals of the amounts previously recorded or entered to the Fills, Credits, Counter Checks, the documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips that are removed from the drop boxes.

14. The Slot Cash Storage Box Report shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the casino licensee chooses, pursuant to (i)3 below, to make copies of the original Slot Cash Storage Box Report, in which case only an original shall be required. Each additional copy of a multi-part Slot Cash Storage Box Report shall be clearly labeled as a copy. As the contents of each slot cash storage box are counted, a count team member shall manually record or cause a computer system to record, in a manner approved by the Commission, the following information on the Slot Cash Storage Box Report or supporting documentation:

i. The asset number of the bill changer to which the slot cash storage box contents correspond or, if a casino licensee utilizes slot cash

storage boxes with a unique identification number, the number shall be recorded along with the asset number of the slot machine;

- ii. The value of each denomination of currency counted;
- iii. The total value of all denominations of currency counted;
- iv. The value of currency counted for each slot machine denomination;
- v. The number and value of each cashable coupon counted, and if a gaming voucher system is used to redeem coupons, the serial number and value of each coupon counted;
- vi. The total number and value of all cashable coupons counted;
- vii. The number and value of each non-cashable coupon counted, and if a gaming voucher system is used to redeem such coupons, the serial number and value of each coupon counted;
- viii. The total number and value of all non-cashable coupons counted;
- ix. A listing of the validation number and value of each gaming voucher counted;
- x. The total number and value of all gaming vouchers counted;
- xi. The gaming date of the items being recorded and the total number of all slot cash storage boxes opened and counted; and
- xii. Any additional information as may be required on the Slot Cash Storage Box Report by the Commission.

15. Notwithstanding the requirements of (h)11, 12 and 14 above, if the casino licensee's system of internal controls provides for the count team functions to be comprised only of counting and recording currency, coin, gaming vouchers, and coupons, accounting department employees shall perform all other counting, recording and comparing duties required by this section.

16. After preparation of the Master Game Report or the Slot Cash Storage Box Report, the count team members performing the banking functions and the count room supervisor shall sign the reports attesting to the accuracy of the information recorded thereon. The count room supervisor shall ascertain that the total number of drop boxes collected and verified by a casino supervisor pursuant to N.J.A.C. 19:45-1.17(b) have been opened and recorded on the Master Game Report or that the total number of slot cash storage boxes collected and verified by a drop team supervisor pursuant to N.J.A.C. 19:45-1.17(c) have been opened and recorded on the Slot Cash Storage Box Report. All other count team members shall either sign the Master Game Report or such other document as approved by the Commission as evidence of their participation in the counting of the drop boxes or slot cash storage boxes. Any person who, in accordance with (f) above, is scheduled to leave the count room prior to the completion of the entire count process, shall also record the time that he or she exited the count room. Any person who enters or leaves the count room due to an emergency shall sign, and record the time of the entry or exit on the Master Game Report or such other document as approved by the Commission; except that, if the person exiting the count room is unable to sign the document due to the emergency, the count room supervisor shall record the person's name and time of exit and a notation describing the emergency on the document.

17. If any problem exists with the soft count procedures and/or machines (for example, computer interface, dropped basket, strap over or short), it shall be brought to the immediate attention of the Commission inspector in the room and a detailed written report explaining the problem, the reason for said problem and the corrective action taken shall be filed by the count room supervisor or above with the Commission within 48 hours of the conclusion of the count.

(i) After the contents of all drop boxes or all slot cash storage boxes have been counted:

1. All coupons from drop boxes, cash, tokens and gaming chips shall be presented in the count room by a count team member to a main bank cashier or cage supervisor who, prior to having access to the information recorded on the Master Game Report or the Slot Cash Storage Box Report and in the presence of a count team member and the Commission inspector, shall recount, either manually or mechanically, the cash and coupons presented in accordance with the following requirements:

i. The cashier or cage supervisor shall have physical access to all currency and coupons presented for recounting and no currency or coupons presented for recounting shall be wrapped or placed in any sealed bag or container until the entire recount has been completed and the Master Game Report or the Slot Cash Storage Box Report has been signed by the count team members, the count room supervisor, the cashier or cage supervisor and the Commission inspector;

ii. The cashier or cage supervisor may bulk count all strapped currency and coupons from drop boxes, provided however, that a random sampling of the strapped currency and coupons shall be inspected for intermixed denominations and proper cancellation;

iii. All partial straps, loose currency and coupons, mutilated or torn currency and coupons, coin, tokens and gaming chips must be recounted by the cashier or cage supervisor either by hand or with an approved counting device;

iv. A Commission inspector may direct that currency straps of any denomination be recounted by the cashier or cage supervisor either by hand or with an approved counting device, if a discrepancy either in denomination total or grand total is discovered during the initial bulk recount; and

v. Not less than 10 percent of the total number of strapped coupons from slot cash storage boxes and not less than 10 percent of the total number of strapped gaming vouchers or a random sample of strapped gaming vouchers issued by slot machines shall be randomly recounted by hand or with

an approved counting device provided, however, that the random samples shall have a statistical confidence level of 95 percent, with a precision of plus or minus two percent, and that the Commission shall have approved the procedures for selecting the sample size and for assuring a proper selection of the samples. If a casino redeems any coupons created pursuant to N.J.A.C. 19:45- 1.55(l)2v (a coupon not associated with a specific patron account or patron identification card at the time of its creation), the serial numbers, dollar values and total number of all such redeemed coupons shall be verified in the count room after redemption by comparing that information to the data in a secure copy of the coupon mail file used to create such coupons, as required by N.J.A.C. 19:45-1.55(l)2v, and the cashier or cage supervisor shall also be required to compare and verify the face value of at least five percent of such coupons to the coupon values recorded on the supporting documentation for the Cash Storage Box Report, and to sign the supporting documentation and indicate the number of coupons compared. The compared coupons shall be segregated and maintained separately from all other coupons. Any discrepancies shall be reported to the casino controller, the MIS department manager as well as the Commission, and an investigation of the discrepancy shall be promptly conducted in accordance with N.J.A.C. 19:45-1.55(l)2vii.

2. Upon completion of the recount, the cashier or cage supervisor shall attest by signature on the Master Game Report and Slot Cash Storage Box Report, the amount of cash from drop boxes and slot cash storage boxes counted, and the amount of coupons from drop boxes counted, after which the Commission inspector shall sign the report evidencing his or her presence during the count and the fact that both the cashier or cage supervisor and count team have agreed on the total amounts of cash and coupons counted and have completed the verification required by (i) 1v above.

3. Once all required signatures have been obtained, the duplicate or a copy of the original Master Game Report or Slot Cash Storage Box Report shall be given to the Commission inspector.

i. A casino licensee's internal controls may, in the licensee's discretion, require that an additional copy of a multi-part Master Game Report or Slot Cash Storage Box Report or another copy of the original be produced and given to the cage supervisor or main bank cashier.

ii. Each copy of an original Report which is not part of a multi-part form shall be stamped with the word "copy" by the inspector prior to its distribution.

4. A casino licensee may, in its discretion, present the main bank cashier or cage supervisor with the cash, tokens, gaming chips and coupons obtained from the count of the drop boxes and the count of the slot cash storage boxes, either:

i. At the same time, in which event the cash, tokens, gaming chips and coupons shall be presented immediately after both counts have been concluded; provided, however, that the casino licensee shall set forth in its approved system of internal controls the procedures for segregating and securing the cash, tokens, gaming chips and coupons from the first count that is concluded until presented to the main bank cashier or cage supervisor after the conclusion of the second count; or

ii. Separately, in which event the cash, tokens, gaming chips and coupons from each count shall be presented immediately after the conclusion of the count; provided, however, that if the cash, tokens, gaming chips, and coupons from the first count that is concluded are presented while the second count is in progress:

(1) No cash, tokens, gaming chips, gaming vouchers or coupons in the count room shall be removed from an opened box that has not already been counted at least once; and

(2) All count room employees shall be required to step away from the count table until the presentation is completed and the cash and coupons from the first count are removed from the count room.

5. The original Master Game Report, after signing, and the Requests for Fills, the Fills, the Requests for Credits, the Credits, the issuance

copies of the Counter Checks, the Table Inventory Slips, the documents evidencing a credit or debit card chip transaction, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, the coupons removed from drop boxes and any other supporting documentation shall be transported directly to the accounting department and shall not be available to any cashiers' cage personnel. All coupons shall be received and processed by the accounting department in the manner set forth in N.J.A.C. 19:45-1.46(l).

6. The original Slot Cash Storage Box Report, after signing, any coupons and gaming vouchers removed from the slot cash storage boxes, and any other supporting documentation shall be transported directly to the casino accounting department and shall not be available to any cashiers' cage personnel. The casino accounting department shall record the figures from the Slot Cash Storage Box Report on the Slot Win Report and calculate the total drop for that gaming day. All coupons shall be received and processed by the casino accounting department in the manner set forth in N.J.A.C. 19:45-1.46(l). All gaming vouchers shall be forwarded to, accepted, and processed by the casino accounting department in the manner set forth in N.J.A.C. 19:45-1.54.

7. If the casino licensee's system of internal controls does not provide for the forwarding from the cashiers' cage of the originals of the Fills, Credits, Requests for Credits, Requests for Fills, and the issuance copies of the Counter Checks, directly to the accounting department, the originals of all such slips recorded, or to be recorded, on the Master Game Report shall be transported from the count room directly to the accounting department.

8. A count room employee, in the presence of a Commission inspector, shall conduct a thorough inspection of the entire count room and all counting equipment located therein to verify that no cash, tokens, gaming chips, gaming vouchers, or coupons remain in the room.

(j) In addition to the procedures for conducting the count by the count team set forth under (h)4, 5 and 16 above, and the procedures for conducting

the recount by a main bank cashier or cage supervisor set forth under (i)1 above, if the total currency or total coupons recounted by the cashier or cage supervisor do not agree with a total on the Master Game Report or Slot Cash Storage Box Report, or if a variance occurs during the verification process by the count team prior to calling the cashier or cage supervisor, an adjustment shall be made to the Master Game Report or Slot Cash Storage Box Report which shall reflect the amount, type (currency or coupon) and source (identified to a gaming table or slot machine, if applicable) of such variance; however:

1. If the source of the variance is a gaming table and the gaming table to which the adjustment should be made cannot be identified, the adjustment shall be deemed to be from the drop box of a predesignated blackjack table;

2. If the source of the variance is a slot machine and the slot machine to which the adjustment should be made cannot be identified, the adjustment shall be deemed to be from the slot cash storage box of a predesignated \$.25 slot machine or a predesignated slot machine with the lowest denomination counted that day; or

3. If the total currency or total coupons recounted by the cashier or cage supervisor do not agree with a total on the Master Game Report or Slot Cash Storage Box Report, or if a variance occurs during the verification process by the count team prior to calling the cashier or cage supervisor, the denomination of strapped currency or coupon pieces shall be recounted by the count team either by hand or by an approved counting device as determined by the Commission inspector.

- i. If the source of the variance cannot be identified, any adjustment made to the Master Game Report or Slot Cash Storage Box Report shall be initialed by the Commission inspector and a three-part Drop Variance Report shall be completed by the count room supervisor and distributed as follows:

- (1) Original to the Commission inspector;
 - (2) Duplicate to in-house Division; and

(3) Triplicate to the casino accounting department.

ii. A Drop Variance Report shall contain, at a minimum, the following information:

(1) The date;

(2) The source of variance, if known;

(3) The measures taken to detect the source of the variance (that is, currency or coupons recounted); and

(4) A description of any adjustment made to the Master Game Report or Slot Cashier Storage Box Report (for example, \$10 deducted from grand total drop and win columns on Master Game Report).

(k) If the casino licensee offers the game of poker pursuant to N.J.A.C. 19:47-14, the count room supervisor shall review the Master Game Report to ensure that negative poker revenue has not been reported for any poker table. If negative poker revenue has been reported for a poker table, the count room supervisor shall initial the Master Game Report for each such poker table and immediately notify the surveillance department of the poker table(s) and corresponding negative poker revenue reported thereon.

(l) The originals and copies of the Master Game Report, the Slot Cash Storage Box Report, Counter Checks, documents that evidence credit or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, Requests for Fills, Fills, Requests for Credits, Credits, Table Inventory Slips, gaming vouchers, coupons, documents that evidence the counting of the gaming vouchers, and test receipts from the currency counting equipment shall, on a daily basis, in the accounting department be:

1. Reviewed for the initials of the count room supervisor indicating that negative poker revenue has been reported at a poker table. If negative poker revenue has been reported, the casino accounting department shall, in consultation with, as necessary, the table games or poker departments, the surveillance department and the security department, conduct an investigation to determine the reason that negative poker revenue was reported.

i. The casino accounting department shall prepare a written report detailing its findings within five days of the date of the Master Game Report that included negative poker revenue. The original report shall be signed by the preparer and attached to the Master Game Report. A copy of the report shall be filed with the principal inspector and the Commission's Audit Unit.

ii. If the casino licensee can establish that an adjustment to poker revenue as reported on the Master Game Report is necessary to accurately report gross revenue, the Commission shall allow such an adjustment, which shall be supported by the written report required by (l) i above. If the casino licensee cannot establish that such an adjustment is necessary, negative poker revenue reported at any poker table shall nonetheless be adjusted to reflect a zero revenue amount.

2. Compared for agreement with each other, on a test basis if the originals are received from the count room, by persons with no recording responsibilities and, if applicable, to triplicates or stored data;

3. Reviewed for the appropriate number and propriety of signatures on a test basis;

4. Accounted for by series numbers, if applicable;

5. Tested for proper calculation, summarization, and recording, including the reconciliation of gaming vouchers pursuant to N.J.A.C. 19:45-1.54;

6. Subsequently recorded; and

7. Maintained and controlled by the accounting department as a permanent accounting record.

(m) The keno computer system shall have the capability of generating a report which lists, by keno work station, the keno drop, total amount won by patrons and keno win or loss for each gaming day. This report shall be audited by a casino accounting department employee. Once the audit procedures have been completed, the casino accounting department employee shall sign the report and either attach the report to the Master Game Report for that gaming

day or record the appropriate figures from the report onto the Master Game Report.

(n) If there is a difference between the keno win or loss as represented in the report referenced in (k) above and the figures reported as a result of the reconciliation of the keno drawer pursuant to N.J.A.C. 19:45-1.48(l), the casino licensee shall be required to pay gross revenue tax pursuant to N.J.S.A. 5:12-24 on the larger figure unless the casino licensee can adequately explain and document the reason for said difference. No adjustments to gross revenue shall be permitted without approval from the Commission.

As amended, effective: 10/07/85
As amended, effective: 11/02/87
As amended, effective: 08/15/88
As amended, effective: 05/06/91
As amended, effective: 03/02/92
As amended, effective: 12/07/92
As amended, effective: 02/16/93
As amended, effective: 04/05/93
As amended, effective: 02/07/94
As amended, effective: 03/21/94
As amended, effective: 06/05/95
As amended, effective: 01/16/96
As amended, effective: 08/05/96
As amended, effective: 08/19/96
As amended, effective: 09/16/96
As amended, effective: 10/07/96
As amended, effective: 01/21/97
As amended, effective: 04/07/97
As amended, effective: 10/20/97
As amended, effective: 07/20/98
As amended, effective: 01/19/99
As amended, effective: 02/01/99
As amended, effective: 10/16/00
As amended, effective: 01/06/03
As amended, effective: 08/15/05
As amended, effective: 10/20/08
As amended, effective: 12/06/10

19:45-1.33A Procedure for opening, counting and recording the contents of bill validator boxes from gaming voucher redemption machines; determination of gross revenue deduction

(a) At the end of each gaming day, as determined by its gaming voucher system, the casino licensee shall coordinate the removal of the bill validator boxes from all gaming voucher redemption machines and the insertion of empty, replacement bill validator boxes into the machines (the “bill validator drop”) as follows:

1. Prior to the removal of any bill validator box, a casino accounting supervisor shall verify and confirm in writing, in a manner approved by the Commission, that the number of empty bill validator boxes being sent as replacements equals the number of boxes scheduled to be collected
2. An employee of the casino security department and a supervisor of the casino accounting or independent slot machine cage department (supervisor) or a main bank cashier, master coin bank cashier or count team member (cage representative) shall obtain the keys from their respective departments and unlock the cabinets housing the bill validator boxes.
3. In the presence of the casino security department employee, the supervisor or cage representative shall remove all bill validator boxes and place them in a locked cart.
4. Immediately upon removal of each bill validator box, the gaming voucher redemption machine shall generate a receipt (Bill Validator Receipt) that documents the total value of each item (gaming vouchers, coupons and currency) in the box, which receipt shall be placed by the casino security department employee into a locked accounting box.
5. Prior to the movement of the collected boxes, the supervisor or cage representative shall verify and confirm in writing, in a manner approved by the Commission, that the number of boxes being transported from the casino floor equals the number of boxes in (a)1 above. Any discrepancies shall be immediately reported to the surveillance department and investigated. The

supervisor or cage representative shall also account for any boxes collected pursuant to N.J.A.C. 19:45-1.35A prior to the daily scheduled collection, but which have not yet been counted.

