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## **Chapter I: Introduction**

The Gaming Control Board was established on April 19, 1999. As per the articles of incorporation, the following are the most important goals of the foundation:

1. To guarantee fair play;
2. To guarantee the industry is free of corruption;
3. To guarantee the payment of the license fees due by the licensees.

The Curaçao Gaming Control Board shall organize and maintain an audit division whose authority it shall be whenever is necessary:

1. To conduct periodic audits or reviews of the books and records of licensees;
2. To review the accounting methods and procedures used by licensees;
3. To review and observe methods and procedures used by licensees to count and handle cash, chips, tokens, negotiable instruments and credit instruments;
4. To examine the licensees' records and procedures in extending credit, to confirm with gaming patrons the existence of an amount of debt and any settlement thereof, unless the licensee requests that the debt or settlement not be confirmed;
5. To examine licensees' internal control procedures;
6. To examine all accounting and bookkeeping records and ledger accounts of the licensee or a person controlling, controlled by, or under common control with the licensee;
7. To examine the books and records of any licensee when conditions indicate the need for such action or upon the request of the chairman or the commission;
8. To investigate each licensee's compliance with the law and Gaming Control Board rules and regulations.



## **Chapter II: General Standards**

### **2.1. Bankroll**

1. Each licensee shall maintain cash or cash equivalents in an amount sufficient to reasonably protect the licensee's patrons against defaults in gaming debts owed by the licensee.
2. The gaming activity cash requirement is the total sum of exposure from table games, slot machines and progressive payouts. The table games exposure is determined by the average daily fills per game class in a one-month period, divided by the number of days in that period, then multiplied by two days. This is done for each individual game category. The reserve for the slot machines is determined by multiplying the average daily fill and jackpots by two days and adding the greater of 20 percent of the total progressive slot liability or the single highest available progressive jackpot.
3. It is not allowed to take money, token, chips or other securities from the drop boxes or slot machines for selling purpose or for paying prizes.
4. If at any time the bankroll should be less than the amount required, the licensee should immediately notify the GCB. Failure to do so will result in sanctions by the GCB.



## **2.2. Chips and tokens**

1. A licensee shall not issue any chips or tokens for use in its casino, unless these have been approved in writing by the Gaming Control Board.
2. A licensee is not allowed to use the same chips or token (designs) as other casinos.
3. Applications for approval of chips, tokens and modifications to previously approved chips or tokens must be made using the application form for chips and tokens of the GCB.
4. Each application for chips and token must include:
  - a. An exact color or black and white drawing of each side and edge of the proposed chip or token, drawn to actual size or larger than actual size;
  - b. Written specifications for the proposed chips or tokens;
  - c. A sample of the chip or token suggested;
  - d. The name and address of the manufacturer;
  - e. The licensee's intended use for the proposed chips or tokens;
  - f. A copy of the Certification Paper of the GCB where the chips were manufactured and certificated.
5. The chips and tokens must be designed, manufactured and constructed in compliance with all applicable laws, regulations and policies of both Curaçao and the manufacturer's country.
6. Furthermore the chips and tokens shall meet the following supplementary specifications:
  - a. The name of the issuing gaming establishment must be inscribed on each side of the chips or tokens;
  - b. The value of the chips or tokens must be inscribed on each side, with the exception of chips used only at roulette;
  - c. Each chip must be designed so that when stacked with chips and tokens of other denominations and viewed on closed-circuit, black and



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- white television, the denomination of the chip can be distinguished from that of the other chips and tokens in the stack;
- d. The chips and tokens must be disk-shaped and have a size according to international standards.
7. A licensee using chips and tokens at its casino shall:
- a. Comply with all law, rules and regulations of the GCB of Curaçao;
  - b. Issue chips and tokens only to patrons of his gaming establishment and only at their request;
  - c. Promptly redeem its own chips and tokens from its patrons by cash or check;
  - d. Post conspicuous signs at its establishment notifying that the chips and tokens are its property;
  - e. A licensee shall not accept chips and tokens as payment for any goods or services offered at the licensee's gaming establishment with the exception of the specific use for which the chips or tokens were issued, and shall not give chips or tokens as change in any other transaction.
8. Each licensee shall notify the GCB when the use of a certain chip or token they applied for in the past, is discontinued.
9. If the use of some particular chips or tokens is discontinued, the patrons must be allowed adequate time to redeem chips and tokens that they are handling. This must be done by a posting in the casino to notify patrons for a period of 30 days. Chips and tokens that are discontinued or damaged must be destroyed in the presence of two officials. One of the two officials must be independent of the cage and the pit. The destruction of chips and tokens must be reported in writing and must be signed by all present officials. If the casino keeps some chips for give away or souvenir they must report this amount to the GCB.



### **2.3. Surveillance systems**

1. Each licensee and applicant must submit upon approval, a written casino surveillance system plan to the GCB. The plan must include a description of all the equipment utilized in the casino surveillance system and a blueprint or diagram of the system.
2. A description of the procedures used in the surveillance system and other necessary information will be added to the map and submitted to the GCB.
3. The casino must have adequate equipment at its disposal that makes panning, tilting and zooming etc. with the cameras possible.
4. The areas that must be monitored are: pit and table games, slot machines, casino entrance, bar, vault, count room and cage.
5. Changes to the plan must be submitted each year on December 31<sup>st</sup>.
6. IF no changes have been made to the plan the licensee should send a letter indicating that no changes were made to the plan as per same date.
7. The equipment shall be maintained and controlled in the surveillance room.
8. The surveillance equipment shall record the activities in a casino 24 hour a day.
9. The entrance to the surveillance room must be located so that it is not readily accessible by either casino employees who work primarily on the casino floor or the general public.
10. Access to a surveillance room must be limited to surveillance personnel. Executives of the casino should only be able to go into the room when surveillance personnel are present
11. Immediately upon request and presentation of proper identification presented to any authorized person, any agent of the GCB must be provided access.
12. In the event of power loss to the surveillance system, an auxiliary or backup power source must be available to enable surveillance personnel to observe all games remaining open.
13. The surveillance system must include date and time generators which possess the capability to display the date and time of recorded events on video tape



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- recordings. The displayed date and time must not significantly obstruct the recorded view.
14. The surveillance room must be occupied during the drop and count processes otherwise the drop and count must be monitored in its entirety upon their return.
  15. Each video camera must be installed in a manner that will prevent it from being readily obstructed, tampered with or disabled by patrons or employees.
  16. Employees shall not intentionally obstruct surveillance system equipment.
  17. The cameras with pan-tilt-zoom capabilities must be placed behind a one-way mirror or similar materials or have a dark colored bowl that conceal the camera from view.
  18. Each camera must possess the capability of having its picture displayed on a video monitor and recorded.
  19. The system must include sufficient numbers of monitors and recorders to simultaneously display and record all activities.
  20. Reasonable effort must be made to repair each malfunction of surveillance system equipment within 72 hours after the malfunction is discovered. If it is not repaired within 3 days, the licensee must immediately notify the GCB of the malfunction.
  21. In the event of a camera malfunction, the licensee must immediately provide alternative camera coverage or other security measures, such as additional supervisory or security personnel, to protect the subject activity.
  22. The equipment used in the slot department must have the capability to monitor and record the whole slot area and all the slot machines in it.
  23. The equipment used in the pit must have the capability to monitor and record all activities at each table and from such a distance to identify dealers and players.
  24. Furthermore the system must possess the capability to monitor and record with sufficient coverage and clarity to simultaneously view the table bank and determine the configuration of wagers, card values and game outcome.
  25. The surveillance system must provide coverage of the progressive meter jackpot amount.



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26. The system must possess the capability to monitor and record a general overview of activities occurring in each casino cage and vault area, with sufficient clarity to identify employees within the cage and patrons and employees at the counter areas.
27. The casino cage or vault area in which fills and credits are transacted must be monitored by a dedicated camera that provides coverage with sufficient clarity to identify chip values and the amounts on the fill and credit slips.
28. The system must possess the capability to monitor and record all areas where coin may be stored or counted, including the hard count room, all doors to the hard count room, all scales and wrapping machines.
29. The system must possess the capability to monitor and record the soft count room, including all doors to the room, all drop boxes, safes and count team personnel. The counting surface area must be continuously monitored by a dedicated camera during the soft count. If utilizing currency counters and currency sorters, the surveillance system must possess the capability to monitor and record all areas where currency is sorted, stacked, counted, verified or stored during the count process. Coverage must be sufficiently clear to view the currency input, output and reject areas.
30. The system must also possess the capability of monitoring and recording audio during the soft count and hard count and in the vault.
31. All recordings must be retained for 7 days, except for recordings of detentions and questioning by security personnel, which must be retained for 30 days.
32. The recording of a recorded event must be provided to a board agent upon request.
33. All licensees must keep an error log of the system. The log must state the time, date and nature of each malfunction, the efforts expended to repair the malfunction and the date and time it was fixed.



