



## Minimum Internal Control Standards for Card Games

Applicable for the Curaçao jurisdiction

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## General Statement.

The Minimum Internal Control Standards for Card Games are an integral part of the casino license requirements for the Curaçao jurisdiction.

### 1. Definitions and use of terms in these MICS.

In these MICS, the following definitions are used:

1. *Card game* : a game using playing cards in which the casino is not party to wagers and from which the casino receives compensation in the form of a rake and/or other fee or payment from a player for the privilege of playing;
2. *Card room bank* : an imprest fund which is a part of and accountable to the licensee's casino cage or bankroll but which is maintained in the card room exclusively for the purposes set forth in paragraph 5 of these regulations.
3. *Card table bank* : an imprest inventory of cash and chips physically located in the table tray on the card table and controlled by the licensee through accountability established with the card room bank. The card table bank shall be used only for the purposes set forth in paragraph 5 of these regulations.
4. *Casino License Fee Declaration Form* : the monthly declaration form for the variable component of the license fee to the GCB ("aangifte");
5. *Lammer button* : a type of chip used to evidence transfers between table banks and card room banks;
6. *Promotional progressive pot or pool* : a pot or pool which is contributed to by patrons and distributed back to patrons based upon the occurrence of a predetermined event;
7. *Rake-off, rake* : a commission charged by the casino for maintaining or dealing a card game, usually a percentage of the pot;
8. *Runner* : a casino employee who transports chips or cash to or from a gaming table and a cashier;

Note 1: These MICS apply to any GCB-authorized inter-casino linked system. The licensee is responsible for compliance of the inter-casino linked system with all relevant rules and regulations.

Note 2: A "signature" on a document provides evidence of the person's involvement and/or authorization of the intentions reflected in this document. It is typically in the form of a stylized script associated with a person. The stylized script "signature" may include the first letter of the person's first name along with the person's full last name. The "initials" of the person would not meet the requirement of a "signature".

Note 3: As used in these MICS, the term "dollar amount" shall be replaced by the term "amount in Curaçao currency" if the coins and/or bills are in Curaçao currency.

### 2. Supervision.

- 2.1 Supervision is provided at all times, in each card room that is in operation, by supervisory-level personnel with authority equal to or greater than those being supervised.

Note: Provided the games are recorded by the surveillance department and records are retained for a minimum of seven days:

- A supervisor may function as a dealer without any other supervision for a period of time of less than one hour and disputes are resolved by pit supervisory personnel; or,
- If not dealing the game, a dealer may function as a supervisor for a period of time of less than one hour and disputes are resolved by pit supervisory personnel.



2.2 Transfers between table banks and the main card room bank are authorized by a supervisor and evidenced by the use of lammer buttons. (Lammer buttons are not required if the exchange of chips, tokens, and/or currency takes place at the table. If table banks are maintained at an imprest level and runners are used for the exchanges at the table, no supervisory authorization is required.)

2.3 Transfers from the main card room bank to the table banks are verified by the card room dealer and the runner.

Note 1: For MICS #0 and #2.3, a casino cage may function as a main card room bank for compliance purposes within these MICS if a waiver to use a casino cage in lieu of a main card room bank pursuant to rule 5.3 of the GCB Regulations for Card Games has been approved by the GCB.

Note 2: The supervisor should notify the surveillance department of any transfer of money or chips between table banks, main card room banks and casino cage.

2.4 Transfers between the main card room bank and the casino cage are authorized by a supervisor and documented.

2.5 The transfer documentation between the main card room bank and the casino cage must be retained.

2.6 A rake must be collected in accordance with the posted rules.

### **3. Drop and count standards.**

3.1 The procedures for the collection of card games drop boxes, the count of the contents thereof and the related key controls comply with the MICS applicable to the table game drop.

### **4. Access to playing cards.**

4.1 New and used playing cards to be issued to a table are maintained in a secure location to prevent unauthorized access and reduce the possibility of tampering.