6. Accompanied by the supervisor or cage representative and a casino security department employee, the locked cart shall be transported to the cashiers' cage for counting or a secure area approved by the Commission under the control of the main bank or master coin bank and stored there until counted. The locked cart may be transported to the count room only when the count required by N.J.A.C. 19:45-1.33 has been completed and no gross revenue funds remain in the count room.

7. Each gaming voucher redemption machine shall generate a report (Gaming Voucher Redemption Machine Report) that documents each redemption of a gaming voucher performed by the machine during that gaming day, detailing, as to each gaming voucher redemption, the time, serial number, value and amount dispensed.

8. If the gaming voucher redemption machine is approved to accept coupons, the machine shall also generate a report (Coupon Redemption Report) that documents each redemption of a coupon performed by the machine during that gaming day, detailing, as to each coupon redemption, the time, serial number, value and amount dispensed.

9. If the gaming voucher redemption machine is approved to dispense funds in ATM transactions, the machine shall also generate a report (ATM Transaction Report) that documents each ATM transaction performed by the machine during that gaming day, detailing, as to each transaction, the time, amount requested and amount dispensed.

10. The reports required by (a)6 through 8 above shall be provided to the casino accounting department by the MIS department or, provided that they are not susceptible to alteration or deletion, may alternatively be generated by the casino accounting department.

11. If the bill validator boxes are transported to the cashiers' cage, a main bank or master coin bank cashier shall document their contents on a Balance Receipt in accordance with N.J.A.C. 19:45-1.35A(j).

i. The cashier who documents the contents of the bill validator boxes shall retain the original Balance Receipt as an inventory document until forwarded directly to the casino accounting department with the main bank or master coin bank end-of-day paperwork.

ii. The cashier shall place the duplicate Balance Receipt in a locked accounting box located in the main bank or the master coin bank or such other location as approved by the Commission.

12. If the bill validator boxes are transported to a count room, at the conclusion of the count a main bank or master coin bank cashier shall verify the count in accordance with N.J.A.C. 19:45-1.54(g)2i and the procedures in the casino licensee's approved internal controls and document the contents thereof on a Balance Receipt; provided, however, if the counting equipment documents the count of each individual bill validator box, the gaming vouchers, coupons and currency need only be documented for the entire bill validator drop and not for each individual bill validator box.

i. The gaming vouchers and coupons shall be transported directly to the casino accounting department together with the original Balance Receipt and the supporting documentation for each bill validator box.

ii. The currency shall be transported directly to the main bank or master coin bank together with the duplicate Balance Receipt.

13. If the bill validator boxes are transported to a count room for counting, at the conclusion of the count a main bank or master coin bank cashier shall verify the count in accordance with N.J.A.C. 19:45-1.54(g)2i and the procedures in the casino licensee's approved internal controls and document the contents thereof on a Balance Receipt; provided, however, if the counting equipment documents the count of each individual bill validator box, the gaming vouchers, coupons and currency need only be documented for the entire bill validator drop and not for each individual bill validator box.

i. The serial number, time of redemption and value of each gaming voucher redeemed at a gaming voucher redemption machine during the gaming day;

ii. The total number and value of gaming vouchers redeemed at each gaming voucher redemption machine during the gaming day; and

iii. The total number and value of gaming vouchers redeemed at all gaming voucher redemption machines during the gaming day.

(b) To determine the gross revenue deduction for gaming vouchers redeemed by gaming voucher redemption machines pursuant to N.J.A.C. 19:45-1.43, the casino accounting department shall compare the following and, if they do not all agree, report the lowest amount:

1. The total value of redeemed gaming vouchers counted pursuant to N.J.A.C. 19:45-1.54(d)1iii, as recorded on the Balance Receipt or such other document as approved by the Commission that summarizes all Balance Receipts;

2. The total value of redeemed gaming vouchers, as recorded on the Gaming Voucher System Report; and

3. The total amount dispensed for redeemed gaming vouchers, as recorded on the Gaming Voucher Redemption Machine Report and adjusted for any gaming voucher error receipts approved pursuant to the casino licensee's internal controls.

Adopted, effective: 04/16/07

As amended, effective: 10/04/10

19:45-1.34 Slot booths

(a) Each establishment may have on or immediately adjacent to the gaming floor one or more physical structures, each to be known as a slot booth, to house one or more slot cashiers and to serve as the central location in the casino or, when there are multiple slot booths, in that portion of the casino, for the following:

1. The custody of the slot booth inventory comprising currency, coin, slot tokens, forms, documents, and records normally associated with the operation of the slot booth;
2. The exchange by patrons of coin for currency or slot tokens;
3. The exchange by patrons of currency for currency, coin or slot tokens;
4. The exchange by patrons of gaming chips, prize tokens or slot tokens for currency, slot tokens or coin;
5. The exchange by patrons of coupons for currency, coin or slot tokens in conformity with N.J.A.C. 19:45-1.46(j);
6. The exchange by patrons of signed Slot Counter Checks for currency, coin or slot tokens, or any combination thereof, in conformity with N.J.A.C. 19:45-1.25A;
7. The exchange by patrons of gaming vouchers for currency, slot tokens, or coins, and the exchange by authorized employees of gaming vouchers for cash, in conformity with N.J.A.C. 19:45-1.54;
8. The issuance of Hopper Fills in conformity with N.J.A.C. 19:45-1.41;
9. The issuance of Payouts in conformity with N.J.A.C. 19:45-1.40;
10. The issuance of coin or slot tokens to automated coupon redemption machines in exchange for proper documentation;
11. The issuance of cash or slot tokens to patrons upon the presentation of a recognized credit or debit card in accordance with N.J.A.C. 19:45-1.25(i);
12. The issuance, receipt and reconciliation of imprest funds used by slot attendants and changepersons in conformity with the functions set forth within this chapter and upon the preparation of appropriate documentation in accordance with procedures approved by the Commission;
13. The receipt of currency and coupons from slot attendants in an even exchange for currency;

14. The receipt of coin, currency, coupons, slot tokens, prize tokens or gaming chips from changepersons in an even exchange for coin, currency or slot tokens;

15. The exchange of currency for coin and slot tokens, currency for currency, or coin and slot tokens for currency between slot cashiers upon the preparation of appropriate documentation and in accordance with procedures approved by the Commission;

16. The exchange with the master coin bank of coin, currency, gaming vouchers, slot tokens, prize tokens, gaming chips, gaming plaques, coupons, issuance copies of Slot Counter Checks and documentation upon the preparation of a Slot Booth Exchange Slip; and

17. Provided that the slot booth complies with the requirements of (c)2 below:

i. The receipt of cash, cash equivalents, casino checks, casino affiliate checks, annuity jackpot trust checks, slot tokens, prize tokens and gaming chips from patrons in exchange for Customer Deposit Forms;

ii. The receipt of gaming plaques from patrons in exchange for cash or Customer Deposit Forms in accordance with an approved system of accounting as required by N.J.A.C. 19:46-1.4(b); and

iii. The receipt of Customer Deposit Forms from patrons in exchange for cash or slot tokens.

(b) Except for the transactions authorized by (a) above, a slot booth shall not obtain coin, currency, prize tokens or slot tokens, through exchange or otherwise, from any source other than the master coin bank or a coin vault approved pursuant to N.J.A.C. 19:45-1.14(e). An exchange with the master coin bank or coin vault must be accompanied by a Slot Booth Exchange Slip or by a Fill Slip authorizing the distribution of coins, prize tokens or slot tokens to the slot booth. A Slot Booth Exchange Slip shall be a two-part, serially prenumbered form signed by the master coin bank cashier, slot cashier, and each person transporting the funds.

(c) Each slot booth shall be designed and constructed to provide at all times maximum security for the materials housed therein and for the activities performed therein.

1. At a minimum, each slot cashier window shall be equipped with an electrical system, approved by the Commission, which enables a slot cashier or other authorized person in the booth to transmit a signal that is audibly and visually reproduced in each of the following locations whenever an emergency exists:

i. The monitoring rooms required by N.J.A.C. 19:45- 1.10;
and

ii. The casino security department of the casino licensee.

2. A slot booth which accepts or refunds customer deposits pursuant to N.J.A.C. 19:45-1.24 shall also comply with the requirements of N.J.A.C. 19:45-1.14(c) for casino cages.

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As amended, effective: 03/18/91

As amended, effective: 05/06/91

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As amended, effective: 06/01/92

As amended, effective: 10/04/93

As amended, effective: 06/06/94

As amended, effective: 10/03/94

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As amended, effective: 09/16/96

As amended, effective: 03/02/98

As amended, effective: 01/06/03

As amended, effective: 08/04/03

As amended, effective: 01/20/04

19:45-1.35 Accounting controls for slot booths and change machines

(a) The assets for which the slot cashiers are responsible shall be supplied from the main bank or master coin bank. Each slot cashier shall operate with an individual imprest inventory. At the end of each shift, the slot cashier assigned to the outgoing shift shall record on a Slot Cashiers' Count Sheet the face value of each slot booth inventory item counted and the total opening and closing slot booth inventories and shall reconcile the total closing inventory with the total opening inventory.

(b) Signatures attesting to the accuracy of the information contained on the Slot Cashiers' Count Sheet shall be, at a minimum, of the following cashiers after preparation of the Slot Cashiers' Count Sheet:

1. The cashier assigned to the outgoing shift; and
2. The cashier assigned to the incoming shift.

(c) At the end of each gaming day, at a minimum, a copy of the Slot Cashiers' Count Sheets for the previous gaming day shall be forwarded to the accounting department for agreement of opening and closing inventories, agreement of amounts thereon to other records and documents required by this regulation, and recording of transactions.

(d) The slot booth inventory may be used to supply changepersons with an imprest inventory of coin, currency and slot tokens, provided that such inventory shall only be used to accept any combination of currency, coin, gaming chips, slot tokens, prize tokens or coupons presented by a patron in exchange for an equivalent amount of any combination of currency, coin or slot tokens. The slot booth inventory may also be used to provide a changeperson with coin, currency and slot tokens in exchange for an equal amount of any combination of coin, currency, coupons, prize tokens or gaming chips. The exchange of coupons shall be in accordance with N.J.A.C. 19:45-1.46(j). If a changeperson's inventory is obtained from a location other than a slot booth, the location and the procedures for the issuance and maintenance of the inventory shall be approved by the Commission.

(e) The slot booth inventory may be used to supply automated coupon redemption machines with an imprest inventory of coin or slot tokens.

(f) Change machines shall be governed by the accounting and internal control procedures required by this section, which shall be submitted to the Commission for review and approval.

(g) The slot booth inventory may be used to supply slot attendants and their supervisors with an imprest inventory of currency to be used in the exchange of currency and coupons presented by a patron or, in the casino licensee's discretion, with an imprest inventory of currency which shall not exceed \$5,000 to be used for pouch payouts in accordance with N.J.A.C. 19:45-1.40E and in the exchange of currency and coupons presented by a patron.

(h) Provided that the slot booth complies with the requirements of 19:45-1.34(c)2, the slot booth inventory may be used to refund unused patron deposits pursuant to N.J.A.C. 19:45-1.24.

As amended, effective: 01/21/85

As amended, effective: 03/18/91

As amended, effective: 03/02/92

As amended, effective: 10/04/93

As amended, effective: 10/03/94

As amended, effective: 12/04/95

As amended, effective: 08/05/96

As amended, effective: 05/06/02

As amended, effective: 08/04/03

As amended, effective: 09/05/06

19:45-1.35A Accounting controls for automated jackpot payout machines and gaming voucher redemption machines

(a) Other than an initial fill and any regularly scheduled replenishment, which shall be initiated by the main bank or master coin bank, a fill for an automated jackpot payout machine or gaming voucher redemption machine shall be initiated by:

1. A slot attendant, slot attendant supervisor, slot cashier, slot cashier supervisor or casino security department employee, who shall contact the main bank or master coin bank and request the preparation of a fill in the appropriate denomination(s); or

2. The automated jackpot payout machine or gaming voucher redemption machine, which shall transmit a signal to the main bank, master coin bank, slot attendant or slot attendant supervisor requesting the preparation of a fill in the appropriate denomination(s).

(b) A Currency Cassette/Coin Hopper Fill Slip (Cash Fill) shall be prepared by a main bank or master coin bank cashier whenever an automated jackpot payout machine or gaming voucher redemption machine fill is to be performed. Cash Fills shall be serially prenumbered, each series of Cash Fills shall be used in sequential order, and the series numbers of all Cash Fills received by a casino licensee shall be accounted for by the casino accounting department. All original and duplicate void Cash Fills shall be marked "VOID" and shall require the signature of the preparer.

(c) Cash Fills shall be, at a minimum, a two-part form, manually prepared or computer generated and shall contain, at a minimum, the following information:

1. The designation of the machine to which the fill is to be performed as an automated jackpot payout machine or gaming voucher redemption machine and its identification number;
2. The denomination(s) of currency and coin for each fill to be performed;
3. The total value of each denomination of currency and coin to be performed and the total number of bills and coins per denomination;
4. The total value of all currency cassette and coin hopper fills to be performed;
5. The date and time that the Cash Fill was prepared:

6. The signature of the main bank or master coin bank cashier who prepared the Cash Fill attesting to the accuracy on the information thereon; and

7. The signature of the employee responsible for performing the fill pursuant to (d) below.

(d) The employee performing the fill shall be a supervisor of the casino accounting or independent slot machine cage department or a cashier with no responsibility for the operations of the main bank or master coin bank or the preparation or reconciliation of currency cassettes and coin hoppers. The employee shall sign the original and duplicate copy of the Cash Fill and receive the currency cassettes, currency cassette reject bins, coin hoppers or coin hopper fills from the cashier. The main bank or master coin bank cashier shall maintain the original Cash Fill, and the employee performing the fill shall retain the duplicate until the fill is completed.

(e) If the fill is being performed by a supervisor of the casino accounting or independent slot machine cage department, the supervisor shall obtain his or her department's key to the machine's cabinet. If the fill is being performed by a cashier as permitted by (d) above, a supervisor of the casino accounting or independent slot machine cage department shall sign out the key from his or her department to the cashier. The keys shall be subject to sign-out and sign-in procedures approved by the Commission.

(f) The employee performing the fill shall proceed to the machine, unlock the cabinet and perform the fill in accordance with internal controls approved by the Commission, which internal controls shall include, without limitation, procedures that require:

1. The removal of any currency cassettes, currency cassette reject bin, coin hoppers or coin and the generation by the machine of a receipt (Credit Receipt) that, at a minimum, includes:

i. The designation of the machine as an automated jackpot payout machine or gaming voucher redemption machine and its identification number;

- ii. The date and time;
- iii. The denomination of the currency or coin for each cash cassette or coin hopper being replaced or coin hopper being filled; and
- iv. The total value of the cash, or the total number of bills or coin per denomination remaining in each currency cassette, currency cassette reject bin and coin hopper being replaced or filled;

2. The insertion of the replacement currency cassettes, currency cassette reject bin, coin hoppers or coins into the machine; and

3. The entering of data into the machine's computer that describes the fill, and the printing by the machine of a corresponding receipt (Fill Receipt) that, at a minimum, includes:

- i. The designation of the machine as an automated jackpot payout machine or gaming voucher redemption machine and its identification number;

- ii. The date and time the fill was performed;

- iii. The denomination of currency or coin for each currency cassette, coin hopper or coin being inserted into the machine; and

- iv. The total value of the cash, or the total number of bills or coins per denomination, for each currency cassette, coin hopper or coin being inserted into the machine.

