

THE CASINO GAMING ACT
CONTROLLED CONTRACTS NOTICE

In the exercise of the powers conferred on the Commission by section 49(1) of the Act, the following notice is hereby made:

1. This notice shall be cited as the Casino Gaming Commission (Controlled Contracts) Notice, 2024.
2. A contract is deemed to be made with a casino operator if the agreement contemplates goods or services being provided to the casino operator by another person—
 - a. whether or not the casino operator is a party to that agreement;
 - b. whether or not the casino operator provides valuable consideration; and
 - c. where there is a scheme or chain of such agreements that result in the casino operator receiving goods or services.
3. The following contracts are hereby designated controlled contracts to which Part VI of the Act applies:
 - a. Contracts that have a value greater than \$100,000 in United States currency or the equivalent in any other currency; and
 - b. Contracts of any value that relate to—
 - i. supply of management agent services for the management of the casino or any part of the casino operations;
 - ii. supply of consultancy or other services related to gaming;
 - iii. supply of consultancy or other services related to information technology;
 - iv. arrangements for with respect to the leasing or transfer of registered ownership of gaming equipment;
 - v. arrangements for the marketing or promotion of the casino, including, without limitation, junket arrangements;
 - vi. supply, repair, servicing and maintenance of gaming machines and gaming equipment or consultancy or other services in relation thereto;
 - vii. supply, repair, servicing and maintenance of security and surveillance equipment or consultancy or other services in relation thereto; or
 - viii. accounting or auditing services;
 - ix. the financing or refinancing of the casino operator;
 - x. the provision of security personnel in the casino premises;
 - xi. any interest in or right to receive a share of the gaming revenue of the casino; or
 - xii. any other matter that the Commission may specify by further notice.
4. The Commission may waive the requirement that a controlled contract be approved by the Commission if the value of the contract is less than \$100,000 in United States currency or the equivalent in any other currency if the Commission is satisfied that the casino operator's approved internal control standards adequately allow the casino operator to comply with the requirements of Part VI of the Act.
5. For the purposes of this Notice, the value of a contract shall be determined by:
 - a. the total amount of money payable under the contract; and
 - b. where consideration other than money is provided under the contract—
 - i. the market value of the consideration provided; or
 - ii. where there is no market for the consideration, the estimated value of the consideration to the person receiving that consideration.
6. (1) Before entering into a controlled contract, a casino operator, must be satisfied that—
 - a. each party to the contract—
 - i. is a suitable person to be involved in the casino gaming industry in the relevant capacity; and
 - ii. has any licence or approval that it requires to act in the relevant capacity; and
 - b. the contract is a genuine commercial contract for the provision of goods or services.

(2) When satisfying itself that a party to a contract is a suitable person, the casino operator shall consider the following matters:

- a. the general reputation of the parties having regard to character, honesty and integrity;
- b. the suitability of the parties to perform the type of work proposed;
- c. whether the parties can uphold high ethical standards;
- d. the general probity of each party, including its competence and soundness of judgment, and the diligence with which it is fulfilling or likely to fulfil responsibilities under the Act and regulations made thereunder;
- e. the previous conduct and activities in business or financial matters of each party in any jurisdiction, and in particular any evidence that it, or its officers or directors, has—
 - (i) committed a specified offence under the Second Schedule to the Casino Gaming Act or any offence involving fraud or other dishonesty or violence;
 - (ii) contravened any provision under any enactment designed for protecting members of the public against financial loss;

7. The casino operator shall ensure that the terms of the contract—
- a. require each other party to conduct itself in the fulfilment of its obligations as if it were bound by the Act and any regulations or directions made under the Act;
 - b. require each other party to provide such information to the casino operator as it may reasonably require in order to enable the casino operator to comply with all reporting obligations;
 - c. allow the casino operator to terminate the contract promptly:
 - i. if directed to do so by the Commission; or
 - ii. in the reasonable opinion of the casino operator, another party has acted in a manner inconsistent with the Act or any regulations or directions made thereunder.
8. (1) An application by a casino operator for approval of a controlled contract or for the variation of an approved controlled contract shall include:
- a. A copy of the proposed controlled contract, or a copy of the contract as approved with the proposed changes marked; and
 - b. a short narrative describing the nature of the contract and the material terms and the nature of the variation in the case of an amendment;
 - c. details of—
 - i. all parties to the contract, including the bases on which the casino operator satisfied itself regarding the matters detailed in paragraph 6(2) of this Notice;
 - ii. full details of any related contracts;
 - iii. the value of the contract and, where the value is disproportionate to the value of the goods or services provided, an explanation for the discrepancy;
 - iv. a brief description of the goods or services to be provided;
 - d. a declaration that—
 - i. the contract or amendment was negotiated at arm's length;
 - ii. the value of the contract is or remains within a reasonable range of the market value of the goods or services being provided (unless an explanation has been provided for the discrepancy); and
 - iii. the other parties to the contract are, in the opinion of the casino operator, fit and proper persons to be involved in the provision of goods or services to the casino industry in the relevant capacity; and
 - e. any other information or documentation as may be requested by the Commission in any particular case.
- (2) All documents required to be submitted to the Commission shall be submitted in the English language or shall be accompanied by an English-language translation.

(3) The Commission shall, upon receipt of an application for approval of a controlled contract or for approval of the variation of an approved controlled contract, conduct such investigation as it thinks fit of the contract or variation for the purpose of determining whether the contract or variation will or is likely to affect the credibility, integrity and stability of casino operations.

(4) In carrying out an investigation under paragraph 8(2), the Commission may assess—
a. whether the parties to the contract are suitable persons to be involved in the casino gaming industry in the relevant capacity;
b. whether all parties have complied with all licensing or approval requirements in accordance with the Act and regulations made thereunder; and
c. whether the contract is a genuine commercial contract for the provision of goods or services.

(5) If the Commission conducts an investigation under paragraph 8(3), the casino operator shall be liable to reimburse the Commission for the costs of the investigation.

9 (1) If there are circumstances such that a casino operator needs to enter into or vary a controlled contract as a matter of urgency, it may apply to the Commission for expedited consideration—

- a. setting out the reasons why it is appropriate that the consideration be expedited; and
- b. accepting responsibility for any additional costs entailed by expedited consideration.

(2) The Commission, shall consider the application, taking into account—

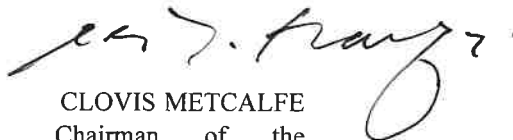
- a. the resources of the Commission;
- b. the complexity of the proposed controlled contract; and
- c. the circumstances of the case generally.

(3) Where it considers that expedited consideration is justified and reasonably practicable, the Commission will endeavour to agree with the casino operator on—

- a. a date by which the Commission will provide a preliminary finding; or
- b. a date by which the Commission will provide a finding.

(4) The Commission shall not be liable for any failure to agree to a date under paragraph (3) or any failure to provide a finding or preliminary finding by a date so agreed.

Signed for and on behalf of the Casino Gaming Commission and its Common Seal hereunto duly affixed and authenticated by:



CLOVIS METCALFE
Chairman of the
Casino Gaming
Commission.

AND



ANNA HARRY
Secretary of the
Casino Gaming Commission