4.2 Used playing cards that are not to be re-used are properly canceled, removed from service and destroyed.

### **5. Reconciliation of banks.**

5.1 The amount of the main card room bank is counted, recorded, and reconciled at least once a day, immediately after closing card games.

Note: For card games not operated on a daily basis (e.g., card game tables opened for play only during the weekend), the main card room bank must be counted, recorded and reconciled to the last count prior to opening card games, and immediately after closing card games. During the period the card games are not opened, the main card room bank funds are to be secured in the casino vault.

5.2 For banks that remain on the card tables, at least once a day, immediately after closing card games the table banks are counted, recorded, and reconciled by a dealer (or other individual if the table is closed) and a supervisor (or an employee independent of the card games department), and attested to by signing the Checkout Form. For imprest banks that remain with the dealer, the banks are counted, recorded and reconciled upon issuance and return by the dealer and a supervisor (or an employee independent of the card games department), and attested to by signing the checkout form.

### **6. Promotional Progressive Pots and Pools, Drawings and Giveaway Programs.**

Note: A promotional progressive pot or pool is, pursuant to GCB Regulation for Table Games, a "progressive payoff schedule" and must not be eliminated unless in accordance with GCB Regulation for Table Games.



- 6.1 The dollar amount of funds contributed by players into the pools is returned when won in accordance with the posted rules with no commission or administrative fee withheld.
- Note 1: The payout may be in the form of personal property (e.g., car).
- Note 2: A combination of a promotion and progressive pool may be offered.
- 6.2 The conditions for participating in promotional progressive pots, pools, and any other promotion including those as a result of drawings and giveaway programs are prominently displayed or available for patron review at the licensed location.
- 6.3 Payouts for promotional progressive pots, pools and any other promotion, including those as a result of drawings and giveaway programs, are documented at the time of the payout to include the following:
- Date and time.
  - Dollar amount of payout or description of personal property (e.g., car).
  - Reason for payout (e.g., promotion name).
  - Signature of one employee verifying, authorizing, and completing the promotional payout with the patron.
  - Patron's name (for drawings only).
- Note: This documentation may be prepared by an individual who is not a card game department employee as long as the required signature is that of the employee completing the payout with the patron.
- 6.4 Rules governing promotional progressive pools are conspicuously posted within the card room and/or available in writing for patron review, and designate:
- The amount of funds to be contributed from each pot.
  - What type of hand it takes to win the pool (e.g., what constitutes a "bad beat").
  - The percentages used to calculate the payout amounts.
  - How/when the contributed funds are added to the pools.
- 6.5 Promotional pool contributions are not placed in or near the rake circle, in the drop box, or commingled with gaming revenue from card games or any other gambling game.
- 6.6 Promotional pool funds removed from the card game are placed in a locked container in plain view of the public (e.g., a separate locked container affixed to a card game table used solely for promotional pool funds).
- 6.7 Persons authorized to transport the locked container are precluded from having access to the contents keys.
- 6.8 The locked container contents key is maintained by a department independent of the card room.
- 6.9 At least once a day, the locked container is removed by two individuals, one of whom is independent of the card games department, and transported directly to the count room, casino cage or other secure room to be counted.
- 6.10 If the funds are maintained in the cage, the contents are counted and recorded by the two individuals who removed and transported the locked container. The cage employee verifies prior to accepting the funds into cage accountability. All three employees sign off on the recorded balance.
- 6.11 The dollar amount of promotional progressive pots, pools, and any other promotion must be conspicuously displayed in the card room. At least once a day the progressive sign or meter, if applicable, is increased based upon the amount of cash previously counted or received by the cage.

## **7. Contests and tournaments.**

- 7.1 All contest/tournament entry fees and prize payouts (including mail transactions) are summarized on a cash accountability document on a daily basis.
- 7.2 When contest/tournament entry fees and payouts are transacted, the transactions are recorded on a document which contains:



- a. Patron's name.
- b. Date of entry/payout.
- c. Dollar amount of entry fee/payout (both alpha and numeric, or unalterable numeric) and/or nature and dollar value of any noncash payout.
- d. Signature of individual completing transaction attesting to the receipt or disbursement of the entry fee/payout with the patron.
- e. Name of contest/tournament.