(g) The employee performing the fill shall relock the cabinet and sign the duplicate copy of the Cash Fill a second time attesting that the fill was completed pursuant to all required procedures. The Fill Receipt and, except as otherwise provided in (h) below, the Credit Receipt shall then be attached to the duplicate copy of the Cash Fill and deposited in a locked accounting box at the machine or such other location as approved by the Commission.

(h) Notwithstanding the provisions of (g) above and (m)² below, nothing shall preclude the return of the Credit Receipt to the main bank or master coin bank to be held by a supervisor who does not disclose the values thereon, but who, after the main bank or master coin bank cashier completes the Balance Receipt in (j) below, discloses whether or not the figures recorded thereon are in

agreement. If they do not agree, the main bank or master coin bank cashier shall recount the items on the Credit Receipt, and the supervisor shall sign the Credit Receipt and deposit it into the locked accounting box. If a variance remains, it shall be investigated and resolved by the casino accounting department.

(i) The employee performing the fill shall return all removed currency cassettes, currency cassette reject bins, coin hoppers and coin to the main bank or master coin bank. If the employee is a supervisor of the casino accounting or independent slot machine cage department, he or she shall return the key to the cabinet to his or her department. If the employee is a cashier as provided in (d) above, the employee shall return the key to the cabinet to a supervisor of the department from which the key was signed out.

(j) A main bank or master coin bank cashier shall count and document the value of the contents of each removed currency cassette, currency cassette reject bin and removable coin hopper, and any returned coin, on a two-part receipt (Balance Receipt). If a bill validator drop pursuant to N.J.A.C. 19:45-1.33A is performed in conjunction with the fill of a gaming voucher redemption machine, the main bank or master coin bank cashier shall also document the value of the contents of the bill validator boxes on the Balance Receipt. A Balance Receipt shall include, at a minimum, the following:

1. The designation of the machine as an automated jackpot payout machine or gaming voucher redemption machine and its identification number;
2. The date and time the contents of the currency cassettes, currency cassette reject bins, coin hoppers and any returned coin were counted;
3. The denomination of the currency and coin in each removed currency cassette, currency cassette reject bin, coin hopper and any returned coin;
4. The total value of cash, or the total number of bills or coins per denomination, remaining in each removed currency cassette, currency cassette reject bin, coin hopper and any returned coin;

5. The total value of the items in (j)4 above;
6. If a bill validator drop was performed in conjunction with the fill of a gaming voucher redemption machine:
 - i. The total number and value of gaming vouchers removed from each bill validator box;
 - ii. The total number and value of coupons removed from each bill validator box;
 - iii. The total value of currency, or the total number of bills per denomination, removed from each bill validator box; and
 - iv. The total value of (j)6i through (j)6iii above;
7. The total value of the items in (j)5 and (j)6 above; and
8. The signature of the main bank or master coin bank cashier who prepared the Balance Receipt, attesting to its accuracy.

(k) The cashier shall retain the original Balance Receipt as an inventory document until forwarded directly to the casino accounting department with the end-of-day main bank or master coin bank paperwork. The duplicate Balance Receipt shall be placed in a locked accounting box located in the main bank or the master coin bank or such other location as approved by the Commission.

(l) Any manual slot payout funded from an automated jackpot payout machine, but subsequently voided due to a slot machine malfunction or any other reason shall be deposited with a main bank or master coin bank cashier and recorded and documented in accordance with internal control procedures approved by the Commission.

(m) At the end of each gaming day, at a minimum, all forms required by this section shall be forwarded as follows:

1. The original Cash Fills and Balance Receipts shall be forwarded to the casino accounting department; and
2. The duplicate Cash Fills with the attached Fill Receipts, the duplicate Balance Receipts and, if applicable, the attached Credit Receipts and Bill Validator Receipts, shall be collected from the locked casino accounting

boxes by a casino accounting department employee and returned to the casino accounting department.

(n) Prior to the end of each gaming day, a main bank or master coin bank cashier or supervisor thereof shall obtain a report (Inventory Report) from each automated jackpot payout machine and gaming voucher redemption machine in order to determine the starting inventory amount for the machines for the next gaming day.

1. The Inventory Report shall include, at a minimum:

- i. The date the report was generated;
- ii. An indication whether the machine is an automated jackpot payout machine or gaming voucher redemption machine and the identification number of the machine; and
- iii. The total amount of cash paid from the machine during the gaming day, and the cash inventory balance remaining in the machine at the end of the gaming day.

2. The information required by paragraph (n)1 above shall be reconciled with any Cash Fills and the net total from the Inventory Report shall be the starting inventory amount for the automated jackpot payout machine or gaming voucher redemption machine for the next gaming day.

3. Once the net total figure has been determined, it shall be recorded as part of the inventory of the main bank or master coin bank cashier and forwarded directly to casino accounting with the end-of-day main bank or master coin bank paperwork.

(o) The casino accounting department shall generate a report (Automated Jackpot Payout Machine Journal Report) from each automated jackpot payout machine or related computer that documents each transaction conducted at the machine during each gaming day and shall also generate an independent report (Manual Slot Payout Report) from the casino licensee's slot monitoring system which includes, at a minimum, as to each manual slot payout dispensed by an automated jackpot payout machine during that gaming day, the time and date, the asset number of the slot machine, the

amount of the manual slot payout and whether the manual slot payout was a jackpot, a progressive jackpot or a credit meter payout. The casino accounting department shall, within 24 hours of the end of the gaming day, confirm that:

1. The value of the currency cassette and coin hopper fills, as set forth on the Automated Jackpot Payout Machine Journal Report agrees with the values recorded on the original Cash Fills, Fill Receipts and the value of fills recorded on the main bank and/or master coin bank closeout form;

2. The value of cash remaining in removed currency cassettes, currency cassette reject bins, coin hoppers and any returned coin, as set forth on the Automated Jackpot Payout Machine Journal Report, agrees with the values recorded on the Credit Receipts and Balance Receipts and main bank and/or master coin bank closeout form; and

3. The value of cash dispensed, as set forth on the Automated Jackpot Payout Machine Journal Report, agrees with the values recorded on the original Jackpot Payout Slips and the Manual Slot Payout Report.

(p) The casino accounting department shall generate a report (Gaming Voucher Redemption Machine Journal Report) from each gaming voucher redemption machine or related computer that documents each transaction conducted at the machine during each gaming day and, within 24 hours of the end of the gaming day, confirm that:

1. The value of currency cassette and coin hopper fills, as set forth on the Gaming Voucher Redemption Machine Journal Report, agrees with the values recorded on the original Cash Fills, Fill Receipts, and the value of fills recorded on the main bank and/or master coin bank closeout form; and

2. The value of cash remaining in removed currency cassettes, currency cassette reject bins, coin hoppers and any returned coin, as set forth on the Gaming Voucher Redemption Machine Journal Report, agrees with the values recorded on the Credit Receipts, Balance Receipts and main bank and/or master coin bank closeout form.

(q) The casino licensee shall be required to count and verify all currency in each currency cassette at least once every seven days and all coin in each

coin hopper at least once a month, by removing all currency and coin from each currency cassette, currency cassette reject bin and coin hopper and reconciling the cash contained therein and all transactions.

(r) Any variance of \$250.00 or more discovered by the accounting department pursuant to (q) above shall be reported in writing to the casino controller, the slot department, the Commission and the Division within 72 hours of the end of the gaming day during which the variance was discovered. The report shall indicate the cause of the variance and shall contain any documentation required to support the stated explanation. The casino licensee shall report the actual cause of the variance unless such cause cannot be definitively determined after a diligent investigation, in which case the probable cause of the variance shall be reported.

Adopted, effective: 04/16/07

19:45-1.36 Slot machines and bill changers; coin and slot token containers; slot cash storage boxes; entry authorization logs

(a) Except as provided in N.J.A.C. 19:45-1.54(a), each slot machine located in a casino shall have the following coin, prize token or slot token containers, the location, design and security of which shall be subject to the approval of the Commission after review by the Division pursuant to N.J.A.C. 19:46-1.20:

1. At least one but no more than three types of containers, each to be known as a payout reserve container ("hopper"), in which coins, prize tokens or slot tokens are retained by the slot machine to automatically pay jackpots, to dispense change as directed by a bill changer connected to the slot machine or to automatically replenish another hopper in the slot machine with coins, slot tokens or prize tokens; provided however, that:

- i. Coins or slot tokens inserted into the coin acceptor of the slot machine shall be retained in a separate hopper, known as an "all-purpose hopper," that shall:

(1) Accept coin or slot tokens of the same denomination, and only such coin or slot tokens;

(2) Be capable of paying out or dispensing only coin or slot tokens of the same denomination as jackpots or as change; and

(3) Be designed to divert accepted coins or slot tokens that exceed the capacity of the hopper from the hopper to the slot drop bucket or, if applicable, the slot drop box;

ii. Prize tokens shall be retained only in a separate hopper, known as a "payout-only hopper," that shall be:

(1) Filled with prize tokens of the same denomination exclusively through a hopper fill or an automatic deposit by a reserve hopper pursuant to (a)1iii below;

(2) Capable of retaining and making jackpot payouts only of prize tokens of the same denomination; and

(3) Incapable of making change or of accepting any coin or slot token upon insertion thereof into the slot machine's coin acceptor;

iii. Coins, slot tokens or prize tokens may also be retained in a separate hopper, known as a "reserve hopper," that shall be:

(1) Filled with either coin, slot tokens or prize tokens of the same denomination, and only such coin, slot tokens or prize tokens, exclusively through a hopper fill or an automatic deposit by another reserve hopper pursuant to this subparagraph;

(2) Capable of automatically depositing coins, slot tokens or prize tokens into a separate and appropriate hopper in the slot machine when the separate hopper is empty, or when the coin, slot tokens or prize tokens in the separate hopper reach a predetermined level approved pursuant to N.J.A.C. 19:45-1.41(a); and

(3) Incapable of paying out jackpots, dispensing change or of accepting any coin or slot token upon insertion thereof into the slot machine's coin acceptor;

iv. Notwithstanding (a)1ii above, coins or slot tokens of the same denomination that are placed in a payout-only hopper exclusively through hopper fills may be retained in that hopper to make payouts to winning patrons, subject to the Division's inspection and the Commission's approval of the machine as part of the review of that machine and of the internal controls therefor;

v. Notwithstanding (a)1ii above, coins or slot tokens of the same denomination may be placed in a payout-only hopper and retained in that hopper to make payouts to winning patrons, provided that:

(1) The use of a payout-only hopper for such purpose shall be subject to the Division's inspection and the Commission's approval of the machine and the Commission's approval of the internal controls governing such use;

(2) Coins or slot tokens shall be placed in the payout-only hopper exclusively through hopper fills; and

(3) No prize tokens shall be placed in or retained by a payout-only hopper that retains coins or slot tokens pursuant to this subparagraph; and

vi. Unless the hoppers on a slot machine with multiple hoppers either each contain the same denomination of coin, slot tokens or prize tokens, or are connected to win meters that satisfy the requirements of N.J.A.C. 19:45-1.37(b)4i and 19:46-1.26(c)5i or 19:45-1.37(b)4ii and 19:46-1.26(c)5ii, each automatic pay jackpot of coins, slot tokens or prize tokens that is made from a multiple hopper slot machine on a round of play shall be paid out only on the round of play when the jackpot is hit and only from one of the machine's hoppers for any jackpot that is hit on that round, and no casino licensee shall offer or provide a jackpot at such slot machine that will be paid out from more than one hopper for any jackpot that is hit on the same round;

2. A container, known as a slot drop bucket or slot drop box, to collect coins or slot tokens that are retained by the slot machine and are not used to make change or automatic jackpot payouts. Each slot drop bucket or slot drop

box shall be identified by a number which corresponds to the asset number of the slot machine, and which is permanently imprinted on or affixed to the outside of the slot drop bucket or slot drop box in numerals. The number must be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the casino licensee's closed circuit camera coverage system. The size and location of the number are subject to prior approval by the Commission. In addition to bearing an asset number, each slot drop bucket or slot drop box may also be identified by a bar code label that is securely affixed thereto. Each bar code label affixed to a slot drop bucket or slot drop box shall be:

- i. Encoded, at a minimum, with the asset number of the slot machine in which the slot drop bucket or slot drop box is housed; and
- ii. Prepared in accordance with a casino licensee's approved internal controls, which controls shall require, without limitation, the completion of a Bar Code Label Request Form that is signed by the requester and the preparer; provided, however, that a bar code label prepared by a member of the count team shall be tested and verified by a count room supervisor or representative of the casino accounting department, other than a member of the count team, prior to the label being attached to the slot drop bucket or slot drop box.

3. On those slot machines which include a bill changer, a container known as a slot cash storage box, in which currency and coupons accepted by the bill changer are retained. The slot cash storage box shall be accessible only by a dedicated bill changer drop door that can be opened without opening the slot machine's main door or any other compartment of the slot machine.

(b) A slot drop bucket shall be housed in a locked compartment separate from any other compartment of the slot machine. The compartment shall have two locks, the keys to which shall be different from each other and from the keys utilized to secure all other compartments of the slot machine. One key to the compartment shall be maintained and controlled by a Commission

inspector. The second key to the compartment shall be maintained and controlled by the casino security department in a secure area within that department, access to which may be gained only by a casino security department supervisor.

(c) A slot drop box shall have:

1. A slotted opening through which coins and slot tokens can be deposited;
2. A device that will automatically close and lock the slotted opening upon removal of the slot drop box from the slot machine; and
3. Two separate locks securing the contents of the slot drop box, the keys to which shall be different from each other. The key to one of the locks shall be maintained and controlled by a Commission inspector. The key to the second lock, which shall also be different from the keys utilized to secure the compartments of the slot machine and the slot drop box, shall be maintained and controlled by the accounting department in a secure area within that department, access to which may be gained only by a supervisor in that department.

(d) A slot drop box shall be housed in a locked compartment separate from any other compartment of the slot machine. The area in which the slot drop box is located shall be secured by two separate locks, the design, location and operation of which shall be approved by the Commission, and the keys to which shall be different from each other. The key to one of the locks securing this area shall be maintained and controlled by a Commission inspector. The key to the second lock, which shall also be different from the keys utilized to secure any other compartments of the slot machine and the contents of the slot drop box, shall be maintained and controlled by the casino security department in a secure area within that department, and access to the key may be gained only by a supervisor in that department.

(e) Any slot machine equipped to accept slot tokens in denominations of \$25.00 or more shall utilize a slot drop box, rather than a slot drop bucket.

(f) The area in which the slot cash storage box is located shall be:

1. Separate from and accessible independently of any other compartment of the slot machine, the slot drop bucket or the slot drop box; and

2. Secured by two separate locks, the design, location, and operation of which shall be approved by the Commission, and the keys to which shall be different from each other.

(g) The key to one of the locks securing the area where the slot cash storage box is located shall be maintained and controlled by a Commission inspector. The key to the second lock to such area, which key shall also be different from the keys securing the contents of the slot cash storage box, shall be maintained and controlled by the casino security department or the slot department in a secure area within that department. Access to the key may be gained only by a supervisor in that department, provided, however, that if the slot department controls the key, the supervisor of the slot department may issue the key to a casino security department supervisor, who may give it to appropriate casino security department personnel only for the purpose of participating in the transportation of slot cash storage boxes, pursuant to N.J.A.C. 19:45-1.17.

(h) Except as otherwise provided in (b), (c) (d) and (g) above, keys to each slot machine, or any device connected thereto which may affect the operation of the slot machine, including, without limitation, keys that activate a jackpot-to-credit-meter switch, shall be maintained in a secure place and controlled by the slot department.