**2.4. Progressive games**

1. A meter that shows the amount of the progressive jackpot must be conspicuously displayed at or near the machines and tables to which the jackpot applies.
2. A licensee may limit a progressive jackpot to an amount that is equal to or greater than the amount of the jackpot when the limit is imposed. The licensee shall post a conspicuous notice of the limit at or near the machines or tables to which the limit applies.
3. At least once a day each licensee shall record the amount shown on each progressive jackpot meter at its establishment.
4. Explanations for meter reading decreases must be maintained with the progressive meter reading sheets, and where the payment of a jackpot is the explanation for a decrease the licensee shall record the jackpot payout form number on the sheet.
5. Each licensee shall record the base amount of each progressive jackpot the licensee offers.
6. A licensee shall only reduce or eliminate the jackpot amount when:
  - a. A player wins the progressive amount;
  - b. A player is awarded one of the other extra bonuses;
  - c. The licensee adjusts the progressive jackpot meter to correct a malfunction or to prevent the display of an amount greater than a limit imposed;
  - d. The licensee distributes the increment amount to another progressive jackpot at the licensee's establishment and the distribution is documented.
7. In the event that a progressive is permanently removed from the floor and there is no intention to transfer the progressive to another machine or table (e.g. at closure), the GCB will consider allowing the licensee to hold a raffle, drawing, contest to distribute the amount in excess of the base amount. The licensee should submit a request in writing to the GCB for such raffle.



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Distributions such as these should be targeted to the patrons of the casino on a specific date.

8. Only the following amounts may be deducted from the drop of the table:
  - a. The house fee percentage which is set to a maximum of 35%. This amount should be administered separately and deposited on a separate account.

**2.5. Information technology**

These controls do not apply to personal computers, but only to table games and slot systems.

1. The main computers (i.e., hardware, software and data files) for each gaming application (e.g., table games, slots, etc.) application are in a secured area with access restricted to authorized persons, including vendors.
2. Gaming personnel are precluded from having unrestricted access to the secured computer areas.
3. The computer systems, including application software, are secured through the use of passwords or other approved means. Management personnel or persons independent of the department being controlled will assign and control access to system functions to ensure adequate segregation of duties:
  - a. Generic identifications (user names) are prohibited unless user access is restricted to inquiry only functions.
  - b. the system is updated to change the status of terminated employees from active to inactive status within 72 hours of termination.
  - c. Personnel access listings are maintained which include at a minimum:
    - i) employee name and title or position
    - ii) employee identification number
    - iii) listing of the functions the employee can perform or an equivalent means of identifying the same.



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4. Passwords are controlled as follows unless otherwise addressed in these standards:
  - a. Each user must have their own individual password.
  - b. Passwords are changed at least quarterly.
5. Adequate backup and recovery procedures are in place, and if applicable, include:
  - a. Daily backup of data files.
  - b. Backup of all programs.
  - c. Secured off-site storage of all backup data files and programs, or other adequate protection.
  - d. Maintenance of a written plan outlining procedures for restoring data and program files
  - e. For data files that are used in place of printed reports, quarterly testing of backup files is performed on a sample basis to ensure that the files are properly maintained.
  - f. Recovery procedures are tested at least annually.
6. Adequate system documentation is maintained, including descriptions of both hardware and software, operator manuals, etc.
7. The EDP department is independent of the gaming areas (e.g., cage, pit, count rooms, etc.).
8. EDP department personnel are precluded from unauthorized access to:
  - a. Computers and terminals located in gaming areas.
  - b. Source documents.
  - c. Live data files (not test data).
9. Program changes for in-house developed systems are documented as follows:
  - a. Requests for new programs or program changes are reviewed by the EDP supervisor. Approvals to begin work on the program are documented.
  - b. A written plan of implementation for new and modified programs is maintained and includes, at a minimum, the date the program is to be placed into service, the nature of the change (if applicable), a description of procedures required in order to bring the new or modified program into service (conversion or input of data, installation procedures, etc.), and an indication of who is to perform all such procedures.



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- c. Testing of new and modified programs is performed and documented prior to implementation.
  - d. A record of the final program or program changes, including evidence of user acceptance, date in service, programmer, and reason for changes, is documented and maintained.
10. Computer security logs, if generated by the system, are reviewed by EDP supervisory personnel for evidence of:
- a. Multiple attempts to log-on. Alternatively, the system will deny user access after three attempts to log-on.
  - b. Changes to live data files.
  - c. Any other unusual transactions.
11. If remote dial-up to any equipment is allowed for software support, the licensee must maintain an access log which includes: name of employee authorizing modem access, name of authorized programmer or manufacturer representative, reason for modem access, description of work performed, date, time, and duration of access.
12. Documents may be scanned or directly stored to WORM (“Write Once Read Many”) optical disk with the following conditions:
- a. The optical disk must contain the exact duplicate of the original document.
  - b. All documents stored on optical disk must be maintained with a detailed index containing the casino department and date. This index must be available upon Board request.
  - c. Upon request by Board agents, hardware (terminal, printer, etc.) must be provided in order to perform auditing procedures.
  - d. Controls must exist to ensure the accurate reproduction of records, up to and including the printing of stored documents used for auditing purposes.
13. If source documents and summary reports are stored on re-writeable optical disks, the disks may not be relied upon for the performance of any audit procedures, and the original documents and summary reports must be retained.



## **Chapter III: Table games.**

### **3.1. Daily controls**

1. The shift manager must check daily before opening the casino whether the gaming devices comply with the requirements regarding those items. At least the following aspects are checked:
  - a. That the correct number of cards used during the card games are present;
  - b. That dice are undamaged;
  - c. That roulette tables are properly balanced;
  - d. That the prescribed number of chips is present at each table. This amount must agree with the count at the end of the night shift of the prior day.
2. Procedures must be in place to secure the distribution, storage, destruction, receiving and use of playing cards and dice. This must be done to avoid unauthorized access to these items and the possibility of tampering.
3. At the close of each shift each table's chip, token, coin and marker inventory is counted and recorded on a table inventory form. At the end of the day shift the outgoing and the incoming pit boss must participate in the count.
4. If the table banks are maintained on a fixed basis, a final fill or credit is made to bring the bank back to par (See fills and credits)
5. The inventory forms are placed in the drop box and such action is performed by someone other than a pit boss.



### **3.2. Drop boxes**

1. Each table game must have at least one drop box that must be attached to the table.
2. The drop box measures are: length 12 inches, width 8 inches and height 8 inches.
3. The drop box must have an identification code (shift, table number and type of table game) on it that matches the identification code on the table.
4. Each table must have at least 2 drop boxes: one for the dayshift and one for the nightshift.
5. All drop boxes must be attached to the respective table at the beginning of each shift.
6. Procedures are implemented to insure unauthorized access to empty drop boxes does not occur from the time the drop boxes leave the storage racks until they are placed on the tables.
7. The drop box shall always be locked and shall have two locks. The GCB-I, who is not a member of the count team, must have one of the unique drop box contents keys, while a member of the count team shall have the other key.
8. The drop box release keys are only maintained by the casino manager, shift manager and/or vault manager.
9. The setting out of empty table game drop boxes and the drop is a continuous process. The casino manager or shift manager is required to observe each time table game drop boxes are removed from or placed in storage racks.
10. At the end of each shift, all locked drop boxes are removed from the tables by the casino manager, the shift manager or the vault manager and are transported directly to the count room or other secure place. They are locked in a secure manner until the count takes place.
11. Persons authorized to obtain drop box release keys are precluded from having access to drop box contents keys. The count team members may have access to the release keys during the soft count in order to reset the drop boxes.
12. The removing of the drop boxes is recorded by the surveillance system.
13. The drop box contents keys are different from the drop box release keys.