Note: Any entry fees accepted after the start of a tournament (i.e., re-buys) must be documented in accordance with this standard except the table number may be substituted for the patron's name.

- 7.3 For contest/tournament prize pools that have the amount of the pool determined through patron contributions from card game pots, daily, MICS #6.5 - #6.10 are followed for such contest/tournament pool contributions.
- 7.4 The contest/tournament entry fees and payouts are summarized and posted to the accounting records on at least a monthly basis.
- 7.5 Contest/tournament rules are included on all entry forms/brochures and are prominently displayed or available for patron review at the licensed location. The rules must include at a minimum:
  - a. All conditions patrons must meet to qualify for entry into, and advancement through, the contest/tournament.
  - b. Specific information pertaining to any single contest/tournament, including the dollar amount of money placed into the prize pool.
  - c. The distribution of funds based on specific outcomes.
  - d. The name of the organizations (or persons) registered.
- 7.6 Results of each contest/tournament are recorded and available for participants to review. The recording includes the name of the event, date(s) of event, total number of entries, dollar amount of entry fees, total prize pool, and the dollar amount paid for each winning category. The name of each winner is recorded and maintained but not made available to the participants unless authorized by management personnel. Two employees, one of whom is independent of the collection of entry fees, reconcile the total amount of chips issued for the contest/tournament in exchange for entry fees to the final chip count at the end of the contest/tournament. The reconciliation is documented and signed by the employees.

Note: For free tournaments (i.e., patron does not pay an entry fee), the information required by the above MICS must be recorded except for the number of entries, dollar amount of entry fees and total prize pool.

- 7.7 For contest/tournament prize pools where the amount of the pool is determined through patron contributions from card game pots, the daily contributions and the total contributions are included in the results documentation required in MICS #7.6.
- 7.8 The aforementioned contest/tournament records are maintained for each event.

## 8. Computerized player tracking systems.

Note 1: Compliance with MICS #8.1 up to and including #8.6 is required only for computerized player tracking systems that accumulate points that are subsequently redeemed by the patron for cash, merchandise, etc. These MICS do not apply to player rating only systems (i.e., the evaluation of a patron's play and the choice and/or dollar amount of complimentary provided to a patron are solely the result of an employee's judgment).

Note 2: As used in these Card Games MICS, the term "point" or "points" is a generic term and refers to a representative of value awarded to a patron based upon specific criterion established by the licensee. Commonly, points are earned by patrons placing wagers or purchasing room, food, beverage or entertainment admissions. Patron accounts in a player tracking system are used to track points earned/awarded to patrons.



- 8.1 The addition/deletion of points to player tracking accounts - other than through an automated process related to actual play – must be sufficiently documented (including substantiation of reasons for increases) and protected, and must be performed by authorized supervisory personnel of the player tracking, promotions, or card games department. The addition/deletion of points to player tracking accounts authorized by supervisory personnel is documented and is randomly verified by accounting/audit personnel on a quarterly basis.

Note: The above MICS does not apply to the deletion of points related to inactive or closed accounts through an automated process.

- 8.2 The issuance of wagering credits, both through and other than through actual play, must be sufficiently documented and authorized by management personnel independent of the card games department. The player tracking system creates and maintains documentation indicating the wagering credits issued.
- 8.3 Employees who redeem points for patrons cannot have access to inactive or closed accounts without supervisory personnel authorization. Documentation of such access and approval is created and maintained.
- 8.4 Patron identification is required when redeeming points without a player tracking card.
- 8.5 Changes to the player tracking system parameters, such as point structures and employee access, must be performed by supervisory personnel independent of the card games department and only upon instruction by management. Alternatively, changes to player tracking system parameters may be performed by card games supervisory personnel if sufficient documentation is generated and the propriety of the changes are randomly verified by personnel independent of the card games department on a quarterly basis.
- 8.6 All changes to the player tracking system must be appropriately documented.
- 8.7 Rules and policies for player tracking accounts including the awarding, redeeming and expiration of points are prominently displayed or available for patron review at the licensed location.