(i) Any key removed from a department's secure area pursuant to (b), (c), (d), (g) or (h) above, shall be returned no later than the end of the shift of the department member to whom the key was issued, and the department shall establish a sign-out and sign-in procedure approved by the Commission for all such keys removed.

(j) Unless a computer which automatically records the information specified in (j)1, 2, 3, and 4 below is connected to the slot machines in the

casino, the following entry authorization logs shall be maintained by the casino licensee:

1. Whenever it is required that a slot machine or any device connected thereto which may affect the operation of the slot machine be opened, with the exception of a bill changer, certain information shall be recorded on a form to be entitled "Machine Entry Authorization Log." The information shall include, at a minimum, the date, time, purpose of opening the machine or device, and the signature of the authorized employee opening the machine or device. The Machine Entry Authorization Log shall be maintained in the slot machine and shall have recorded thereon a sequential number and a manufacturer's serial number or the asset number of that slot machine.

2. Whenever it is required that a progressive controller not housed within the cabinet of a slot machine be opened, the information specified in (j)1 above shall be recorded on a form to be entitled "Progressive Entry Authorization Log." The Progressive Entry Authorization Log shall be maintained in the progressive unit and shall have recorded thereon a sequential number and serial number of the progressive controller.

3. With the exception of the transportation of slot cash storage boxes, pursuant to N.J.A.C. 19:45-1.17(a), whenever it is required that a bill changer, other than a separate slot cash storage box compartment, be opened, certain information shall be recorded on a form to be entitled "Bill Changer Log." The information shall include, at a minimum, the date, time, purpose of opening the bill changer, and the signature of the authorized employee opening the bill changer. The Bill Changer Log shall be maintained in the bill changer and shall have recorded thereon a sequential number and the serial number or asset number of the bill changer. If the bill changer is contained completely within the cabinet of a slot machine and there is no separate access to the bill changer unit, the information may be recorded on the Machine Entry Authorization Log required by (j)1 above, provided that any information that concerns the opening of the bill changer may be distinguished from any

information that concerns the opening of the slot machine or any other device connected thereto.

4. Whenever it is required that a printer for an approved gaming voucher system be accessed, the date, time, purpose of such access, and the signature of the authorized employee shall be recorded in the log required by either (j)1 or (j)3 above, or a separate log as approved by the Commission.

Effective: 05/25/78

As amended, effective: 06/30/83

As amended, effective: 07/20/87

As amended, effective: 05/16/88

As amended, effective: 08/15/88

As amended, effective: 10/03/88

As amended, effective: 05/06/91

As amended, effective: 09/21/92

As amended, effective: 07/06/93; Operative date: 10/15/93

As amended, effective: 02/07/94

As amended, effective: 09/19/94

As amended, effective: 10/03/94

As amended, effective: 03/18/96

As amended, effective: 08/05/96

As amended, effective: 04/06/98

As amended, effective: 11/05/01

As amended, effective: 03/04/02

As amended, effective: 01/06/03

As amended, effective: 01/03/05

As amended, effective: 04/16/07

19:451.36A Slot machines; hopper storage areas

(a) A hopper storage area may be used in connection with the operation of a slot machine, for the purpose of temporarily storing coins, prize tokens or slot tokens that are to be deposited only into the slot machine's hopper that corresponds with the coin or type of token stored in the hopper storage area.

(b) A hopper storage area shall be a separate secure compartment located within or adjacent to its corresponding slot machine. Notwithstanding the foregoing, a single hopper storage area may be used to store hopper fills for two or more slot machines. A hopper storage area used to supply two or more

slot machines shall:

1. Be located on the casino floor in close proximity to its corresponding slot machines, which location shall be approved by the Commission; and

2. Contain a separate marked compartment for each corresponding slot machine, so that all hopper fills stored in the hopper storage area can be segregated and identified by slot machine.

(c) Each hopper storage area shall:

1. Be constructed so as to provide maximum security for the coins or tokens stored in it;

2. Be secured by two separate locks, the keys to which shall be different from each other. One of the keys, which may be the same as the key which opens the slot machine corresponding to that hopper storage area, shall be maintained and controlled by the slot department. The other key, which shall be different from the key securing the corresponding slot machine, shall be maintained and controlled by the security department, in a secure area within that department, and access to that key may be gained only by a supervisor in that department. Removal of the key from this area may be undertaken only for use and return no later than the end of the shift of the department member to whom the key was issued, and upon the approval of a supervisor of that department, and entry of the following information into a log:

- i. The signature of the department member to whom the key was issued;

- ii. The signature of the supervisor authorizing such issuance;

- iii. The date and time issued; and

- iv. The date and time replaced; and

3. Include a device that indicates when the door of the hopper storage area is open.

(d) Hopper storage areas shall be filled and utilized in accordance with the procedures in N.J.A.C. 19:451.41 and a casino licensee's system of internal

controls. No hopper storage area and no compartment within a hopper storage area that supplies two or more slot machines shall contain more than triple the hopper inventory level of each of the hoppers in its corresponding slot machine.

Adopted, effective: 09/21/92

As amended, effective: 10/03/94

As amended, effective: 11/17/97

19:45-1.37 Slot machines and bill changers; electronically erasable/programmable storage media; identifications; signs; and meters

(a) Unless otherwise authorized by the Commission, each slot machine in a casino shall have the following identifying features:

1. A manufacturer's serial number affixed to the outside of the slot machine cabinet in a location as approved by the Commission;

2. An asset number that is permanently imprinted, affixed or impressed on the outside of the machine. The asset number must be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the casino licensee's closed circuit camera coverage system. The size and location of the asset number are subject to prior approval by the Commission;

3. A display located conspicuously on the front of the slot machine that automatically illuminates when a player has won a jackpot not paid automatically and totally by the slot machine and which advises the player to see an attendant to receive full payment;

4. Either a display on the front of the slot machine or, if the slot machine includes a video display, a conspicuous button or touch screen option that activates one or more video screens providing fair notice of the following:

i. The rules of play, jackpot displays which will designate jackpots and the related payouts;

ii. If the slot machine offers a payout of merchandise or some other thing of value, a clear description of the merchandise or thing of value, including its cash equivalent value (unless the payout is an annuity jackpot), and the dates that the merchandise or thing of value will be offered if the casino licensee establishes a time limit for offering the merchandise or thing of value as provided in N.J.A.C. 19:45-1.40A (a time limit shall not be permitted for a progressive annuity jackpot); provided, however, that the display need only contain the name or a brief description of the merchandise or thing of value offered if a sign containing all of the information specified in this subparagraph is displayed near the slot machine in a manner and location approved by the Commission;

iii. If the slot machine offers a progressive jackpot, the payout limit, if the casino licensee establishes a payout limit as provided in N.J.A.C. 19:45-1.39; provided, however, that the display need not contain the payout limit if a sign which does contain the payout limit is displayed near the slot machine in a manner and location approved by the Commission;

iv. If the slot machine is equipped with a payout-only hopper, a statement either that:

(1) Any prize tokens that are paid out as a jackpot from that hopper cannot be used to activate play at any slot machine; or

(2) Any coins or slot tokens that are paid out from that hopper cannot be used to activate play at that slot machine;

v. If the slot machine is equipped with multiple hoppers and has the win meter permitted by (b)4ii below and N.J.A.C. 19:46-1.26(c)5, a statement, approved by the Commission, that reasonably explains to patrons the information disclosed by the win meter;

vi. If the slot machine offers an alternative jackpot of either cash or merchandise or some other thing of value pursuant to N.J.A.C. 19:45-1.40A(m), or an annuity jackpot with a cash payout option pursuant to N.J.A.C. 19:45-1.40B, in addition to any other requirement imposed by (a)4i through v above, a clear description of the jackpots and options that are

available to a winning patron and all essential terms governing the exercise of any option; provided, however, that the display need only contain a brief description of the jackpots offered if a sign containing all of the information specified in this subparagraph is displayed near the slot machine in a manner and location approved by the Commission;

vii. If the slot machine has an approved gaming voucher feature, a description of whether the patron is paid in coin/tokens and/or gaming vouchers;

viii. If the slot machine is equipped with tokenization pursuant to N.J.A.C. 19:45-1.37C, a conspicuous notice indicating:

(1) The denomination of the slot machine, and the denomination of the token accepted and paid by the machine;

(2) Whether or not the residual slot credit can be cashed out; and

(3) That any residual slot credit not played or cashed out by a patron shall be deemed abandoned;

ix. If the slot machine is multi-denominational pursuant to N.J.A.C. 19:46-1.28A(k), conspicuous notice that jackpots are based upon credits played at the denomination selected; and

x. If the slot machine utilizes non-cashable slot credits or non-cashable electronic transfer credits, signage disclosing all restrictions upon the use of such non-cashable credits. Such disclosure shall, at a minimum, provide notice that a non-cashable credit:

(1) Cannot be converted into cash by a patron;

(2) Must be wagered or abandoned; and

(3) Is automatically wagered before any cashable slot credits are wagered.

5. A mechanical, electrical or electronic device that automatically precludes a player from operating the slot machine after a jackpot that is not totally and automatically paid directly by the slot machine and requires an attendant to reactivate the slot machine;

6. A slot machine tower light that complies with the requirements of N.J.A.C. 19:45-1.37B; and

7. A location number that is affixed to the outside of the machine. The location number must be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the casino licensee's closed circuit camera coverage system. The size and location of the location number are subject to prior approval by the Commission.

(b) Unless otherwise authorized by the Commission, each slot machine in a casino shall be equipped with the following:

1. A mechanical, electrical or electronic device, to be known as an "in-meter," that continuously and automatically counts the number of coins or slot tokens placed by patrons into the machine for the purpose of activating play;

2. A mechanical, electrical or electronic device, to be known as a "drop meter," that continuously and automatically counts the number of coins or slot tokens that are dropped into the machine's slot drop bucket or slot drop box;

3. For each hopper in a slot machine, a separate mechanical, electrical or electronic device, to be known as a "jackpot meter," that continuously and automatically counts, for that hopper only, the number of coins, prize tokens or slot tokens that are automatically paid by the machine from the corresponding hopper and that displays the aggregate number so counted; provided, however, that:

i. In lieu of the jackpot meter for a payout-only hopper displaying the aggregate number of coins, slot tokens or prize tokens paid out from that hopper, each casino licensee that uses a slot machine which is capable of converting the number of coins, slot tokens or prize tokens paid out from a payout-only hopper into the equivalent number of coins or slot tokens that match the denomination of the coin or slot token which that slot machine is designed to accept in order to activate play (the "machine denomination

equivalent"), may, in accordance with internal controls approved by the Commission, set the jackpot meter connected to each payout-only hopper in that slot machine to continuously and automatically count and display the aggregate number of coins, slot tokens or prize tokens paid out from that hopper by its machine denomination equivalent (for example, the jackpot meter on a 25¢ slot machine may display the payout of one \$3.00 prize token as the payout of "12" quarters); and

ii. Each slot machine with multiple hoppers may have a single jackpot meter to count and display the aggregate number of coins, slot tokens or prize tokens paid out from that machine's hoppers provided that:

(1) Each hopper is connected to that meter;

(2) The jackpot meter counts and displays, in accordance with (b)3i above, the aggregate number of coins, slot tokens or prize tokens paid out from a payout-only hopper by its machine denomination equivalent; and

(3) Each payout-only hopper has a separate jackpot meter, to be known as a "payout-only jackpot meter," that counts and displays the aggregate number of coins, slot tokens or prize tokens actually paid out from that hopper only;

4. If the slot machine utilizes slot credits or electronic transfer credits, a mechanical, electrical or electronic device, known as a "credit meter," visible from the front of the machine, that accumulates and displays to the player the denominational units or monetary value of such credits that are available for wagering;

5. A mechanical, electrical or electronic device known as a "win meter," visible from the front of the machine, that, upon a player hitting a jackpot, advises the player of the number of coins, prize tokens or slot tokens for that round that have been paid to the player by the machine from the corresponding hopper; provided, however, that multiple win meters, as provided in (b)4i or ii below after approval of the casino licensee's internal controls therefor, shall be used on each multiple hopper slot machine whenever

one or more jackpots that are hit on the same round of play at that machine entitle the winning player to automatically receive coins, slot tokens or prize tokens from both hoppers and each hopper contains a different denomination of coins, slot tokens or prize tokens, as follows:

i. A separate win meter for each hopper that, for the round in which a jackpot is hit, advises the winning player of the actual number of coins, slot tokens or prize tokens won from that hopper only; or

ii. A win meter to which each hopper is connected that advises the winning player of the aggregate number of coins, slot tokens or prize tokens won on that round from both hoppers after first converting the aggregate number of any coins, slot tokens or prize tokens won on that round from a payout-only hopper into its machine denomination equivalent, and a separate win meter, to be known as a "payout-only win meter," connected to each payout-only hopper that advises the player of the number of coins, slot tokens or prize tokens actually won on that round from the corresponding hopper only (for example, a win meter on a multiple hopper 25¢ slot machine may, pursuant to this paragraph, record the payout, on the same round of play, of one \$3.00 prize token and two quarters as the payout of "14" quarters, provided there is a separate payout-only win meter advising the player that one prize token was paid out);

6. Unless otherwise authorized by the Commission, each slot machine approved to dispense gaming vouchers shall also be equipped with mechanical, electrical or electronic devices as follows:

i. A "numerical voucher out meter" that continuously and automatically counts and displays the aggregate number of gaming vouchers dispensed by the machine; and

ii. A "value voucher out meter" that continuously and automatically counts and displays the aggregate value of gaming vouchers dispensed by the machine; and

7. If the slot machine accepts coupons for non-cashable slot credits, a mechanical, electrical or electronic device, known as:

i. A "numerical non-cashable coupon meter," that continuously, automatically and separately counts and displays the total number of all coupons for non-cashable credits accepted by the slot machine; and

ii. A "value non-cashable coupon meter" that continuously, automatically and separately counts and displays the total value of all coupons for non-cashable credits accepted by the slot machine.

(c) Unless otherwise authorized by the Commission each slot machine which does not totally and automatically pay the full amount of a jackpot to a patron shall be equipped with a mechanical, electrical or electronic device to be known as a "manual jackpot meter" that continuously and automatically records a pulse(s) for a predetermined number of coins or slot tokens that are to be paid manually.

(d) Unless otherwise authorized by the Commission, each slot machine that accepts currency shall have meters that accomplish the objectives set forth in (b) and (c) above.

(e) Unless otherwise authorized by the Commission, each slot machine that has a bill changer shall also be equipped with mechanical, electrical or electronic devices as follows:

1. A "cash box" meter that continuously and automatically records the total value of all currency accepted by the bill changer or, as an alternative, a connection to a computer system approved by the Commission that determines the total value of all currency accepted by the bill changer from data supplied from the bill meters required by (e)2 below;

2. A number of "bill meters," that continuously, automatically and separately count, for each denomination of currency accepted by the bill changer, the actual number of bills accepted by the bill changer;

3. If the bill changer can accept coupons but does not contain the coupon meters identified in N.J.A.C. 19:45-1.46B:

i. A "numerical coupon meter" that continuously, automatically and separately counts the total number of all coupons accepted by the bill changer; and

ii. A "value coupon meter" that continuously, automatically and separately counts the total value of all coupons accepted by the bill changer; and

4. If the bill changer can accept gaming vouchers:

i. A "numerical voucher in meter" that continuously, automatically and separately counts the total number of all gaming vouchers accepted by the bill changer; and

ii. A "value voucher in meter" that continuously, automatically, and separately counts the total value of all gaming vouchers accepted by the bill changer.

(f) Each casino licensee that operates a slot machine with a bill changer that is controlled by a software program which may be modified without replacing any physical element of the bill changer (for example, by downloading software to the storage medium on which the bill changer control program is stored) shall submit for review and approval internal controls which shall address, at a minimum, the following:

1. The method for detecting authorized and unauthorized software changes;

2. The creation of a daily report from its slot monitoring system which immediately documents the software change;

3. Procedures for the control and installation of the software by the slot department;

4. The creation of a slot software control log by the slot department evidencing all authorized changes to the bill changer software; and

5. The review and comparison of the report and log required in (f)2 and 4 above by either the surveillance, security, casino accounting or management information systems department for any deviations and investigation.