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14. In case the drop box has to be removed before the end of the shift due to an emergency drop, then both the shift manager and a GCB-I must be present to record and sign the forms.
15. In case of changing of the lock of the drop box, the GCB shall be notified, since GCB personnel must be present when changing takes place.

### **3.3 Game play**

1. All foreign currency transactions at the table games should be registered on a foreign currency exchange form prior to the exchange for chips or tokens.
2. The table game supervisor is responsible for registering all foreign currency transactions at the table games.
3. The table games are conducted by a dealer.
4. The dealer must immediately deposit the cash received from the players and markers in the drop box.
5. The floor supervisor, the pit boss, the shift manager and the casino manager verify if the dealer conduct the games in accordance with table games rules and house rules.
6. All winning bets are paid with chips.
7. At the end of each day the total amount of cashout paid to the players is calculated.
8. Only the cashier is authorized to exchange chips for money.

### **3.4. Cash outs with slips**

1. Cash out slips are in at least duplicate form, in a numerical series, and prenumbered.
2. Unissued and issued cash out slips are safeguardede and adequate procedures are employed in the distribution, use and control of same.



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3. Personnel from the cashier or pit departments have no access to the secured blank copies of the cashout slips. (Only casinomanager, shiftmanagers and personnel audit department have access).
4. When a cash out slip is voided, the cashier and the casino manager or shift manager sign both the original and copy, and submits them to the accounting department for retention and accountability.
5. Cash outs are authorized by a pit boss, who checks the amount of chips redeemed. At least three parts of each cash out slip are utilized as follows:
  - a. One part is given to the player to cash out at the cashier;
  - b. One part is retained deposited in the drop box;
  - c. The third part is deposited in the Accounting Department Locked Box;
6. The table number, shift, date time and amount of cash out are written on all copies of the cash out slip;
7. The cash out slip is signed by at least the following individuals:
  - a. Dealer, who received the chips, tokens or monetary equivalents at the gaming table;
  - b. Pit boss, who supervised the cash outs;
8. Cash out slips are inserted in the drop box by the dealer.

#### **3.5. Computerized table games**

1. The computer system must be capable of generating adequate documentation of all information recorded on the source documents and transaction detail (e.g., fill/credit slips, markers, etc.).
2. This documentation is restricted to authorized personnel.
3. The documentation is to include, at a minimum:
  - a. System exception information (e.g., appropriate system parameter information, corrections, voids, etc.).
  - b. Personnel access listing which includes at a minimum:
    - Employee name.
    - Employee identification number.



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- Listing of functions employee can perform or equivalent means of identifying same.

**3.6. The fills and credits of table games**

1. Fill/credit slips are in at least duplicate form, in a continuous numerical series, and prenumbered.
2. Unissued and issued fill/credit slips are safeguarded and adequate procedures are employed in the distribution, use and control of same.
3. Personnel from the cashier or pit departments have no access to the secured blankcopies of the fill/credit slips. (Only casinomanager, shiftmanagers and personnel audit department have access).
4. When a fill/credit slip is voided, the cashier clearly marks void across the face of the original and first copy, the cashier and the casino manager or shift manager sign both the original and copy, and submits them to the accounting department for retention and accountability.
5. Fill transactions are authorized by a pit boss prior to the issuance of fill slips and transfer of chips, tokens, or monetary equivalents. At least two parts of each fill slip are utilized as follows:
  - a. one part is transported to the pit with the fill and, after the appropriate signatures are obtained, deposited in table drop box.
  - b. one part is retained in the cage for reconciliation of cashier bank.
  - c. The third part is deposited in the Accounting Locked Box.
6. The fill slip that is placed in the drop box is of a different color for fills than for credits.
7. The table number, shift, date, time and amount of fill by denomination and in total are noted on all copies of the fill slip.
8. All fills are carried from the cashier's cage by a security person, casino manager or shift manager.



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9. The fill slip is signed by at least the following individuals (as an indication that each has counted the amount of the fill and the amount agrees with the fill slip):
  - a. Cashier, who prepared the fill slip and issued the chips, tokens, or monetary equivalent.
  - b. Runner or Security person, who carried the chips, tokens, or monetary equivalents from the cage to the pit.
  - c. Dealer, who received the chips, tokens, or monetary equivalents at the gaming table.
  - d. Pit boss, who supervised the fill transaction.
10. Fills are broken down and verified by the dealer in public view before the dealer places the fill in the table tray.
11. Fill slips are inserted in the drop box by the dealer.
12. When chips, tokens and monetary equivalents are transported from the pit to the cage, credit slips in duplicate form are utilized as follows:
  - a. One part is retained in the cage for reconciliation of the cashier bank.
  - b. One part is transported to the pit by the runner or security person who brought the chips, tokens, markers or monetary equivalents from the pit to the cage, and after the appropriate signatures are obtained, deposited in the table drop box.
  - c. The third part is deposited in the Accounting Locked Box.
13. The table number, shift, date, time and the amount of credit by denomination and in total are noted on all copies of the credit slip.
14. Chips, tokens and/or monetary equivalents are removed from the table tray by the dealer and are broken down and verified by the dealer in public view prior to placing them in racks for transfer to the cage.
15. All chips, tokens, and monetary equivalents removed from the tables and markers removed from the pit are carried to the cashier's cage by an individual who is independent of the transaction.
16. The credit slip is signed by at least the following individuals (as an indication that each has counted or, in the case of markers, reviewed the items transferred):



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- a. Cashier, who received the items transferred from the pit and prepared the credit slip.
  - b. Runner or Security person, who carried the items transferred from the pit to the cage and returned to the pit with the credit slip.
  - c. Dealer, who had custody of the items prior to transfer to the cage.
  - d. Pit Boss, who supervised the credit transaction.
17. The credit slip is inserted in the drop box by the dealer.
18. Chips, tokens, or other monetary equivalents are deposited on or removed from gaming tables only when accompanied by the appropriate fill/credit or marker transfer forms.
19. Inadequately documented cross-fills and even money exchanges in the pit are prohibited.

### **3.7 Credit play**

#### **3.7.1. Marker credit play**

1. Prior to the issuance of gaming credit to a player, the employee extending the credit contacts the casino manager or cage manager to determine if the player's credit limit has been properly established and there is sufficient remaining credit available for the advance.
2. Proper authorization of credit extension in excess of the previously established limit is documented. The amount of increase of the credit, the date and the period during which the increase applies are noted on a form. The form is signed by the casino manager.
3. The amount of credit extended is communicated to the cage or another independent source and the amount documented on a marker form within 15 minutes subsequent to each issuance.
4. The marker form is in at least triplicate form (triplicate form being defined as three parts performing the functions delineated in the standard below), with a



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- preprinted or concurrently-printed marker number, and utilized in numerical sequence.
5. A record is maintained which details the following (e.g., master credit record retained at the pit podium.):
    - a. The signature or initials of the individual(s) approving the extension of credit (unless such information is contained elsewhere for each issuance).
    - b. The legible name of the individual receiving the credit.
    - c. The date and shift of granting the credit.
    - d. The table on which the credit was extended.
    - e. The amount of credit issued.
    - f. The marker number.
    - g. The amount of credit remaining after each issuance or the total credit available for all issuances.
    - h. The amount of payment received and nature of settlement (e.g., credit slip number, cash, chips, etc.).
    - i. The signature or initials of the individual receiving payment/settlement.
  6. At least three parts of each separately numbered marker form are utilized as follows:
    - a. Original - Maintained in the pit until settled or transferred to the cage.
    - b. Payment Slip - Maintained in the pit until the marker is settled or transferred to the cage. If paid in the pit, the slip is inserted in the table drop box. If not paid, the slip is transferred to the cage with the original.
    - c. Issue Slip - Inserted into the appropriate table drop box when credit is extended or when the player has signed the original.
  7. When marker documentation (e.g., issue slip and payment slip) is inserted in the drop box, such action is performed by the dealer at the table.
  8. The above mentioned forms are safeguarded, and adequate procedures are employed to control the distribution, use, and access to these forms.
  9. Voided markers contain the following:
    - a. "Void" written across all parts of the marker along with the reason for the void.
    - b. Date and time of void.



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- c. Signature or initials of two pit personnel, at least one of whom is a supervisor

Note: the voiding process is completed no later than fifteen minutes after the issuance of the marker unless the reason for exceeding this time period is documented.