## 9. Accounting and audit standards.

- 9.1 The card games audit is conducted by someone independent of the card games operation.
- 9.2 On a daily basis, audit/accounting personnel reconcile the amount indicated on the progressive sign/meter to the cash counted or received by the cage and the payouts made for each promotional progressive pot and pool. This reconciliation must be sufficiently documented (including substantiation of differences, adjustments, etc.).
- 9.3 The following procedures are performed by accounting/audit personnel using the Master Games Summary prepared by the count team members for each day:
- Reconcile the dollar amount of drop proceeds on the Master Games Summary to the dollar amount recorded in the applicable accountability document using, if applicable, the transfer forms indicating all transfers in/out of the count room, both during and at the end of the count. Investigate and document any variance noted.
  - Recalculate total card game proceeds (all funds received by the licensee as compensation for conducting the game).
- Note: For computerized master games summaries that total the count proceeds from each box, accounting personnel are to recalculate rake in total for one day each month, rather than daily.
- Verify that the correct total of card game proceeds on the master games summary is recorded in the accounting records used to prepare the Casino License Fee Declaration Form.
  - Examine for propriety of signatures.
- 9.4 A monthly Card Games Recap Report is prepared which includes the daily and month-to-date card game gross revenue information used to prepare the Casino License Fee Declaration Form.
- 9.5 Monthly, accounting/audit personnel reconcile gross revenue from the monthly card games recap report and the general ledger to the Casino License Fee Declaration Form. This reconciliation is documented and maintained. All variances are reviewed, documented and maintained.
- 9.6 Monthly, accounting/audit personnel review all payouts for the promotional progressive pots, pools, or other promotions to determine proper accounting treatment and proper card games gross revenue win/loss computation.



- 9.7 Monthly, accounting/audit personnel perform procedures to ensure that payouts for the promotional progressive pots, pools, or other promotions are conducted in accordance with conditions provided to the patrons. The procedures must include a review of documents along with employee interviews and/or observations.
- 9.8 Daily, accounting/audit personnel reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document. For all contests, tournaments, promotional payouts (including payouts from computerized player tracking activity), drawings, and giveaway programs the following documentation is maintained:
  - a. Copies of the information provided to the patrons describing the contests, tournaments, promotional payouts, drawings, and giveaway programs (e.g., brochures, fliers).
  - b. Effective dates.
  - c. Accounting treatment, including general ledger accounts, if applicable.
- 9.9 When payment is made to the winners of a contest/tournament, accounting/audit personnel will reconcile the contest/tournament entry fees collected to the actual contest/tournament payouts made. This reconciliation is to determine whether, based on the entry fees collected, the payouts made and the amounts withheld by the casino, if applicable, were distributed in accordance with the contest/tournament rules.
- 9.10 For computerized player tracking systems, an accounting/audit employee shall perform the following procedures at least one day per quarter:
  - a. Review all point addition/deletion authorization documentation, other than for point additions/deletions made through an automated process, for propriety.
  - b. Review exception reports including transfers between accounts.
  - c. Review documentation related to access to inactive and closed accounts.
- 9.11 At least annually, the computerized card games player tracking system (in-house developed and purchased systems) is reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested to further verify the accuracy of the configuration parameters (e.g., simulate activity to verify the accuracy of the amount of points awarded). The test results are documented and maintained.
- 9.12 Documentation (e.g., log, checklist, notation on reports, and tapes attached to original documents) is maintained evidencing the performance of card games audit procedures, the exceptions noted and follow-up of all card games audit exceptions.

**End of MICS for Card Games**