(g) All meters described in this section and in N.J.A.C. 19:46-1.26 shall be placed in a position so that the numbers thereon can be read and recorded without opening the slot machine.

(h) If a casino licensee elects to conduct jackpot payouts that are not totally and automatically paid by the slot machine by registering them on the credit meter of the slot machine in accordance with the procedure set forth in N.J.A.C. 19:45-1.40(s), the slot machine shall contain a device (“jackpot-to-credit-meter switch”) that:

1. When activated by a key, increments the credit meter in the exact amount of the jackpot and does not increment the manual jackpot meter; and

2. Is subject to internal controls, as approved by the Commission, to provide:

- i. Advance notice to the Commission and Division whenever a casino licensee intends to turn the option to utilize the jackpot-to-credit-meter switch on or off; and

- ii. An audit trail of the following information each time the option to utilize the jackpot-to-credit-meter switch is turned on or off:

- (1) The name and license number of the employee who performed the action;

- (2) The asset number of the slot machine on which the jackpot-to-credit-meter switch is installed;

- (3) The date and time the action was taken; and

- (4) A description of the action that was taken.

- (i) Each casino licensee shall set each of its slot machine games to have a theoretical payout percentage that complies with N.J.A.C. 19:46-1.28A and shall maintain a record of each slot machine game setting and the theoretical payout percentage for each slot machine game. No cash or gaming voucher issued to a slot machine patron shall result in a deduction from gross revenue unless:

1. The patron's entitlement to the payment is determined by the approved program that controls the slot machine or by the approved program that controls a multi-player slot machine system connected to the slot machine; and

2. The payment is recorded:

i. On the jackpot meter, numerical and value voucher out meters, or manual jackpot meter required by (b)3, (b)5 and (c) above;

ii. As required by N.J.A.C. 19:46-1.28D(b)2 for a multi-player slot machine system and each slot machine participating in that system; and

iii. On the progressive jackpot meter required by N.J.A.C. 19:45-1.39(b)2 or in accordance with procedures authorized by N.J.A.C. 19:45-1.40A and 1.40B.

(j) Each slot machine in a casino shall have such test connections as may be specified by the Division and approved by the Commission for on-site inspection, examination, and testing of such machine.

(k) Each slot machine in a casino shall have such devices, equipment, features, and capabilities as may be required by the Commission for that particular model of slot machine after the prototype model is tested and examined by the Division.

(l) If the probability of hitting a proposed jackpot is greater than 34 million to one, the jackpot shall not be approved by the Commission unless it is offered on a linked progressive slot machine; provided, however, that this subsection shall not apply to a jackpot with a probability that may exceed 34 million to one during the game cycle due solely to the intervening occurrence of free play awards between the activation of a play and the award of the jackpot.

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As amended, effective: 05/16/88

As amended, effective: 08/15/88

As amended, effective: 05/06/91

As amended, effective: 02/03/92

As amended, effective: 05/18/92

As amended, effective: 07/06/93; Operative date: 10/15/93

As amended, effective: 02/07/94
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As amended, effective: 04/21/03
As amended, effective: 12/01/03
As amended, effective: 01/03/05
As amended, effective: 08/15/05;
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As amended, effective: 07/16/07
As amended, effective: 03/16/09
As amended, effective: 09/07/10

19:45-1.37A Electronic transfer credit systems

(a) A casino licensee may operate an electronic transfer credit system which permits a patron to convert cash complimentaries accumulated by the patron pursuant to 19:45-1.9(f) or received by the patron pursuant to N.J.A.C. 19:45-1.9(g) through (i) or distributed to the public pursuant to N.J.A.C. 19:45-1.46 into electronic credits and to have those credits transferred directly to a slot machine.

1. A casino licensee may, in its discretion and upon fair notice to the public, convert cash complimentaries that are issued as part of a mass marketing program governed by N.J.A.C. 19:45-1.9(h) or a complimentary distribution program governed by N.J.A.C. 19:45-1.46 into “temporary electronic credits” that shall expire no later than 48 hours after their issuance if they are not transferred to a slot machine.

2. A casino licensee may, in its discretion and upon fair notice to the public, issue electronic transfer credits that are cashable or non-cashable.

An electronic transfer credit is cashable if it can be converted into cash by the patron. An electronic transfer credit is non-cashable if it cannot be converted into cash by the patron but can only be used to activate play at a slot machine.

i. No winning slot machine wager, including a winning wager made with a non-cashable electronic transfer credit, shall be paid with non-cashable electronic transfer credits.

ii. If a slot machine has both cashable and non-cashable electronic transfer credits available for play, all non-cashable electronic transfer credits shall automatically be wagered before any cashable electronic transfer credits are wagered.

(b) All aspects of an electronic transfer credit system, including all hardware and software utilized therein, shall be subject to testing by the Division and approval by the Commission prior to the implementation of the system by the casino licensee. The internal control procedures submitted by the casino licensee shall provide for the integrity, security and control of its electronic transfer credit system and shall, without limitation, address the following:

1. An overview of the system design;

2. Computer access controls, including, at a minimum, the use of a unique operating system account by each user, except that a user assigned to a controlled area under surveillance may use a shared user account, provided that:

i. Access to the shared user account is limited to terminals in the controlled area; and

ii. The shared user account is not used to create, withdraw, or adjust electronic transfer credits;

3. Hardware and software controls;
4. Software installation procedures;
5. Override policies and restrictions;

6. Copies of all menus, screens and reports related to the creation, withdrawal, use and adjustment of electronic transfer credits and, if applicable, temporary anonymous accounts or temporary electronic credits;

7. Backup and recovery procedures including, but not limited to, controls over backup media such as magnetic tape, and failure analysis;

8. The duties and responsibilities of the MIS, internal audit, slot and casino accounting departments with regard to the electronic transfer credit system which, at a minimum, shall provide that:

i. The MIS department shall be responsible for the receipt, control and testing of all software related to the operation of the electronic transfer system; provided that, with prior Commission approval, nothing shall preclude the MIS department from utilizing a person who is not an employee of the MIS department to perform such tests, if such person is licensed as a casino key employee or casino employee, except for residency, as determined by the Commission, and the final responsibility for such testing remains with the MIS department, which shall establish the test parameters and requirements, review the test procedures and results, and certify to the Commission that the results are accurate and satisfactory prior to accepting them and utilizing the tested software; and

ii. The internal audit department shall be responsible for conducting live testing, in a manner approved by the Commission, of a designated sample of slot machines upon implementation of the electronic transfer credit system, after any approved changes thereto, and on a semi-annual basis to ensure the continued accuracy, integrity and suitability of the system;

9. Patron access controls;

10. Procedures for handling customer disputes;

11. Network security;

12. Audit programs that, at a minimum, shall only permit audit data to be adjusted in the casino accounting department premises and only by authorized casino accounting personnel;

13. The manner in which cash complimentary in the form of electronic credits shall be issued, and how the recipients of those credits shall be identified;

14. If applicable, the manner in which temporary anonymous accounts shall be established and terminated or converted to permanent accounts, how electronic credits shall be issued and credited to such accounts, and how transfers of electronic credits from such accounts shall be recorded and reconciled with the complimentary distribution program from which they were issued;

15. If applicable, the manner in which temporary electronic credits shall be issued, how temporary electronic credits shall be activated, transferred, converted or terminated, and how transfers and conversions of electronic credits from such accounts shall be recorded and reconciled with the complimentary distribution program from which they were issued; and

16. If applicable, the manner in which a patron access control is obtained from an affiliate of the casino licensee in accordance with the provisions of (m) below.

(c) Each transfer of electronic credits to a slot machine authorized by this section shall be initiated by a patron using a patron access control in a manner approved by the Commission. Except as provided otherwise in (d) and (m) below, a patron access control shall be:

1. Selected by and only available to the patron;
2. Encrypted in a manner approved by the Commission at all times during its storage and transmission; and
3. Stored at the casino licensee's casino hotel premises and verified at that location prior to each transaction at that casino facility.

(d) Notwithstanding (c) above, an access control for the transfer of electronic credits issued pursuant to a mass marketing program governed by N.J.A.C. 19:45-1.9(h) or a complimentary distribution program governed by N.J.A.C. 19:45-1.46 shall not require an access code provided that the electronic credits are:

1. Temporary electronic credits issued pursuant to (a) above; or
2. Transferred from a temporary anonymous account established pursuant to (f) below.

(e) An electronic transfer credit system shall:

1. Prohibit the transfer of more than \$1,000 in electronic transfer credits to a slot machine in a single transaction; and

2. Notify the casino licensee of any frequent withdrawals of electronic transfer credits from a slot machine, as well as the dollar amounts of such withdrawals, within a prescribed period of time. The parameters for frequency and amount of the transfers, as well as the prescribed period of time and the manner of notice, shall be approved by the commission.

(f) A record of each transfer of electronic credits to a slot machine authorized by this section shall be maintained by the casino licensee in an individual account established for each patron, which account shall be identified by, at a minimum, an identification number assigned to the patron who initiated the transaction and shall include, at a minimum, the date, time and the asset number of the slot machine to which the transfer occurred. The identification number assigned to each patron for the purposes of this subsection shall be different from the access code selected by that patron as part of an access control. Notwithstanding the foregoing, a casino licensee may, in its discretion, establish a "temporary anonymous account" for any patron who is converting cash complimentarys issued as part of a mass marketing program governed by N.J.A.C. 19:45-1.9(h) or a complimentary distribution program governed by N.J.A.C. 19:45-1.46. A temporary anonymous account shall expire no later than 48 hours after its activation; provided, however, that a temporary anonymous account which has not expired may be converted into a permanent account, if a permanent record is created that identifies the original temporary account status and its activity, the date and time the temporary account was converted into a permanent account, the name of the patron on the permanent account, and any other information required by the Commission.

(g) In addition to the requirements of N.J.A.C. 19:45-1.37(b), each slot machine at which play can be activated through the use of an electronic transfer credit shall:

1. Be equipped with an "electronic transfer credit meter" that continuously and automatically increments in an amount equal to the value of any cash complimentaries converted into electronic credits and transferred to and accepted by that slot machine and, if the slot machine utilizes non-cashable electronic transfer credits, shall also be equipped with a "value non-cashable electronic transfer credit meter" that continuously, automatically and separately counts and displays the total value of all non-cashable electronic transfer credits accepted by the slot machine; and

2. Be part of an electronic transfer credit system that shall:

i. Store the information required by (g)1 above in a machine-readable form that is not susceptible to unauthorized alteration or deletion by any person; and

ii. Have the capability to permit a member of the casino accounting department to generate reports on a daily basis that:

(1) Compare by slot machine denomination and by each slot machine the amounts withdrawn from patron accounts to each electronic transfer credit meter required by (g)1 above, which reports shall be attached to the Slot Win Report in accordance with (i) below; and

(2) Identify each asset with a variance between the amounts withdrawn from patron accounts and the electronic transfer credit meter required by (g)1 above, which reports shall be reviewed in accordance with (i) below.

(h) No slot machine may be connected to, or disconnected from, an electronic transfer credit system without the prior written approval of the Commission.

(i) A casino accounting department employee shall review the reports required by (g)2ii above and then:

1. Record the total patron withdrawal amounts on the Slot Win Report prepared pursuant to N.J.A.C 19:45-1.43;

2. Prepare a summary schedule of all cashable and non-cashable electronic transfer credit variances that details the date, the asset number of the slot machine, the variance amount and the reason for the variance; and

3. Report a manual adjustment to increase the Slot Win Report amount for any cashable and non-cashable electronic transfer credit variances where the meter exceeds the patron withdrawal amount, unless the reason for the variance documented in (i)2 above is sufficient to support a determination that a patron withdrawal transaction did not occur as listed on the supporting documentation.

(j) On at least a monthly basis, each casino licensee using an electronic transfer credit system shall provide a statement to each patron whose account established and maintained in accordance with (f) above has been active or whose account balance has changed during the month. These statements may be provided either on paper or electronically pursuant to (k) below, unless the patron indicates to the casino licensee that the patron does not want to receive such statements or if the casino licensee has on file, prior to the effective date of these amendments, a written request from the patron that he or she be sent no mailings. The preference of each patron shall be obtained, verified and documented by the casino licensee in a manner approved by the Commission, provided that a paper statement shall be provided if requested by the patron. The statement shall include, at a minimum, the patron's beginning and ending monthly balance, credits issued, received or otherwise made available pursuant to (a) above, including whether they are cashable or non-cashable, credits transferred to a slot machine pursuant to this section and credits that expired during the month. In addition, if requested by a patron, the casino licensee shall provide a detailed account of all electronic transfer credit transactions initiated by that patron. Notwithstanding the foregoing, a monthly statement shall not be required to include transfers of temporary electronic credits or transfers of electronic credits from a temporary anonymous account, or credits

offered or otherwise made available to a patron but which never reside in the account because of the failure of the patron to redeem them.

(k) A casino licensee that provides electronic statements to patrons in accordance with (j) above shall utilize a secure process approved by the Commission that physically and logically isolates the licensee's electronic transfer credit system and the data therein from any other system or network, such as a proxy server and firewall, or by the transfer of data by magnetic tape or other removable media in accordance with procedures approved by the Commission.

(l) If a slot monitoring system is used to convey any transfers of electronic credits or other data between a slot machine and the casino computer system that maintains the patron withdrawal amounts and balances, the slot monitoring system shall generate, on a daily basis and in a manner approved by the Commission, a report that compares the electronic transfer credit meters required pursuant to (g)1 above for each slot machine to the information maintained by the slot monitoring system and lists all variances over \$100.00. The casino licensee shall be required to have its slot department, in cooperation with its casino accounting department, investigate the cause of each reported variance, and to prepare and file an incident report documenting the variance with the casino controller, the director of surveillance, the Commission and the Division. The casino licensee shall report the actual cause of the variance unless the cause cannot be definitively determined after a diligent investigation, in which case the probable cause of the variance shall be reported.

(m) Notwithstanding the requirements of (c) above, the Commission may permit an electronic transfer credit system to obtain a patron access control from an affiliate of the casino licensee provided that:

1. Communication between the electronic transfer credit system and the remote computer shall occur:

i. By means of a dedicated and secure communication facility, such as a leased line, as approved by the Commission; and

ii. Only through a firewall or other comparable hardware and software which has been approved in accordance with the provisions of N.J.A.C. 19:46-1.20, and for which the casino licensee has approved internal controls in accordance with the requirements of (m)2 below;

2. Each firewall or comparable hardware and software required by (m)1(ii) above shall:

i. Maintain a list of each device, person or process authorized to obtain computer access;

ii. Generate daily monitoring logs to inform the casino licensee of any unsuccessful attempts by a device, person or process to obtain computer access; and

iii. Authenticate the identity of each device, person and process from which communication is received before granting computer access to such device, person or process;

3. The method of encryption required by (c)2 above shall utilize at least 256 bits of resolution for PIN storage and at least 128 bits of resolution for PIN transmission at all times and at all locations where the PIN is stored or transmitted, except for data transmissions from a slot machine to a slot monitoring system server;

4. The encryption process shall use a sufficiently strong method approved by the Commission, and the keys used in the encryption process shall be securely stored in a manner approved by the Commission and changed at least annually as well as upon any changes in the list required by (m)8 below;

5. All verifications required by (c)3 above shall be:

i. Performed without decrypting the stored patron access control; or

ii. Done in the random access memory (RAM) of an approved casino computer system, and cleared from that memory immediately upon completion of such verification;

6. The electronic transfer credit system shall maintain a record of the source of the patron access control as well as the date and time that the record is created or changed;

7. Following three or more failed attempts to use a patron access control, with the first and last attempts occurring within 30 minutes or less of each other or during such longer period of time as specified in a casino licensee's internal controls, the electronic transfer credit system shall immediately disallow any further attempts to use the patron access control, and shall require the patron to establish a replacement patron access control;

8. Prior to implementation, on an annual basis thereafter and upon any changes to the electronic transfer credit system, the casino licensee shall submit to the Commission certifications by the MIS department manager and a qualifier of its affiliate or holding company stating that the electronic transfer credit system, each remote computer and the communication facility satisfies the requirements of this subsection, the internal controls submitted in accordance with (b)16 above, and the requirements of (c)1 and 2 above; and

9. Each person who has knowledge of the keys used in the encryption process or access to the memory of the casino computer system described in (m)5(ii) above shall be licensed as a casino key employee, except for residency, as determined by the Commission. The casino licensee shall maintain a list of all such persons and submit it to the Commission and Division prior to implementation and within 72 hours of any change.