Note: for computer-generated markers, the patron's computer account is updated to reflect the voided marker transaction.

Note: All parts of voided markers are transferred to the cage at the end of each shift for subsequent transfer to accounting. When markers are voided the issue slip has been placed in the table game drop box, the dealer inserts the voided original marker, or alternate documentation indicating the marker has been voided, into the same table game drop box as the issue slip.

10. All credit extensions are initially evidenced by lammer buttons which are displayed on the table in public view and placed there by supervisory personnel.
11. Lammer buttons are removed only by the dealer employed at the table upon completion of a marker transaction.
12. The payment slip includes the same marker number as the original. When the marker is paid in full in the pit, it will also include the table number where paid, date and time of payment, nature of settlement (cash, chips, etc.) and amount of payment. The payment slip also includes the signature of a pit supervisor acknowledging payment, and the signature or initials of the dealer receiving payment, unless this information is included on another document verifying the payment of the marker.
13. When partial payments are made in the pit, a new marker is completed reflecting the remaining balance and the marker number of the marker originally issued.
14. When partial payments are made in the pit, the payment slip of the marker which was originally issued is properly cross-referenced to the new marker number, completed with all information required by standard 12, and inserted into the drop box.



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15. The cashier's cage or another independent source is notified when payments (full or partial) are made in the pit so that cage records can be updated for such transactions. Notification is made no later than when the patron's play is completed or at shift end, whichever is earlier.
16. All portions of markers, both issued and unissued, are safeguarded and procedures are employed to control the distribution, use and access to the forms.
17. An investigation is performed to determine the cause and responsibility for loss whenever marker forms, or any part thereof, are missing. The result of the investigation is documented.
18. When markers are transferred to the cage, marker transfer forms or marker credit slips (or similar documentation) are utilized and such documents include, at a minimum, the date, time, shift, marker number(s), table number(s), amount of each marker, the total amount transferred, signature of pit supervisor releasing instruments from the pit, and the signature of cashier verifying receipt of instruments at the cage.
19. All markers will be transferred to the cage within 24 hours of issuance.
20. Markers are transported to the cashier's cage by an individual who is independent of the marker issuance and payment functions (pit clerks may perform this function).

3.7.2. Name Credit Play

If personal checks, payroll checks, counter checks, hold checks or any other name credit (except traveler's checks) instruments are accepted in the pit, then compliance with the following standards is necessary.

1. Prior to accepting a name credit instrument, the employee extending the credit contacts the cashier or another independent source to determine if the player's credit limit has been properly established and the remaining credit available is sufficient for the advance.



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2. All name credit instruments are transferred to the cashier's cage (utilizing a two-part order for credit) immediately following the acceptance of the instrument and issuance of chips.
3. The order for credit and the credit slip includes the patron's name, amount of the credit instrument, the date, time, shift, table number, signature of pit supervisor releasing instrument from pit, and the signature of cashier verifying receipt of instrument at the cage.
4. The procedures for transacting table credits at standards 12 to 18 (paragraph 3.5. fills and credits) are strictly adhered to.
5. The acceptance of payments in the pit for name credit instruments is prohibited.

### **3.8. Soft count**

1. The soft count takes place daily.
2. The soft count takes place after closing the casino and before opening the casino the next day.
3. The count begins with the opening of the first table game drop box and ends when a member of the cage/vault department signs the master games summary and assumes accountability of the proceeds.
4. If counts from various revenue centers are occurring simultaneously in the count room, procedures are in effect which prevent the commingling of funds from different revenue centers.
5. The soft count is performed by a minimum of three employees. At no time during the count will there be fewer than three employees in the count room until the monies have been accepted into cage/vault accountability.
6. The count team is independent of transactions being reviewed and counted and the subsequent accountability of soft drop proceeds.
7. If a cage cashier is used this person is not allowed to perform the recording function.
8. Count team members are rotated on a routine basis.



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9. Access to stored drop boxes, full or empty, is restricted to authorized members of the drop and count teams.
10. The table games count is performed in the soft count room or equivalently secure area with comparable controls. All coin, tokens chips and/or cash inventory stored in the count room is secured from unauthorized access at all times. Access to the count room during the count is restricted to members of the drop and count teams, authorized observers, supervisors for resolution of problems, authorized maintenance personnel and GCB agents.
11. The count room keys are stored at a secure place to preclude access of unauthorized personnel.
12. Before starting the soft count all drop boxes must be present. If not the count cannot begin.
13. The drop boxes are individually emptied and counted in such a manner to prevent the commingling of funds between boxes until the count of the box has been recorded.
14. Drop boxes, when empty, are shown to another member of the count team, to another person who is observing the count, or to recorded or live surveillance, provided the count is monitored in its entirety.
15. The count of each box is recorded in ink or other permanent form of recordation.
16. If currency counters are utilized and the count room table is used only to empty boxes and sort/stack contents, a count team member must be able to observe the loading and unloading of all currency at the currency counter, including rejected currency.
17. Immediately prior to the count at least two count team members verify the accuracy of the currency counter with previously counted currency for each denomination actually counted by the currency counter to ensure the counter is functioning properly. The test results are documented and maintained.

Note: if a currency counter interface is used, it is adequately restricted so as to prevent unauthorized access (passwords, keys, etc).

Unannounced currency counter and currency counter interface (if applicable) tests are performed by someone who is independent of the



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cage, vault and pit departments and count team on at least a quarterly basis with the test results being documented and maintained. All denominations of currency counted by the currency counter must be tested.

18. Original and first copies of fill/credit slips are matched or otherwise reconciled by the count team to verify that the total dollar amounts for the shift are identical.
19. Foreign currency must be converted using the correct exchange rates.
20. Pit marker issue and payment slips removed from the drop boxes are either:
  - a. Traced to and recorded on the count sheet by the count team; or
  - b. Totaled by shift and traced to the totals documented by the computerized system. Accounting personnel then verify the issue/payment slip for each table is accurate.
21. The opening/closing table and marker inventory forms (if applicable) are either:
  - a. Examined and traced to or recorded on the count sheet; or
  - b. If a computerized system is used, accounting personnel can trace the opening/closing table and marker inventory forms (if applicable) to the count sheet. Discrepancies are investigated with the findings documented and maintained.
22. Corrections to information originally recorded by the count team on soft count documentation are made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two count team members who verified the change. If a currency counter interface is used, corrections to count data are made using one of the following methods:
  - a. Crossing out the error on the document, entering the correct figure, and then obtaining the initials of at least two count team members who verified the change. If this procedure is used, an employee independent of the pit department and count team enters the correct figure into the computer system prior to the generation of related master games summary.



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- b. During the count process, correcting the error in the computer system and entering the passwords of at least two count team members. If this procedure is used, an exception report is generated by the computer system identifying the table number, the error, the correction and the count team members attesting to the propriety of the correction.
23. The count sheet is reconciled to the drop by a count team member who does not function as the sole recorder.
24. All members of the count team attest by signature to the accuracy of the games drop count. Three verifying signatures on the count sheet are adequate if all additional count team personnel sign a supplemental document evidencing their involvement in the count process.
25. All monies and monetary equivalents that were counted are turned over to the cage cashier (who is independent of the count team) or to an individual independent of the revenue generation and the count process for verification. This employee of the cage/vault department performs an independent count of the currency drop proceeds that are being turned over to the cage/vault department and reconciles it to the currency drop amount recorded on the master games summary. Any variance is reconciled and documented.
26. The above mentioned individual certifies by signature as to the accuracy of the monies delivered and received.
27. The count sheet, with all supporting documents, is promptly delivered to the accounting department by a count team member or someone other than the cashier's department. Alternatively, the documents may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.
28. Each license shall submit the GCB the dates and time the soft counts take place at the beginning of each quarter.
29. The licensee shall submit the GCB with the names of the count team members at the beginning of each quarter.



## **Chapter IV: Slot machines**

### **4.1. General**

1. Each casino licensee shall ask GCB for permission before ordering or purchasing slot machines.
2. All slot machines in use should be approved by the Curaçao GCB.
3. For each slot machine there must be documentation of the date it was placed into service, the date it was removed from operation, the date it was placed back in operation and each change in machine number or designation.
4. Each slot machine shall contain functioning digital nonresetable meters.
5. All slot machines that have currency acceptors shall have digital nonresetable meters that record the dollar amounts or number of bills by denomination.
6. The licensee shall ask the GCB for permission to replace slot machines or slot machine chips. An official of the GCB shall be present to record the meter reading when taking a machine or software out of use. Then the official shall ascertain that the new meter is set to zero. This also applies when new software is installed. Everything must be recorded in the slot machine documentation.
7. Whenever a slot machine has a long-term technical defect (more than 30 days) the GCB shall be notified and the meter reading shall be recorded before the machine is fixed. If the defective machine is replaced by a spare machine, it must be one that is approved by the GCB. The licensee should record the serial number and the meter reading. When the original machine is taken back in use, the meter reading shall also be recorded.
8. The coin-in, bill-in, coin-out, coin drop, and jackpot meter readings shall be taken at least weekly by at least two persons immediately prior to or subsequent to a slot drop. The meter readings, by slot machine, are documented and maintained. The employees who record the meter readings are independent of the hard count team. The meter reading sheets shall be



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- signed by at least two persons. Use of correction fluid on meter reading recordings is prohibited. Both officials shall initial corrections.
9. The licensee must supply the GCB quarterly with the dates and times the meter readings are taken.
  10. The licensee's accounting department reviews the reasonableness of the reported meter readings.
  11. Reported meter readings that do not appear reasonable are reviewed with slot department personnel and investigated, after which the reported meter readings should be corrected if necessary.
  12. A report is produced at least monthly showing month-to-date, year-to-date, and if practicable, life-to-date actual hold percentage computations for individual machines and a comparison to each machine's theoretical hold percentage. Actual hold = dollar amount of win divided by dollar amount of coin in.
  13. Records of the actual hold should be maintained.
  14. For all computerized slot systems a personnel access listing will be maintained which includes at a minimum:
    - a. Employee name.
    - b. Employee identification number (or equivalent).
    - c. Listing of functions employee can perform or equivalent means of identifying same.
  15. Each change to a slot machine's theoretical hold percentage, including progressive percentage contributions, results in that machine being treated as a new machine in the statistical reports (i.e., not commingling various hold percentages).
  16. A report is produced at least monthly showing year-to-date combined slot machine performance, by denomination. The report shall include the following for each denomination:
    - a. Floor par.
    - b. Combined actual hold percentage.
    - c. Percentage variance (b - a).
    - d. Projected dollar variance (i.e., coin-in times the percentage variance).



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Note: Floor pars are the sum of the theoretical hold percentages of all machines within a denomination weighted by coin-in contribution.

17. Large variances between theoretical hold and actual hold by machine and denomination (including the multi-denomination category), are investigated and resolved with the findings documented not later than 30 days after the generation of the statistical report.
18. For purposes of analyzing large variances between actual hold and theoretical hold percentages, information to create floor par reports by machine type must be maintained.
19. The statistical reports are reviewed by both slot department management and management employees independent of the slot department on at least a monthly basis.
20. Maintenance of the computerized slot monitoring system data files is performed by a department independent of the slot department. Alternatively, maintenance may be performed by slot supervisory employees if sufficient documentation is generated and it is randomly verified by employees independent of the slot department on a monthly basis.
21. Updates to the computerized slot monitoring system to reflect additions, deletions or movements of slot machines are made at least weekly prior to in-meter readings and the weigh process. The following procedures are performed by accounting personnel for each day. Review the following slot payout (include promotional payouts) and fill forms for proper completion:
  - i) All computer payout and fill forms prepared as a result of a computer system override.
  - ii) All manual payout and fill forms.
  - iii) For one day each month all computer and manual payout and fill forms.
  - iv) Reconcile the slot payout and fill forms as follows:
    - (a) For computer systems, for at least one day each month, foot the payout and fill forms and compare the total to the amount of recorded in the computer system payout and fill reports.
    - (b) For a manual payout process, foot the payout and fill forms routed by the witness of the transaction and trace to the total payout and



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fill amounts recorded by the cashier in their accountability document.

(c) Note: if the reconciliation results in a variance, an investigation is performed to determine whether all forms are accounted for with the investigation being documented.

(d) Note: verify that the correct total payout and fill amounts are recorded in the accounting records used to prepare the GCB tax return.

v) For one cashier, foot the wagering instruments and/or payout receipts redeemed and trace the totals to the totals recorded in the system and to the amount recorded in the applicable cashier's accountability document.

vi) Reconcile all parts of the form used for increases/decreases to inventory (includes slot booths, change banks, and any other slot accountability areas), investigate any variances noted, and document the results of such investigations.

22. The following procedures are performed using the count document completed by the count team members:

i) Reconcile the dollar amount of coin/currency drop proceeds on the count sheet to the dollar amount recorded in the applicable accountability document using, if applicable, the transfer forms indicating all transfers in/out of the hard and currency acceptor count room, both during and at the end of the count. Investigate and document any variance noted.

ii) Verify that the correct totals of coin/currency drop proceeds on the count sheet are recorded in the accounting records used to prepare the GCB tax returns.

iii) Examine for propriety of signatures.

iv) Ensure all slot promotional coupons redeemed at booths, cages, etc (i.e coupons that cannot be accepted by a slot machine for wagering purposes) are properly canceled to prevent improper recirculation.

v) Reconcile issued, voided and redeemed wagering instruments to the unpaid and expired wagering instruments dollar amount using the reports produced by the system. Investigate and document any variance noted.



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- vi) Reconcile the dollar amount of wagering account deposit, withdrawal and account adjustment forms to the dollar amount recorded on the accountability form and cashless wagering system reports.
- vii) Reconcile the dollar amount of debit instrument electronic funds transfers as recorded in the cashless wagering system reports to the dollar amount processed and recorded by the outside entity and to the dollar amount indicated in the bank account records.
- viii) Verify that the debit instrument electronic funds transfer recorded in the cashless wagering system reports did not exceed the daily transfer limit per debit instrument specified in regulation.
- ix) Verify that the correct amount of slot revenue resulting from wagering account and/or electronic funds transfers and wagering instruments activity (drop and issuances) has been recorded in the accounting records used to prepare the GCB tax return.
- x) Reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.
- xi) When payment is made to the winners of a contest/tournament, reconcile the 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 gaming establishment, if applicable, were distributed in accordance with the contest/tournament rules.

Note: For licensees that utilize a computerized system that monitors slot fill cabinet door openings and a slot computerized system that initiates a fill form, and as such, only one person is involved in transferring funds from the slot fill cabinet to the slot machine hopper, the following procedures must be performed daily:



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- a. Reconcile the total dollar amount of slot machine fill forms to the total dollar amount of transfers recorded on the cage/booth accountability documentation for funds transferred from the cage/booth to the slot fill cabinets.
- b. Review the appropriate system reports to confirm that the two individuals were involved in placing funds into the slot fill cabinet as a result of a slot machine hopper fill.

**4.2. Hopper fills**

1. All hopper fills must be recorded on concurrently pre-numbered forms.
2. For slot fills, the payout form/documentation includes the following information:
  - a. Date and time.
  - b. Machine number.
  - c. Dollar amount slot fill
  - d. Signatures of at least two employees verifying and witnessing the slot fill.
3. The slot fill forms are submitted daily to the slot manager and/or casino manager.
4. The slot fill forms are maintained for at least 10 years.
5. Computerized fill systems are restricted so as to prevent unauthorized access and fraudulent payouts by one individual.
6. When machines are temporarily removed from the floor, slot coin and currency drop and hopper contents are removed from the slot machine and properly stored in a secured area to preclude the misappropriation of stored funds.



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7. When machines are permanently removed from the floor, the slot coin and currency drop and hopper contents are removed from the slot machine and properly stored in a secured area until counted and recorded by at least three employees in the count room with appropriate documentation being routed to the accounting department for proper recording and accounting for initial hopper loads.

Note: permanent removal of a machine from the floor requires an adjustment to the general ledger to reduce the initial hopper load asset account by the dollar amount of the initial hopper load asset amount. Additionally, the dollar amount of the initial hopper load is not included in gross gaming revenue. The difference between the hopper contents and the initial hopper load dollar amount are adjustments to slot revenue.