(n) No adjustment to the amount of any electronic transfer credit shall be made by a casino licensee without the approval of the Commission.

(o) Any slot machine that utilizes non-cashable electronic transfer credits as well as all written promotional materials and application forms relating to such credits shall disclose all restrictions upon the use of non-cashable electronic transfer credits. Such disclosure shall, at a minimum, provide notice that a non-cashable electronic transfer credit:

1. Cannot be converted into cash by a patron;
2. Must be wagered or abandoned; and

3. Is automatically wagered before any cashable electronic transfer credits are wagered.

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As amended, effective: 07/05/05

As amended, effective: 08/15/05;

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19:45-1.37B Slot machine tower light

(a) Each slot machine shall be connected to a slot machine tower light located on top of the slot machine cabinet. The slot machine tower light shall be used to identify the slot machine's denomination and the operational status of the slot machine and any device connected thereto that may affect the operation of the slot machine. The slot machine tower light shall be visible to the surveillance department closed circuit camera system from all sides of the slot machine cabinet, unless the slot machine cabinet is against a wall or is in another location approved by the Commission that results in the partial obstruction of the light.

(b) A slot machine tower light shall be approved by the Division and Commission pursuant to N.J.A.C. 19:46-1.20 and 1.28 and shall consist of two separate lights, one on top of the other except as otherwise provided in (c) below, that function in accordance with the requirements of this section.

1. At any given point in time, each of the two lights may be in one of five states as follows:

- i. "Off" means the light is off;
- ii. "On" means the light is on continually;
- iii. "Slow flash" means the light is flashing regularly at a 500 millisecond interval;
- iv. "Medium flash" means the light is flashing regularly at a 250 millisecond interval; and

v. “Fast flash” means the light is flashing regularly at a 125 millisecond interval.

2. The top light of the two lights shall always be white. The color of the bottom light shall indicate the denomination of the slot machine to which it is attached, provided, however, if the slot machine is multi-denominational, the color of the bottom light shall indicate either the lowest denomination available or the denomination currently selected:

- i. Gray means a penny machine;
- ii. Red means a two-cent, three-cent, four-cent or nickel machine;
- iii. Green means a dime machine;
- iv. Yellow means a quarter machine;
- v. Orange means a half-dollar machine;
- vi. Blue means a dollar machine;
- vii. Pink means a two-dollar machine; and
- viii. Purple means a five dollar or higher denomination machine.

(c) Notwithstanding the provisions of (b) above, the tower lights on any slot machine that has a horizontal display screen mounted at a bar (a “bar-top” slot machine) or an angled display screen (a “slant-top” slot machine) may be side by side, as opposed to one on top of the other, provided that the following requirements are met:

1. When viewed from the front of the slot machine, the left light shall assume the functions of the top light described in (b)2 above, and the right light shall assume the functions of the bottom light described in (b)2 above;
2. The left and right lights shall be similar in height from the floor, and shall be located at or near the highest point on the slot machine;
3. The left and right lights shall be immediately adjacent with no obstruction or other object between them; and

4. The lights shall be visible to the surveillance department closed circuit camera system from all sides of the slot machine cabinet, unless the slot machine cabinet is against a wall or in another location approved by the Commission that results in partial obstruction of the lights.

(d) For the purposes of this section, there shall be three separate methods by which a slot machine may be placed in an unplayable state.

1. "Administrative mode" means that a member of the department that is responsible for the operation of slot machines and bill changers has placed the slot machine in an unplayable state in order to access the set up or recall functions of a slot machine game.

2. "Disabled mode" means that a member of the department that is responsible for the operation of slot machines and bill changers or a computer controlled by that department has placed the slot machine in an unplayable state for any reason other than those included in administrative mode.

3. "Tilt mode" means that the slot machine placed itself in an unplayable state due to some type of malfunction or exception condition and the machine cannot be returned to a playable state without intervention by a member of the department that is responsible for the operation of slot machines and bill changers.

(e) Each of the following combinations of light states shall be displayed by a slot machine tower light to indicate the slot machine operating condition that is described therewith:

1. White light off with colored light:
 - i. Off means that the slot machine is idle and the slot machine door is closed;
 - ii. Medium flash means the slot machine is idle and the slot machine door is open; and
 - iii. Fast flash means the slot machine is idle and the drop compartment door is open;
2. White light on with colored light:

- i. Off means a patron is requesting change and the slot machine door is closed;
 - ii. On means that the slot machine is in disabled mode;
 - iii. Medium flash means either:
 - (1) A patron is requesting change and the slot machine door is open; or
 - (2) The slot machine is in disabled mode and the slot machine door is open; and
 - iv. Fast flash means the slot machine is in disabled mode and the drop compartment door is open;
- 3. White light slow flash with colored light:
 - i. Off means that the slot machine is in tilt mode and the slot machine door is closed;
 - ii. Slow flash means either:
 - (1) The slot machine is displaying a hand-paid jackpot and the slot machine door is closed; or
 - (2) The slot machine is displaying a hand-paid jackpot while in tilt mode and the slot machine door is closed; and
 - iii. Medium flash means either:
 - (1) The slot machine is displaying a hand-paid jackpot and the slot machine door is open; or
 - (2) The slot machine is in tilt mode and the slot machine door is open;
 - iv. Fast flash means the slot machine is in tilt mode and the drop compartment door is open; and
- 4. White light fast flash with colored light:
 - i. Off means the slot machine is in administrative mode and the slot machine door is closed;
 - ii. Medium flash means the slot machine is in administrative mode and the slot machine door is open; and

iii. Fast flash means the slot machine is in administrative mode and the drop compartment door is open.

(f) Any combination of light states capable of display by a slot machine tower light that is not assigned a particular slot machine operating condition by (d) above may be used by the casino licensee for its own internal signals if such signals are identified in the casino licensee's approved internal control submission; provided, however, that the casino licensee shall be required to conform the light states displayed by its slot machine tower lights with any future modifications to (d) above.

(g) The provisions of this section shall apply to all slot machines submitted for Commission approval after April 2, 2001. Any slot machines approved prior to April 2, 2001, and which do not conform to the above specifications shall either be modified to comply with this section or shall be removed from the casino floor in accordance with the provisions of N.J.A.C. 19:46-1.21.

Adopted, effective: 10/02/00

As amended, effective: 03/05/01; Operative Date: 09/05/01

As amended, effective: 01/03/05

As amended, effective: 05/15/06

As amended, effective: 02/17/09

As amended, effective: 09/07/10

19:45-1.37C Slot machines; tokenization; residual slot credit

(a) A slot machine equipped with tokenization shall accept only slot tokens with a denomination of \$1.00 or less if the residual slot credit cannot be redeemed.

(b) Any residual slot credit not played or redeemed by a patron shall be deemed abandoned; provided, however, that any such credit shall remain on the slot machine until:

1. Played or redeemed by a patron, or
2. Cancelled by the casino licensee in a manner approved by the Commission.

(c) Any slot machine equipped with tokenization shall bear the notices required by N.J.A.C. 19:45-1.37(a)4viii.

(d) A casino licensee using slot machines equipped with tokenization shall submit and obtain approval of internal controls that set forth the manner in which tokens from different denominations of tokenized machines will be segregated, counted and recorded by denomination of slot machine including, but not limited to, the following requirements:

1. The front and back of slot drop buckets and slot drop boxes for slot machines equipped with tokenization shall be conspicuously marked in a manner approved by the Commission to identify the fact that the slot machine is equipped for tokenization, as well as the denomination of that slot machine; and

2. If a casino licensee offers slot machines which are equipped for tokenization and other slot machines which accept tokens but are not so equipped, the slot drop buckets and slot drop boxes from slot machines equipped with tokenization shall be segregated from all slot drop buckets and slot drop boxes from slot machines which accept tokens of the same denomination but are not so equipped, from the time they are removed from a slot machine until the contents of the slot drop buckets and slot drop boxes are counted in accordance with N.J.A.C. 19:45-1.43.

Adopted, effective: 04/21/03

19:45-1.37D Testing of slot machines and related equipment on the casino floor

(a) A casino licensee may only test a slot machine on the casino floor for the purpose of verifying the proper operation of the slot machine, its components and its communication with related equipment in accordance with internal controls as approved by the Commission which shall provide, without limitation, for the following:

1. The casino licensee shall create a limited number of unique accounts in its slot monitoring system and corresponding test cards for each account to be used exclusively for the testing of slot machines that shall enable a transaction report to be generated detailing any and all activity on slot machines that results from the testing.

2. All slot machine testing shall be conducted by an employee of the slot department or internal audit department using the test card corresponding to the unique testing account.

3. The test card shall be subject to sign-out and sign-in procedures which shall provide, without limitation, that the card be signed out for testing and signed back in after testing is concluded and shall be issued by and returned to the applicable department supervisor. When not being utilized for testing, the test card shall be maintained in a secure location in the applicable department under the control of a supervisor.

4. The slot department or internal audit employee who conducts the testing shall sign for and be issued currency, slot tokens or coupons to be used for the testing from the cashiers' cage. Electronic transfer credits may also be issued for testing provided they are issued by the casino accounting department in accordance with N.J.A.C. 19:45-1.37A(b) and approved internal controls. Electronic transfer credits may be pre-loaded on to cards for use in testing that are maintained in a secure location at the cashiers' cage.

5. The slot department or internal audit employee conducting the testing shall do so in the following manner:

i. The slot department or internal audit employee shall record the start time and end time of the testing activity as well as the actual meter readings from the slot machine unless the casino licensee's slot monitoring system records such information and is able to generate a report with that information. If the slot monitoring system is unable to generate such a report the employee conducting the testing shall record the meter readings as well as the start and end time of testing on approved documentation.

ii. The employee shall insert an amount of currency, slot tokens, coupons or gaming voucher into the bill changer of the slot machine or download electronic transfer credits sufficient to activate play on the machine. The employee may only wager one credit at the lowest denomination or lowest bet permissible on the slot machine at a time during testing unless, to test a particular feature, additional credits must be wagered.

iii. Any credits remaining on the slot machine after testing on that machine is complete, including any credits won as a result of the wager(s), shall be cashed out for a gaming voucher, which shall be secured by the employee with any remaining currency, coupons or slot tokens. If non-cashable slot credits were downloaded to the machine for testing, all of those credits must be wagered prior to the completion of testing on the machine and prior to the testing of another slot machine.

iv. If a manual slot payout is won as a result of a test wager, a manual request to pay the jackpot must be completed in accordance with N.J.A.C. 19:45-1.40 and indicate the reason for requesting the void as "Slot Machine Testing" and the manual slot payout must then be voided before testing may continue. The employee doing the testing and cashier shall sign all copies of the voided jackpot payout slip. If the manual slot payout is a progressive jackpot it must be voided and added back to the progressive meter in accordance with N.J.A.C. 19:45-1.39.

v. After any credits have been cashed out for a gaming voucher pursuant to (a)5iii above, the employee shall record the ending meter readings of the slot machine on the approved documentation unless the casino licensee's slot data system records such information and is able to generate a report with that information; provided, however, manual records shall still be required if the purpose of testing is to test the slot monitoring system's ability to accurately capture the slot machine's meter readings.

vi. After the completion of all testing, the employee shall return any unused currency, coupons, slot tokens, and all gaming vouchers issued pursuant to (a)5iii above that were not used to test a subsequent slot

machine and the meter readings (if not read by the slot monitoring system) to the cashiers' cage and complete documentation supporting the return of the items.

vii. Any gaming vouchers remaining after testing is completed shall be signed by the employee conducting the testing and "TEST" shall be written clearly on the voucher and the barcode shall be blacked out so that the voucher cannot be redeemed.

viii. Any gaming vouchers generated from testing activity that are returned to the cashiers' cage under (a)5vi above shall be voided by a cage supervisor upon the conclusion of the testing activity.

6. Upon the conclusion of testing in (a)5 above, the slot department shall generate a report from the slot management system detailing all slot play attributable to the slot card used for testing and provide a copy of the report to the cashiers' cage.

7. A cage cashier or above shall account for the values of all returned currency, coupons, slot tokens and gaming vouchers and casino accounting shall reconcile them with the meter readings and the report generated pursuant to (a)6 above. If a variance is detected between the report generated pursuant to (a)6 above and the amount of currency, slot tokens, coupons and non-cashable slot credits, the cage supervisor or casino accounting representative shall promptly notify the Principal Inspector and a representative from the Division of Gaming Enforcement.

8. Provided that it is supported by the documentation required in (a)6 and no variances are present under (a)7 above, the casino accounting department may make a manual adjustment to the Slot Win Report to reduce slot win by the value of the currency, slot tokens, coupons and electronic transfer credits utilized for testing (amount signed out less amount of currency, slot tokens, coupons and electronic transfer credits returned).

9. The casino accounting department shall reconcile all voided vouchers resulting from testing activity to the report generated from the gaming

voucher system and all voided manual slot payouts to the slot monitoring system report for jackpot payouts.

10. The slot department shall notify the surveillance department of the location and extent of the testing prior to beginning the testing and once testing has been completed.

(b) The testing of a of slot machine or related equipment for any purpose other than that authorized by (a) above, including without limitation, demonstrating the proper operation of a slot machine for a patron, is prohibited.

Adopted, effective: 12/06/10

19:45-1.38 Slot machines and bill changers; authorized locations; movements

(a) Each slot machine that is on a casino floor shall be:

1. Placed at an authorized location identified on a casino floor plan approved by the Commission pursuant to N.J.A.C. 19:43-7.3 or 7.6; and
2. Identified on the Slot Machine Master List required by N.J.A.C. 19:43-7.4(b).

(b) No slot machine or bill changer shall be removed from or returned to an authorized slot machine location in the casino or moved from one authorized slot machine location to another except in accordance with the requirements of N.J.A.C. 19:43-7.4.

(c) Once a slot machine or bill changer has been placed in the casino, all movements of that machine and/or bill changer from or to a location shall be recorded by a slot department member in a machine movement log which shall include the following:

1. The manufacturer's serial number and the asset number of the moved slot machine and/or bill changer;
2. Whether the slot machine is equipped for tokenization, and if so, the denomination of the slot machine;

3. The date and time of movement of the slot machine and/or bill changer;
4. The location from which the slot machine and/or bill changer was moved;
5. The location to which the slot machine and/or bill changer was moved; and
6. The signatures of the slot shift manager and the lead technician verifying the movement of the slot machine and/or bill changer.

(d) Prior to removing a slot machine from the gaming floor:

1. The machine's slot drop bucket or slot drop box shall be removed and transported to the count room;
2. All meters shall be read and recorded in conformity with the procedures set forth in N.J.A.C. 19:45-1.42;
3. Any coins or slot tokens in any of the slot machine's hoppers or in the corresponding hopper storage area shall be removed, transported, and counted with the slot drop bucket or slot drop box; provided, however, that a slot machine may be removed from the casino with coins or slot tokens contained therein so long as:
 - i. Removal of the coins or the slot tokens, or any combination thereof, is precluded by mechanical or electrical difficulty;
 - ii. The casino licensee records in a slot machine movement log whether coins or slot tokens remain in the slot machine that is removed from the casino, and also records in that log the nature of the mechanical or electrical difficulty, the date and time that the coins or slot tokens are removed from the slot machine and transported to the count room, the date and time that the slot machine is removed from the casino, and the date and time that the slot machine is opened; and
 - iii. The removal and transportation to the count room of the coins or slot tokens is completed immediately after the slot machine is opened;
4. Any prize tokens in a payout-only hopper, in a reserve hopper or in a corresponding hopper storage area shall be removed, transported and

counted in accordance with procedures and internal controls submitted to and approved by the Commission pursuant to N.J.A.C. 19:45-1.3;

5. On a slot machine equipped for tokenization pursuant to N.J.A.C. 19:45-1.37C, any credits remaining on the slot machine shall be cancelled in a manner approved by the Commission; and

6. On a slot machine that utilizes non-cashable slot credits or non-cashable electronic transfer credits, any such credits remaining on the slot machine shall be cancelled in a manner approved by the Commission.