8. After processing by the slot manager, the forms are submitted to the accounting department.

**4.3. The jackpot payouts, short pays and promotional payouts**

1. All jackpot payouts and short pays must be recorded on concurrently printed sequential numbered forms.
2. For jackpot payouts, the payout form/documentation includes the following information:
  - a. Date and time.
  - b. Machine number.
  - c. Dollar amount of the cash payout
  - d. Game outcome (including reel symbols, card values and suits)
  - e. Signatures of at least two employees verifying and witnessing the payout.
3. All jackpot payouts must be signed by a slot attendant and verified by a slot manager or slot supervisor or shift manager or floor manager.
4. The payout forms are submitted daily to the slot manager and/or casino manager.



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5. The slot payout forms are maintained for at least 10 years.
6. Computerized jackpot systems are restricted so as to prevent unauthorized access and fraudulent payouts by one individual.
7. Payout forms are controlled and routed in a manner that precludes any one individual from producing a fraudulent payout by forging signatures or by altering the amount paid out subsequent to the payout and misappropriating the funds.
8. For short pays of USD 10 or more the payout form includes:
  - a. Date and time;
  - b. Machine number;
  - c. The number of coins and the amount of the payout;
  - d. The signature of at least two employees verifying and witnessing the payout.

Promotional payouts and awards are supplemental payouts which are not reflected in the slot machine pay table. Compliance with the following standard is required if promotional payouts are to be deducted from slot revenue.

9. The payout form/documentation includes the following information:
  - a. Date and time.
  - b. Machine number and denomination.
  - c. Dollar amount of payout or description of personal property (e.g., jacket, toaster, car, etc.).
  - d. Type of promotion (e.g., double jackpots, four-of-a-kind bonus, etc.).
  - e. Signature of at least one employee authorizing and completing the transaction.



#### **4.4. The hard count**

##### *4.4.1. Slot machine drop keys*

1. The physical custody of the keys needed to access slot machine coin drop cabinets, including duplicates, requires the involvement of two persons, one of whom is independent of the slot department.
2. At least one employee (separate from key custodian) is required to accompany such keys while checked out and observe each time slot machine drop cabinets are accessed, unless surveillance is notified each time keys are checked out and surveillance observes the person throughout the period the keys are checked out.
3. When finished the key shall be returned to the custodian.

##### *4.4.2. Equipment standards*

1. A weigh scale calibration module is secured so as to prevent unauthorized access (e.g., prenumbered seal, lock and key, etc.).
2. Someone independent of the cage, vault, slot, and count team functions is required to be present whenever the calibration module is accessed.
3. Such access is documented and maintained.
4. If a weigh scale interface is used, it is adequately restricted so as to prevent unauthorized access (passwords, keys, etc.).
5. If the weigh scale has a zero adjustment mechanism, it is either physically limited to minor adjustments (e.g. weight of sa bucket) or physically situated such that any unnecessary adjustments to it during the weigh process would be observed by other count team members.
6. The weigh scale and weigh scale interface (if applicable) are tested by someone who is independent of the cage, vault and slot departments and count



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team at least on a quarterly basis with the test results being documented. All denominations of coin and tokens accepted by the slot machines must be tested.

7. If a mechanical coin counter is used (instead of a weigh scale), procedures are equivalent to those described above.

### 4.4.3. Coin drop, count and wrap standards

1. The hard count takes place at least once a week.
2. The hard count is performed by a minimum of three employees.
3. The hard count team is independent of the slot department and the subsequent accountability of slot count proceeds.
4. The buckets are removed from the slot machines in presence of at least two employees.
5. Security is provided over the buckets removed from the slot drop cabinets prior to being transported to the count room.
6. The buckets in the count room are secured in a way to preclude unauthorized access.
7. At no time during the weigh/count will there be fewer than three employees in the count room.
8. Immediately prior to the slot count at least two employees verify the accuracy of the weigh scale with varying weights or with varying amounts of previously counted coin for each denomination to ensure the scale is properly calibrated. (Varying weights/coin from drop to drop is acceptable.)
9. The preceding weigh scale and weigh scale interface test results are documented and maintained.
10. The following functions are performed in the counting of the slot drop:  
recorder function which involves the recording of the slot count and the count team supervisor function which involves the control of the slot weigh and



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- wrap process. The supervisor is precluded from performing the initial recording of the weigh/count unless a weigh scale with a printer is used.
11. The amount of the slot drop from each machine is recorded in ink on a slot count document by the recorder or mechanically printed by the weigh scale. If a weigh scale interface is used, the slot drop figures are transferred via direct line or computer storage media.
  12. The recorder and at least one other count team member sign the weigh tape and the slot count document attesting to the accuracy of the weigh/count.
  13. All count team members sign the slot count document or a summary report to attest to their presence.
  14. The coins are wrapped and reconciled in a manner which precludes the commingling of slot drop coin with coin (for each denomination) from the next slot drop.
  15. At least two employees are present throughout the wrapping of the slot drop. If the slot count is conducted with a continuous mechanical count meter which is not reset during the count and is verified in writing by at least three employees at the start and end of each denomination count, then one employee may perform the wrap.
  16. If the coins are not wrapped immediately after being weighed/counted, they are secured and not commingled with other coin.
  17. All coin, tokens, chips and/or cash inventory stored in the count room is secured from unauthorized access at all times.
  18. Transfers out of the count room during the slot count and wrap process are strictly prohibited.
  19. If the count room serves as a coin room and coin room inventory is not secured so as to preclude access by the count team, then at the commencement of the slot count the coin room inventory is counted by at least two employees, one of whom is a member of the count team and the other is independent of the weigh/count and wrap procedures. The above count is recorded on an appropriate inventory form. Upon completion of the wrap of the slot drop at least two members of the count team (wrap team), independently from each other, count the ending coin room inventory. The above counts are recorded



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- on a summary report(s) which evidences the calculation of the final wrap by subtracting the beginning inventory from the sum of the ending inventory. The same count team members as discussed above compare the calculated wrap to the weigh/count, recording the comparison and noting any variances on the summary report. A member of the cage/vault department counts the ending coin room inventory by denomination and reconciles it to the beginning inventory, wrap and weigh/count.
20. If the count room is segregated from the coin room, or if the coin room is used as a count room and the coin room inventory is secured to preclude access by the count team, upon completion of the wrap of the slot drop:
    - a. At least two members of the count/wrap team count the final wrapped slot drop independently from each other.
    - b. The above counts are recorded on a summary report.
    - c. The same count team members as discussed above (or the accounting department) compare the final wrap to the weigh/count recording the comparison and noting any variances on the summary report.
    - d. A member of the cage/vault department counts the wrapped slot drop by denomination and reconciles it to the weigh/count.
    - e. At the conclusion of the reconciliation, at least two count team members and the cage/vault employee sign the summary report attesting to its accuracy.
    - f. The wrapped coins are transported to the cage, vault or coin vault after the reconciliation of the weigh/count to the wrap.
  21. At the conclusion of the reconciliation, at least two count/wrap team members and the cage/vault employee who assumes accountability of the proceeds sign the summary reports, or other reconciling document, attesting to its accuracy.
  22. Large (by denomination, either \$1,000 or 2% of the drop, whichever is less) variances between the weigh/count and wrap are investigated by management personnel independent of the slot department, count team and the cage/vault functions on a timely basis.
  23. The results of such investigation are documented and maintained.



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24. All slot count and wrap documentation, including any applicable computer storage media, is immediately delivered to the accounting department by other than the cashier's department. Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.
25. Corrections on slot count documentation are made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two count team employees. If a weigh scale interface is used, corrections to slot count data are made using either of the following:
  - a. Crossing out the error on the slot document, entering the correct figure, and then obtaining the initials of at least two count team employees. If this procedure is used, an employee independent of the slot department and count team enters the correct figure into the computer system prior to the generation of related slot reports.
  - d. During the count process, correct the error in the computer system and enter the passwords of at least two count team employees. If this procedure is used, an exception report is generated by the computer system identifying the slot machine number, the error, the correction and the count team employees testifying to the correction.
26. All gaming establishments shall notify the GCB in writing as to the schedule of the slot drop and hard count times. All gaming establishments are required to immediately notify the GCB if the drop or count times will vary in excess of fifteen minutes before or after scheduled start. Furthermore, all establishments provide the GCB in writing all personnel which can gain access to the count room.