(e) Prior to removing a bill changer from the casino floor, the slot cash storage box shall be removed and transported to the count room and all meters except the cash box meter shall be read and recorded in conformity with the procedures set forth in N.J.A.C. 19:45-1.42. A bill changer may be removed from the casino floor with currency, gaming vouchers, or coupons contained therein when removal of the slot cash storage box is precluded by mechanical or electrical difficulty. If currency, gaming vouchers, or coupons remain in a bill changer when it is removed from the casino floor, this fact and the date and time that the slot cash storage box or, if necessary, currency, gaming vouchers, or coupons are removed from the bill changer and transported to the count room shall be recorded in the machine movement log.

Effective: 05/25/78

As amended, effective: 08/15/88

As amended, effective: 05/06/91

As amended, effective: 03/16/92

As amended, effective: 09/21/92

As amended, effective: 07/06/93; Operative date: 10/15/93

As amended, effective: 02/07/94

As amended, effective: 10/03/94

As amended, effective: 03/04/96

As amended, effective: 03/04/02

As amended, effective: 01/06/03

As amended, effective: 04/21/03

As amended, effective: 08/15/05

19:45-1.39 Progressive slot machine jackpots

(a) This section shall apply to any slot machine jackpot that may increase in value as the machine is played (a “progressive jackpot”).

(b) Each slot machine that includes a slot machine game that offers a progressive jackpot which increases in value based upon handle and is adjusted and displayed by a device other than the approved program that controls the operation of the slot machine game shall have the following features:

1. For each progressive jackpot offered by the slot machine game, a mechanical, electrical or electronic device, to be known as a “progressive meter,” visible from the front of the machine which increases in value based upon handle, and which advises the player of the amount which can be won if the progressive jackpot display appears;

2. A mechanical, electrical or electronic device, to be known as a “progressive jackpot meter” that continuously and automatically records the number of times a progressive jackpot is hit;

- i. If a slot machine game offers more than one progressive jackpot, it shall have a separate progressive jackpot meter for each progressive jackpot and a “cumulative progressive jackpot meter” that continuously and automatically records the total number of times that progressive jackpots are hit;

- ii. All meters required by (b)2 and (b)2i above shall be capable of being read without opening the slot machine;

3. A separate key and key switch to reset the "progressive meter(s)" or such other separate reset mechanism as may be approved by the Commission;

4. A separate key locking the compartment housing the progressive meter(s) or other means by which to preclude any unauthorized alterations to the progressive meters; and

5. Dual key control by the Commission and the casino licensee, or such other key controls as the Commission may approve, of the compartment

housing the microprocessor or other control unit that controls the progressive meter(s), which compartment shall be in a location approved by the Commission.

(c) Except as provided in (j) below, each slot machine that is connected to a common progressive meter ("common display unit") for the purpose of offering the same progressive jackpot on two or more slot machines (a "linked slot machine") shall:

1. Be of the same denomination and have the same probability of winning the progressive jackpot as every other linked slot machine connected to such common display unit;

2. Require that the same amount of handle be invested to entitle the player to a chance at winning the progressive jackpot and that each increase in handle increment the meter(s) by the same rate of progression as every other linked slot machine connected to such common display unit; and

3. Have its microprocessor or other control unit that controls the common display unit housed in a location approved by the Commission that would allow dual key control by the Commission and the casino licensee, or with such other key controls as the Commission may approve.

(d) Every casino seeking to utilize a linked slot machine shall submit to the Commission for approval the location and manner of installing the common display unit.

(e) No slot machine that includes a slot machine game that offers a progressive jackpot shall be placed on the casino floor until the casino licensee or, as applicable, the slot system operator has submitted to the Commission and the Commission has approved the following:

1. The initial and reset amounts at which the "progressive meter(s)" will be set;

2. The proposed system for controlling the keys and access codes to these machines;

3. The proposed rate of progression for each progressive jackpot;

and

4. The calculated probability of winning each progressive jackpot, which probability shall not exceed 50 million to one. For example, a probability of 45 million to one would be permitted, but a probability of 55 million to one would not be permitted. Notwithstanding the foregoing, this paragraph shall not apply to a jackpot with a probability that may exceed 50 million to one during the game cycle due solely to the intervening occurrence of free play awards between the activation of a play and the award of the jackpot.

(f) No progressive meter(s) shall be turned back to a lesser amount unless:

1. The amount indicated has been actually paid to a winning patron; or

2. The progressive jackpot amount won by the patron has been recorded in accordance with an approved system of internal controls; or

3. The progressive jackpot has, with prior Commission approval, been transferred to another progressive slot machine or slot system in accordance with (n) below; or

4. The change is necessitated by a slot machine or meter(s) malfunction, in which case:

i. For progressive jackpots governed by (b) above, an explanation shall be entered on the Progressive Slot Summary required in (k) below and the Commission inspector shall pre-approve the resetting in writing; or

ii. For progressive jackpots governed by (o) below, an explanation shall be entered on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j) unless the slot machine automatically addresses the malfunction in a manner approved by the Commission.

(g) Once an amount appears on a progressive meter(s), the probability of winning the progressive jackpot may not be decreased unless the progressive jackpot has been won by a patron or the progressive jackpot has been transferred to another progressive machine or slot system in accordance with (n) below.

(h) If the "progressive meter(s)" progresses without a payout until the meter(s) return to zero because of digital limitations on the meter(s), some means must be utilized to clearly advise the patrons of the value of the undisplayed digit.

(i) Except as otherwise provided in (n) below, a casino licensee or slot system operator may limit or terminate a progressive jackpot only in accordance with the following procedures.

1. Prior to the time that a particular amount is registered on the progressive meter, a payout limit for the progressive jackpot that is equal to or greater than that particular amount may be established by providing notice of the payout limit in accordance with N.J.A.C. 19:45-1.37(a)4.

2. After a progressive jackpot is won, the progressive jackpot may be terminated if:

i. Notice to that effect was provided in the manner set forth in N.J.A.C. 19:45-1.37(a)4 prior to the jackpot being won; and

ii. Any slot machine that offered the progressive jackpot being terminated is shut down or rendered unplayable as soon as possible after the jackpot is won; provided, however, that if the slot machine or machines in question are not shut down or rendered unplayable within 24 hours after the progressive jackpot is won, the notice required by (i)2i above shall be considered void and the progressive jackpot on that slot machine shall continue to be offered until won and terminated or transferred in accordance with this section.

3. Nothing in this section shall be deemed to prohibit the immediate and permanent removal by a casino licensee of one or more linked slot machines from the casino floor provided that:

i. At least one linked slot machine offering the same progressive jackpot remains on its casino floor, if the progressive jackpot is offered in more than one casino, pursuant to N.J.A.C. 19:45-1.39A; and

ii. At least two linked slot machines offering the same progressive jackpot remain on its casino floor, if the progressive jackpot is only offered in that casino.

(j) Notwithstanding (c) above:

1. Two or more linked slot machines offering the same progressive jackpot may be of different denominations and/or have different minimum wagers required to win the progressive jackpot, provided that:

i. The probability of winning the progressive jackpot is directly proportional to the minimum wager required to win that jackpot. For example, if on the same link, a nickel slot machine requires 20 coins (a \$1.00 wager), a quarter slot machine requires eight coins (a \$2.00 wager), and a dollar slot machine requires three coins (a \$3.00 wager) to win the progressive jackpot, then the probability of a winning wager must be three times more likely on a linked dollar machine than on the linked nickel machine, and twice more likely on a linked quarter machine than on the linked nickel machine. Similarly, if among three linked quarter denomination slot machine games, the first required two coins (a \$.50 wager), the second required four coins (a \$1.00 wager) and the third required eight coins (a \$2.00 wager) to play for the progressive jackpot, then on each handle pull, the probability of winning the jackpot would be twice more likely on the second machine than on the first machine, and four times more likely on the third machine than on the first machine; and

ii. A notice approved by the Commission indicating the proportional probability of winning the progressive jackpot on such a linked progressive system shall be conspicuously displayed on each linked slot machine; and

2. The probability of winning a progressive jackpot offered on linked slot machines may vary among such machines when necessary to enable a casino licensee or the slot system operator to institute a change in the probability which is otherwise permitted by this section, if the change is

completed expeditiously in accordance with procedures that have been filed with and approved by the Commission.

(k) The amount indicated on the "progressive meter(s)" on each slot machine governed by (b) above shall be recorded on a Progressive Slot Summary, at a minimum, at least once every seven calendar days and each summary shall be signed by the preparer. If not prepared by the casino accounting department, the Progressive Slot Summary shall be forwarded to casino accounting by the end of the gaming day on which it is prepared. A computer system, as approved by the Commission, shall record the amount indicated on the "in meter" of each progressive slot machine on the same schedule. A representative of the casino accounting department shall be responsible for calculating the correct amount that should appear on the progressive meter(s). If an adjustment to the progressive meter(s) is necessary, the adjustment shall be made by a member of the slot department as follows:

1. Supporting documentation shall be maintained to explain any addition or reduction in the registered amount on the progressive meter(s), which documentation shall include, at a minimum, the date, asset number of the slot machine, the amount of the adjustment and the signature of the slot department member making the adjustment; and

2. The adjustment shall be effectuated within 48 hours of the meter reading.

(l) Except as otherwise authorized by this section, a slot machine offering a progressive jackpot that is removed from the casino floor shall be returned to or replaced on the casino floor within five gaming days. The amount on the progressive meter(s) on the returned or replacement machine shall not be less than the amount on the progressive meter(s) at the time of removal. If the slot machine is not returned or replaced, then the progressive meter(s) amount at the time of removal shall, within five days of the slot machine's removal, be added to a slot machine approved by the Commission which machine offers the same or a greater probability of winning the progressive jackpot, and accepts a denomination of coin or slot token the same

or less than the denomination accepted by the slot machine which was removed. This subsection shall not apply to the temporary removal by a casino licensee, for a period not to exceed 30 days, of all linked slot machines that are part of a particular multi-casino progressive slot system provided that the progressive jackpots offered by the temporarily removed slot machines remain available on slot machines that are part of the same multi-casino progressive slot system in another casino.

(m) Slot machines that offer progressive jackpots may have payout-only hoppers from which prize tokens may be paid as jackpots; provided, however, that prize tokens shall not be available as a payout on a winning progressive jackpot.

(n) Notwithstanding any other provision of this section except (i)2 above, a casino licensee or slot system operator may transfer a progressive jackpot amount, in its entirety, to the progressive meter for another progressive slot machine game or slot system game, provided that:

1. The casino licensee or slot system operator obtains the prior written approval of the Commission;
2. At least 30 days notice of the proposed transfer is provided to the public in the same manner as is required by N.J.A.C. 19:45-1.37(a)4iii for the establishment of a payout limit, which notice may be posted upon the filing of a petition with the Commission for approval of the proposed transfer as long as such notice indicates that the proposed transfer is subject to Commission approval;
3. If the proposed transfer will be made to a single progressive slot machine game or slot system game, the slot machine game or slot system game receiving the transfer has the same or a greater probability of winning the progressive jackpot, the same or lower wager requirement to be eligible to win the progressive jackpot, and the same type of progressive jackpot (cash, annuity, annuity/cash option or a combination/alternate jackpot); provided, however, that if no other progressive slot machine game or slot system game meets all of these qualifications, the Commission may authorize a transfer of

the jackpot to the progressive meter of the most similar progressive slot machine game or slot system game available if the Commission finds such a transfer would be in the public interest; and

4. If the proposed transfer will be made to two separate progressive slot machine games or slot system games, the following requirements are satisfied:

i. The progressive jackpot being transferred is a progressive annuity jackpot of at least \$3 million or a progressive lump-sum cash jackpot of at least \$1 million;

ii. No less than 25 percent of the total jackpot being transferred shall be added to the progressive meter of each progressive slot machine game or slot system game;

iii. Each progressive slot machine game or slot system game to which the jackpot is transferred shall individually satisfy the requirements of n(3) above; and

iv. Neither jackpot to which the transferred jackpot is added shall subsequently be split again.

(o) Each slot machine that offers a progressive jackpot which increases in value based upon either handle contributions that are adjusted and displayed by the approved program that controls the slot machine or events that are dictated by the approved program, shall conform with the following requirements:

1. The slot machine shall include a meter or display, visible from the front of the slot machine, that advises the player of the amount which can be won if the progressive jackpot display appears; and

2. The approved program for the slot machine shall limit the progressive jackpot to an amount which is less than \$1200 unless the program is also capable of configuring, storing and recalling, in a secure manner approved by the Commission, the parameters relating to the progressive jackpot, including but not limited to, the current amount of the progressive

jackpot, the progressive reset amount, the maximum progressive amount and the increment amount.

(p) Any progressive jackpot governed by (o) above shall not be subject to the provisions of (l) or (n) above.

As amended, effective: 11/16/81
As amended, effective: 08/01/83
As amended, effective: 05/06/91
As amended, effective: 02/03/92
As amended, effective: 03/02/92
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As amended, effective: 01/05/98
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As amended, effective: 08/21/00
As amended, effective: 12/03/01
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As amended, effective: 11/18/02
As amended, effective: 11/17/03
As amended, effective: 03/15/04
As amended, effective: 01/03/05
As amended, effective: 04/18/05
As amended, effective: 04/16/07
As amended, effective: 06/15/09

19:45-1.39A Linked slot machines interconnected in more than one casino; slot system operator; computer monitoring room

(a) Two or more casino licensees may, with the prior approval of the Commission, operate linked slot machines that are interconnected in the participating casinos (a “multi-casino progressive slot system” or “slot system”).

(b) Each multi-casino progressive slot system shall be operated and administered by the participating casino licensees in accordance with the terms of a written agreement that has been executed by each participating casino licensee and approved by the Commission (“slot system agreement”). Notwithstanding the foregoing, a slot system agreement may provide, pursuant

to N.J.S.A. 5:12-82c(7), that the slot system shall be operated and administered, in whole or in part, by a gaming-related casino service industry applicant or licensee on behalf of the participating casino licensees provided that the slot system agreement is executed by the casino service industry enterprise as well. The person or persons designated in a slot system agreement as being responsible for the operation and administration of a slot system shall be referred to as a “slot system operator.”

1. There may be more than one slot system operator involved in the operation and administration of a particular slot system and a particular slot system operator may be involved in the operation and administration of more than one slot system.

i. If more than one slot system operator is involved in the operation and administration of a particular slot system, there may be more than one slot system agreement with regard to that slot system.

ii. Each participating casino licensee shall be a party to all slot system agreements for a particular slot system.

2. An agreement between a slot system manufacturer and a casino licensee pursuant to which the slot system manufacturer agrees to sell, lease or service, but not operate or administer, slot system components shall not be considered a slot system agreement and a separate agreement may be entered between the slot system manufacturer and each casino licensee participating in the slot system.

(c) Each slot system agreement shall specifically identify and describe the role, authority and responsibilities of each participating casino licensee and each slot system operator in the conduct of the slot system including without limitation:

1. A description of the process by which significant decisions that affect the operation of the game are approved and implemented by each casino licensee or slot system operator;

2. If applicable, the casino licensee or slot system operator responsible for establishing, and serving as trustee of, the trust required by

N.J.A.C. 19:45-1.40B for each slot system game offering an annuity jackpot;

3. The casino licensee or slot system operator initially responsible for the funding and payment of all jackpots, fees and taxes associated with the operation of the slot system; and

4. The casino licensee or slot system operator responsible for generating, maintaining and filing all records and reports required by the Act and rules of the Commission.