#### **4.5. Currency Acceptor drop and count standards**

1. Currency acceptor drop box release keys
  - a. Only the employees authorized to drop the currency acceptor drop boxes are allowed access to the currency drop box release keys. The same employees are precluded from having access to currency acceptor drop box contents keys and currency acceptor drop box release keys simultaneously.
  - b. For situations which require access to the currency acceptor drop box release keys at other than scheduled drop times, the date, time, and signature of employees signing out/in release key must be documented. Access to the currency acceptor drop box contents key at other than scheduled count times requires the involvement of at least three employees from separate departments, including management. A separate report is maintained indicating the date, time, machine number reason for access and signature of employees signing out/in the currency acceptor drop box contents key. Two employees from separate departments are required to accompany the currency acceptor drop box contents key from the time of their issuance until the time of their return.
  - c. The slot machine coin drop cabinet keys, slot machine door keys, slot fill cabinet keys, currency acceptor drop box contents keys and currency acceptor drop box release keys are all separately keyed from each other.
2. Two employees (separate from key custodian) are required to accompany slot machine coin drop cabinet keys while checked out and observe each time slot machine coin drop cabinets are accessed, unless surveillance is notified each time keys are checked out and surveillance observes the person throughout the period the keys are checked out. The date, time, and signature of employees signing out/in the aforementioned keys must be documented.



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3. Currency acceptor drop box contents keys
  - a. The physical custody of the keys needed for accessing currency acceptor drop box contents requires involvement of persons from three separate departments.
  - b. Access to the contents key at other than scheduled count times requires the involvement of at least three employees from separate departments, including management. The reason for access must be documented with the signatures of all participants and observers.
4. Currency acceptor count room keys: At least three count team members are required to be present at the time count room and other count keys are issued for the count.
5. Quarterly, an inventory of all count room, drop box release, storage rack and contents keys is performed, and reconciled to records of keys made, issued, and destroyed. Investigations are performed for all keys unaccounted for, with the investigation being documented.
6. Duplicate keys
  - a. Duplicate keys are maintained in such a manner as to provide the same degree of control over drop boxes as is required for the original keys.
  - b. Records are maintained for each key duplicated which indicate the number of keys made and destroyed.
7. The currency acceptor drop boxes are removed by an employee independent of the slot department, then transported directly to the soft count room or other similarly restricted location and locked in a secure manner until the count takes place.
8. The count team does not have access to bill-in amounts per the slot machine meters until after the count is completed and the drop proceeds are accepted into cage/vault accountability.
9. The transporting of currency acceptor drop boxes is performed by a minimum of two employees, at least one of whom is independent of the slot department. To ensure funds are not removed from the currency acceptor drop boxes, a second employee must be able to monitor (witness) at all times the drop team



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- member removing the currency acceptor drop boxes from the slot machine and placing the currency acceptor boxes on the cart.
10. The currency acceptor count is performed in the soft count room or equivalently secure area with comparable controls.
  11. The currency acceptor count is performed by a minimum of three employees.
  12. The currency acceptor count team is independent of transactions being reviewed and counted, and the subsequent accountability of currency drop proceeds.
  13. A cage cashier may be used if this person is not allowed to perform the recording function. An accounting representative may be used if there is an independent audit of all currency acceptor count documentation.
  14. If counts from various revenue centers occur simultaneously in the count room with the currency acceptor count, procedures that prevent the commingling of funds from different revenue centers are in effect.
  15. The currency acceptor drop boxes are individually emptied and counted in such a manner as to prevent the commingling of funds between boxes until the count of the box has been recorded.
  16. The count of each box is recorded in ink or other permanent form of recordation. If a currency counter interface is used, the currency drop figures are transferred via direct line or computer storage media.
  17. If a currency counter interface is used, it is adequately restricted so as to prevent unauthorized access (passwords, keys, etc).
  18. If currency counters are utilized and the count room table is used only to empty boxes and sort/stack contents, a count team member must be able to witness the loading and unloading of all currency at the currency counter, including rejected currency.
  19. Unannounced currency counter and currency counter interface (if applicable) tests are performed by someone who is independent of the cage, vault and slot departments and count team on at least a quarterly basis with the test results being documented and maintained. All denominations of currency and all types of wagering instruments counted by the currency counter must be tested.



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20. Drop boxes, when empty, are shown to another member of the count team, to another person who is observing the count, or to recorded or live surveillance, provided the count is monitored in its entirety by someone independent of the count.
21. Corrections to information originally recorded by the count team on currency acceptor count documentation are made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two count team members who verified the change.
22. The count sheet is reconciled to the total drop by a count team member who does not function as the sole recorder. With variances reconciled and documented.
23. All members of the count team attest by signature to the accuracy of the currency acceptor drop count. Three verifying signatures on the count sheet are adequate if all additional count team employees sign a supplemental document evidencing their involvement in the count process.
24. An employee of the cage/vault department (who is independent of the count team) performs an independent count of the currency drop proceeds that are being turned over to the cage/vault department and reconciles it to the currency drop amount recorded on the count sheet. Any variance is reconciled and documented.
25. The above mentioned employee certifies by signature as to the accuracy of the currency delivered and received.
26. Access to stored full drop boxes is restricted to authorized members of the drop and count teams.
27. Access to the count room is restricted to members of the drop and count teams, excluding authorized observers, supervisors for resolution of problems, and authorized maintenance personnel.
28. The count sheet, with all supporting documents, is promptly delivered to the accounting department by a count team member or someone other than the cashiers department. Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.



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29. All gaming establishments shall notify the GCB in writing as to the schedule of the drop and count times. All gaming establishments are required to immediately notify the GCB if the drop or count times will vary in excess of fifteen minutes before or after scheduled start. Furthermore, all establishments provide the GCB in writing all personnel which can gain access to the count room.

**4.6. EPROM Testing**

1. At least annually, procedures are performed to insure the integrity of a sample of slot machine game program EPROMs by personnel independent of the slot department or by outside vendors.
2. If duplication of gaming device program storage media is performed and Board approval has been received, then procedures below must be performed. Equivalent controls must be in place should gaming device program storage media approved by the Board, other than EPROMs, be duplicated.
3. Procedures are developed and implemented for the following:
  - i. Removal of EPROMs from devices, the verification of the existence of errors as applicable, and the correction via duplication from the master game program EPROM.
  - ii. Copying one gaming device program to another approved program.
  - iii. Verification of duplicated EPROMs prior to being offered for play.
  - iv. Destruction, as needed, of EPROMs with electrical failures.
  - v. Securing the EPROM duplicator and master game EPROMs from unrestricted access.
4. Accurate and current theoretical hold worksheets are maintained for each slot machine.
5. The master game program number, par percentage, and the pay table are verified to the par sheet when initially received from the manufacturer.
6. Records must be maintained documenting the above procedures. The records must include the following information:



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- i. Date.
  - ii. Machine number (source and destination).
  - iii. Manufacturer.
  - iv. Program number.
  - v. Personnel involved.
  - vi. Reason for duplication.
  - vii. Disposition of any permanently removed EPROM.
  - viii. GCB Lab approval number.
7. EPROMs returned to gaming devices must include the date and information identical to that shown on the manufacturer's label.



## **Chapter V: Accounting Standards**

### **5.1. Records of ownership**

Each licensee shall keep the following documents on the premises of its gaming establishment:

- a. A certified copy of the articles of incorporation and any amendments;
- b. A copy of the bylaws and any amendments;
- c. A copy of the casino license and personal licenses issued by the Curaçao GCB;
- d. A copy of the agreement with the operator of the casino;
- e. A list of all current and former directors and shareholders;
- f. Minutes of all meetings of the stockholders;
- g. Minutes of all meetings of the directors;
- h. A list of all stockholders listing each stockholder's name, address, the number of shares held, and the date the shares were acquired;
- i. The stock certificate ledger;
- j. A record of all transfers of the corporation's stock;
- k. A record of amounts paid to the corporation for issuance of stock and other capital contributions;
- l. A record of amounts received by shareholders for the canceling of shares.