(d) Each party to a slot system agreement shall only be liable for acts, omissions and violations of the Act or the rules of the Commission related to its own individual responsibilities under the slot system agreement, unless the slot system agreement specifically provides for joint and several liability.

(e) Any multi-casino progressive slot system approved by the Commission shall be operated in accordance with all relevant requirements of the Act and the Commission's regulations governing the conduct of gaming. Any casino licensee or slot system operator seeking approval to participate in a multi-casino progressive slot system shall submit for Commission approval a system of accounting and internal controls specifying the manner in which the participating casino licensees and slot system operators will satisfy the requirements of the Act and the Commission's regulations concerning the operation of slot machines and multi-casino progressive slot systems. Any casino service industry enterprise seeking approval to participate in a slot system as a slot system operator shall, without limitation of the foregoing, specifically:

1. Submit the following for Commission approval:

i. A jobs compendium identifying the organizational structure and position titles involved in the operation and administration of the slot system, which jobs compendium shall comply with the requirements of N.J.A.C. 19:45-1.11A to the extent directed by the Commission;

ii. A list of each employee of the casino service industry enterprise serving in a position title identified in its approved jobs compendium, which list shall be submitted in a manner approved by the

Commission and shall include the following information for each current employee:

- (1) Last name, first name and middle initial;
- (2) Date of birth;
- (3) Job title as it appears in the casino service industry enterprise's approved jobs compendium;
- (4) Position, represented by a job code that corresponds with a position described in the approved jobs compendium;
- (5) License or registration number, if applicable; and
- (6) License expiration date; and

iii. If the casino service industry enterprise shall be responsible for operating and administering the computer monitoring room required by (g) below, a separate agreement with a casino licensee pursuant to which the casino licensee accepts responsibility for surveillance of the computer monitor room unless:

- (1) All terms concerning responsibility for surveillance of the computer monitoring room are established in the slot system agreement; or
- (2) The casino service industry enterprise elects to comply with the optional surveillance requirements set forth in (g)2ii below; and

2. Identify the manner in which it will comply with all relevant requirements of N.J.A.C. 19:45-1.8 and 1.45 as if it were a casino licensee.

(f) A casino licensee may, with the prior approval of the Commission, designate one or more casino key employees to represent the interests of the casino licensee in the operation and control of a multi-casino progressive slot system. Any designated representative shall only be permitted to exercise the duties and responsibilities he or she is authorized to perform for the casino licensee pursuant to N.J.A.C. 19:45-1.11; provided, however, a designated representative may also communicate information and directions concerning the operation and control of the system to or from other employees of the casino licensee who are authorized to exercise responsibility for such matters.

(g) Each multi-casino progressive slot system shall be controlled and

operated from a computer monitoring room approved by the Commission. The computer monitoring room for a multi-casino progressive slot system shall:

1. Be under the sole possession and control of, and maintained and operated by, employees of the slot system operator designated in the slot system agreement for that slot system;

2. Have continuous clandestine CCTV coverage of the operation of the slot system and its equipment by:

- i. The surveillance department of a casino licensee designated in the slot system agreement for that slot system (the “surveillance casino”); or

- ii. A video surveillance system maintained in a secure portion of the computer monitoring room that is accessible only in accordance with internal controls approved by the Commission and which shall, at a minimum:

- (1) Provide continuous dedicated CCTV coverage to the principal inspector’s office, the Commission inspection booth and the Division’s office located in one casino hotel facility;

- (2) Continuously record the transmissions of the CCTV system and be capable of superimposing the time and date of the transmission on each recording; and

- (3) Require the secure retention of the recordings made by the CCTV system on tape or other storage media for a period of no less than 30 days or for such longer period as may be directed by the Commission or Division if particular recordings are determined by the Commission or Division to be of evidentiary value;

3. Be accessible only through a locked door, which door shall be equipped with an alarm device that audibly signals either the CCTV monitoring room of the surveillance casino, if the computer monitoring room is operated pursuant to (g)2i above, or the employees of the slot system operator, if operated pursuant to (g)2ii above, whenever the door to the computer monitoring room is open;

4. Have a Computer Monitoring Room Entry Log, which Log shall be:

i. Kept in the computer monitoring room;

ii. Maintained in a book with bound numbered pages that cannot be readily removed;

iii. Signed by each person whose presence is not expressly authorized and identified in the internal controls of the computer monitoring room slot system operator, with each entry containing, at a minimum, the following information:

(1) The date and time of entering into the computer monitoring room;

(2) The entering person's name, his or her department or employer and, if applicable, his or her employee license number;

(3) The reason for entering the computer monitoring room;

(4) The name of the person authorizing the person's entry into the computer monitoring room; and

(5) The date and time of exiting the computer monitoring room;

5. Be readily accessible to Commission and Division personnel 24 hours a day;

6. Be contained in a location approved by the Commission, which location shall be in a facility designed for that purpose within the city limits of Atlantic City, New Jersey, which facility shall be owned or leased by a slot system operator in a manner approved by the Commission that assures that the operation of the multi-casino progressive slot systems maintained in the computer monitoring room will not be disrupted.

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As amended, effective: 08/04/03

As amended, effective: 04/18/05

19:45-1.39B Table game progressive payout wagers

(a) This section shall apply to any table game with a progressive payout wager approved by the Commission. If a casino licensee offers a table game with a progressive payout wager, it may be offered individually at each gaming table or the casino licensee may connect the progressive wager among two or more tables so that the progressive amount increments for all wagers at these two or more tables.

(b) Except as provided in this subsection, each table which offers a progressive payout wager shall have the following features:

1. A mechanical, electrical or electronic device to be known as an "in-meter" that continuously and automatically counts the number of gaming chips wagered by patrons on the progressive payout;

2. A mechanical, electrical or electronic device to be known as a "progressive meter," visible from the front of the gaming table, which increments at a set rate of progression when gaming chips are wagered and accepted for the progressive payout and which prominently displays the amount which can be won if the outcome which awards the entire progressive payout is achieved; provided, however, that more than one gaming table may be connected to a common progressive display unit if:

i. A casino licensee elects to connect two or more tables to the same progressive payout wager pursuant to (d) below; and

ii. The display unit is visible to every player at each of the connected tables;

3. A mechanical, electrical or electronic device to be known as a "progressive payout meter" that continuously and automatically records the number of times each progressive payout wager is won;

4. A separate key and key switch to reset or alter the amount on the "progressive meter" or such other separate mechanism as may be approved by the Commission;

5. A separate key locking the compartment housing the component which acknowledges the acceptance of the progressive payout

wager and initiates an increase in the progressive meter or some other means by which to preclude any unauthorized or unintentional alterations to the progressive meter;

6. Dual key control by the Commission and the casino licensee of the location in which the computer that controls the progressive payout wager system and any related component specified by the Commission is housed, which location shall be approved by the Commission; and

7. Storage of and access to any disks specified by the Commission for the computer that controls the progressive payout wager system shall be in accordance with procedures approved by the Commission.

(c) A casino licensee may use a percentage of each progressive payout wager that is accepted at a table to fund a portion of the reset amount for the progressive meter. If a reset fund is established by a casino licensee pursuant to this subsection, each table shall have or be connected to a device known as a "reset meter" which increments at a set rate of progression when gaming chips are wagered and accepted for the progressive payout and which records the amount which shall be transferred to the progressive meter, inclusive of any reset amount funded by the casino licensee, when the entire amount on the progressive meter is won by a player. Each table shall have the following features in addition to those specified in (b) above:

1. A separate key and key switch to reset or alter the amount on the reset meter or such other separate mechanism as may be approved by the Commission; and

2. A separate key locking the compartment housing the component which operates the reset meter or some other mechanism which precludes any unauthorized or unintentional alterations to the reset meter.

(d) If a casino licensee elects to connect two or more tables for a progressive payout wager, the following shall be required:

1. The same denomination gaming chip shall be wagered at all gaming tables connected;

2. The same number of gaming chips shall be wagered to entitle a

player to a chance at winning the progressive payout wager, and each gaming chip shall increment the meter by the same rate of progression at all tables connected;

3. The same progressive payouts shall be offered and the probability of hitting those payouts be the same at the connected tables; and

4. A device which shall either automatically or manually lockout all progressive meters if a patron has won a progressive payout wager.

(e) No table game with a progressive payout wager shall be placed in a casino or casino simulcasting facility until the casino licensee has submitted and obtained Commission approval of the following:

1. The authorized game and outcome which will award the progressive payout wager;

2. The initial and reset amounts at which the progressive meter will be set;

3. The proposed rate of progression for each progressive meter and reset meter, if applicable, and the procedure by which any change to the rate of progression will be made, which shall include, at a minimum, prior notice to, and approval by, the Commission;

4. The procedures governing the reset switch or mechanism referenced in (b) and, if applicable, (c) above which shall, at a minimum, preclude the dealer from resetting or altering the amount on the progressive or reset meter;

5. The procedures for operating all the equipment associated with the table game progressive wager including the lockout feature referenced in (d) above;

6. The installation of the computer system that controls the progressive payout wager system, which installation shall occur only after advance written notice of at least three business days to the MIS department of the casino licensee and to designated representatives of the Commission and Division, and which notice shall:

i. Be provided by an authorized representative of the casino

games department of the casino licensee or manufacturer or servicing vendor other than the person who will perform the actual installation; and

ii. Include, at a minimum, the following:

(1) A list of each computer program (software or firmware) to be installed including the version number and version date, if applicable, and the date each program was approved by the Commission pursuant to N.J.A.C. 19:46-1.20;

(2) The date of and estimated time needed to complete the installation; and

(3) The name of the person authorized to perform the installation;

7. The procedures for assigning access to the computer installed pursuant to (e)6 above and completing or modifying the progressive payout wager system set up, as applicable;

8. Except as provided by (e)9 below, the procedures utilized by any computer that controls the progressive payout wager system to provide complete and prompt recovery of all system information in the event of any malfunction, which data recovery capability shall, unless otherwise determined by the Commission, include:

i. The recording of all system information as it occurs and in a redundant manner as approved by the Commission; and

ii. The immediate notification of the casino licensee of any malfunction in a manner approved by the Commission and consistent with the provisions of (l) below;

9. In the absence of computer system capability for recording all system information as it occurs and in a redundant manner in accordance with (e)8i above, the procedures utilized by any computer that controls the progressive payout wager system to provide complete and prompt recovery of all system information, except for information not recorded up to five minutes prior to any malfunction, and the procedures utilized by the casino licensee in the event of such malfunction for the manual reconstruction of information not

recorded by the system necessary to accurately adjust system meters; and

10. Such other procedures or features that may be required by the Commission as a result of the operation of the specific table game progressive wager.

(f) No progressive meter shall be turned back to a lesser amount unless:

1. The amount has been actually paid to a winning patron;
2. The progressive payout amount won by the patron has been

recorded in accordance with an approved system of internal controls;

3. The time limit for the progressive payout established pursuant to (g) below has expired; or

4. The change is necessitated by an equipment or meter malfunction, in which case an explanation must be entered on the Table Game Progressive Summary required in (i) below and the Commission shall preapprove the resetting in writing.

(g) When a casino licensee decides to permanently remove the offer of a table game progressive payout, with approval from the Commission, a time limit of not less than 30 days shall be established and notice of the time limit shall be provided at each table. Upon the expiration of such time limit, the casino licensee may remove the table game progressive payout from the casino or casino simulcasting facility or establish another time limit of not less than 30 days. Nothing in this section shall be deemed to prohibit the immediate and permanent removal by a casino licensee of a table game progressive payout from a gaming table provided that one or more table games offering the progressive payout remain on the casino floor or in the casino simulcasting facility.

(h) Once the time limit in accordance with (g) above has expired, the amount on any progressive meters shall be documented in accordance with procedures approved by the Commission. The initial or reset amount may be retained by the casino licensee and deducted from the ending amount on any meters and the remaining portion shall be paid to the Casino Revenue Fund. If a reset meter is utilized in accordance with (c) above, the entire amount on the

reset meter, less the reset amount funded by the casino licensee, shall be paid to the Casino Revenue Fund.

(i) The amount indicated on the "progressive payout meter," "progressive meter," "in-meter" and, if applicable, "reset meter" on each gaming table offering a progressive payout wager shall be recorded on a Table Game Progressive Summary, at a minimum, at least once every seven calendar days and each summary shall be signed by the preparer. If not prepared by the casino accounting department, the Table Game Progressive Summary shall be forwarded to casino accounting by the end of the gaming day on which it is prepared. A representative of the casino accounting department shall be responsible for calculating the correct amount that should appear on the progressive meter. If an adjustment to the progressive meter is necessary, the adjustment shall be made by a member of the table games department as follows:

1. Supporting documentation shall be maintained to explain any addition or reduction in the registered amount on the progressive meter, which documentation shall include, at a minimum, the date, the number of the table, the amount of the adjustment, the reason for the adjustment and the signature of the table games department member making the adjustment; and

2. The adjustment shall be effectuated within 48 hours of the meter reading.

(j) Except as otherwise authorized by this section, any gaming table offering a progressive payout wager may only be removed from the casino or casino simulcasting facility for a period not to exceed five gaming days. The amount on the progressive meter and, if applicable, reset meter upon the return or replacement of the gaming table shall not be less than the amount at the time of removal. Any time limit for the offering of a progressive payout pursuant to (g) above shall be extended by the number of days during which the progressive payout was not offered as the result of any action by a casino licensee pursuant to this subsection.

(k) Each gaming table offering a progressive payout wager shall have

such other devices, equipment, features and capabilities as may be required by the Commission for the game after the prototype model is examined by the Commission.

(l) Following any malfunction of a computer that controls the progressive payout wager system, the casino licensee shall immediately notify the Commission and Division and shall not utilize the system until the malfunction has been successfully repaired. Notwithstanding the foregoing, the Commission may permit a casino licensee to utilize the system prior to it being successfully repaired, for a period not to exceed 48 hours, provided that:

1. The malfunction is limited to a single storage media device;
2. In addition to the malfunctioning storage media device, the system contains a backup storage media device not utilized in the normal operation of the system, which backup device shall immediately and automatically replace the malfunctioning device, to permit a complete and prompt recovery of all information in the event of an additional malfunction; and

3. Continued use of the malfunctioning system would not limit the ability to perform a complete and prompt recovery of all information and would not otherwise harm or affect the normal operation of the progressive payout wager.

(m) Whenever a casino licensee seeks to install a modification to a computer that controls a progressive payout wager system, including, but not limited to, a new or modified computer program (software or firmware) or hardware design, the installation shall occur only after advance written notice of at least three business days to the MIS department of the casino licensee and to designated representatives of the Commission and Division. The written notice shall:

1. Be provided by an authorized representative of the casino games department of the casino licensee or manufacturer or servicing vendor other than the person who will perform the actual installation; and
2. Include, at a minimum, the following:

i. If the modification involves computer programs:

(1) A list of each computer program (software or firmware) to be modified or replaced, including the version number and version date, if applicable, and the date each modification was approved by the Commission pursuant to N.J.A.C. 19:46-1.20; and

(2) A list of each new computer program to be installed, if any, including the version number and version date, if applicable, and the date each new program was approved by the Commission pursuant to N.J.A.C. 19:46-1.20;

ii. If the modification involves hardware design, a list of each type of hardware being modified or replaced, including the date that each modified or new type of hardware was approved by the Commission pursuant to N.J.A.C. 19:46-1.20;

iii. The date of and estimated time needed to complete the installation; and

iv. The name of the person authorized to perform the installation.

(n) If an installation notice contains all the required elements set forth in (e)6 or (m) above, the Commission shall approve the installation. Any installation authorized pursuant to this section shall be performed in the presence of a representative of the MIS department of the casino licensee and a Commission inspector. Following the completion of the installation, the computer that controls the progressive payout wager system shall generate a record of the installation or, if the computer does not have the capability to generate such a record, the casino licensee shall otherwise create such record of the installation as the Commission may require. In the event the Commission determines that testing by the casino licensee is required, the Commission shall also approve the scope and results of such testing.

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