### **5.2. Accounting records**

1. Each licensee shall keep accounting records in such a manner that it gives disclosure of the income and financial position of the company.
2. Each licensee shall keep accurate, complete, legible and permanent records of all transactions of the company.
3. Each licensee shall keep general accounting records on a double entry system of accounting, maintaining detailed, supporting, subsidiary records, including:



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- i. Detailed records identifying revenues, expenses, assets, liabilities and equity for each establishment;
  - ii. Detailed records of all markers, checks and other similar credit instruments;
  - iii. Game records to reflect drop, win and the percentage win to drop for each table and each type of table game by month;
  - iv. Slot analysis reports which, by each machine, compare actual hold percentages to theoretical hold percentages;
  - v. The records required by the minimum internal control standards;
  - vi. Journal entries prepared by the licensee and its independent accountant.
4. Each licensee shall create and maintain records sufficient to reflect income and expenses relating to its gaming operations.
  5. If a licensee fails to keep the records used by it to calculate gross gaming revenue, the board may compute and determine the amount of taxable revenue upon the basis of an audit conducted by the audit department, upon the basis of any information within the board's possession, or upon statistical analysis.

#### **5.3. Revenue records**

1. Each licensee shall retain all documents, forms (fill/credit slips, markers, count sheets, statistical analysis, exception reports) and general ledger for at least 10 years after they are made.
2. The table games accounting and slot accounting procedures are performed by personnel who are independent of the transactions being accounted for.
3. The count sheets signed by the count team are used to record the slot revenues and table revenues in the general ledger.
4. Each licensee shall establish administrative and accounting procedures to ensure a proper and complete recording of the count sheets in the general ledger on a timely basis.



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5. The auditing of these activities is conducted by employees who are independent of the transactions being accounted for.

**5.4. Credit play**

All credits issued shall be recorded in the general ledger.

1. The accounting department is responsible for the accurate, complete and timely recording of all issued credits.
2. The issued credit is documented on a marker form with a preprinted or concurrently-printed marker number and utilized in numerical sequence.
3. The use in numerical sequence is observed by the internal audit function.

**5.5. Audited Financial Statements**

1. Each licensee shall prepare a financial statement covering all financial activities of the licensee's establishment for each fiscal year.
2. Each licensee shall engage an independent accountant (belonging to the big 4) who shall audit the licensee's financial statements in accordance with generally accepted auditing standards.
3. The fiscal year is the 12 months period ended December 31st each year.
4. Each financial statement must be signed by all directors and holders of a personal license who thereby attest to the completeness and accuracy of the statement.
5. The Board shall prescribe a uniform chart of accounts and accounting classifications. Licensees shall prepare their financial statements in accordance with the chart or in a similar form producing the same information.
6. Each licensee shall furnish the Board, upon written request, statistical and financial data for the purpose of compiling, evaluating and disseminating financial information regarding the economics and trends within the gaming industry.
7. The audited financial statements shall be submitted not later than 6 months after the end of the fiscal year.



**5.7. Internal control**

1. Each licensee shall establish administrative and accounting procedures for the purpose of determining the licensee's liability for taxes and for the purpose of exercising effective control over the licensee's internal fiscal affairs. The procedures must be designed to reasonably ensure that:
  - i. Assets are safeguarded;
  - ii. Financial records are accurate and reliable;
  - iii. Transactions are performed only in accordance with management's general or specific authorization;
  - iv. Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes, and to maintain accountability for assets;
  - v. Access to assets is permitted only in accordance with management's specific authorization;
  - vi. Recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to any discrepancies;
  - vii. Functions, duties and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel.
2. Each licensee and each applicant shall describe its administrative and accounting procedures in detail in a written system of internal control. Each licensee and applicant for a license shall submit a copy of its written system to the board. Each written system must include:
  - i. An organizational chart depicting segregation of functions and responsibilities;
  - ii. A description of the duties and responsibilities of each position shown on the organizational chart;
  - iii. A detailed, narrative description of the administrative and accounting procedures designed to satisfy the requirements of subsection 1;



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- iv. A written statement signed by the licensee's chief financial officer and either the licensee's chief executive officer or a licensed owner attesting that the system satisfies the requirements of this section;
  - v. If the written system is submitted by an applicant, a letter from an independent accountant stating that the applicant's written system has been reviewed by the accountant and complies with the requirements of the Gaming Control Board;
3. The Gaming Control Board shall publish new or amended minimum standards for internal control procedures at least 60 days prior to adopting or changing them. A copy of the proposed minimum standards or revision will be mailed to the licensees and every person who has filed for a license with the Gaming Control Board.
  4. Not later than 60 days after written notice that the new or revised minimum standards have been adopted shall each licensee apply them.
  5. The licensee shall submit the amended written system to the Gaming Control Board.
  6. If Gaming Control Board determines that a licensee's administrative or accounting procedures or its written system does not comply with the requirements of this section, the Gaming Control board shall notify the licensee in writing. Within 30 days after receiving the notification, the licensee shall amend its procedures and written system accordingly.
  7. If Gaming Control Board determines once more that the licensee fails to comply with the requirements of this section, the Board will act.
  8. All internal control activities regarding table games and slot machines are documented and retained.
  9. For computerized slot monitoring systems, procedures are performed at least monthly to verify that the system is transmitting and receiving data from the slot machines properly and to verify the continuing accuracy of the coin-in meter readings as recorded in the slot statistical report.



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10. For all computerized slot systems a personnel access listing will be maintained which includes:
  - i. Employee name;
  - ii. Employee identification number;
  - iii. Listing of functions employee can perform.
11. At least monthly, accounting/auditing employees shall compare the bill-in meter reading to the total currency acceptor drop amount for the week. Discrepancies should be resolved prior to the generation/distribution of slot statistical reports.
12. Follow-up is performed for any one machine having an unresolved variance in excess of USD 200 between actual drop and bill-in meter reading. The follow-up performed and results of investigation must be documented and maintained.
13. The gross gaming revenue reported monthly on the tax returns is reconciled to the win in the slot analysis report by denomination.
14. At least annually, accounting/auditing personnel shall randomly verify that EPROM changes are properly reflected in the slot analysis report.
15. Accounting/auditing employees review exception reports for all computerized slot systems on a daily basis for propriety of transactions and unusual occurrences.
16. All slot auditing procedures and any follow up performed is to be documented and maintained.
17. Records reflecting statistical drop, statistical win, and statistical win to statistical drop hold percentage by table and type of game are maintained by shift, by day, cumulative month-to-date, and cumulative year-to-date.
18. Drop = cash in the drop boxes + markers + checks.
19. Win= Closing chips inventory – Beginning inventory + drop +/- credits + Fills or  
Win = drop +/- cash outs
20. This information is presented to and reviewed by management independent of the pit department on at least a monthly basis.
21. Management investigates any unusual fluctuations with pit supervisory personnel.
22. At a minimum, investigations are performed for all statistical percentage fluctuations by game type from the base level for a month in excess of +/-3%.
23. The results of such investigations are documented in writing and maintained.



### **5.8. Internal audit**

1. Whenever possible internal audit observations are performed covertly (i.e., without the employees being knowledgeable that their activities are being observed).
2. Personnel who are independent with respect to the departments/procedures being examined perform internal audit work.
3. Documentation (e.g., checklists, programs, reports, etc.) is prepared to evidence all internal audit work performed as it relates to these requirements.
4. The results of internal audit work are reported to management or ownership personnel who are independent of the departments under audit.
5. All material exceptions resulting from internal audit work are investigated and resolved, with the results of such being documented and retained for 10 years.
6. Observations and examinations of the following activities, with emphasis on compliance with the Minimum Internal Control Standards, are performed (based on the licensee's business year end) on the following activities as applicable to the operation:
  - a. Table games: fill and credit procedures, pit credit play procedures, rim credit procedures, soft drop/count procedures and the subsequent transfer of funds, surprise testing of count room currency counters, location and control over sensitive keys, the tracing of source documents to summarized documentation and accounting records, and reconciliation to restricted copies.
  - b. Slots: jackpot payout and slot fill procedures, slot drop/count and currency acceptor drop/count and subsequent transfer of funds, surprise testing of weigh scale and weigh scale interface, surprise testing of count room currency counters, slot machine drop cabinet access, tracing of source documents to summarized documentation and accounting records, reconciliation to restricted copies, location and control over sensitive keys, and compliance with EPROM duplication procedures.
7. The following are reviewed at least once during every six-month period:
  - a. Table games: fill and credit procedures, pit credit play procedures, rim credit procedures, soft drop/count procedures and the subsequent transfer of funds, surprise testing of count room currency counters, location and control over sensitive keys, the tracing of source documents to summarized documentation and accounting records, and reconciliation to restricted copies.
  - b. Slots: jackpot payout and slot fill procedures, slot drop/count and currency acceptor drop/count and subsequent transfer of funds, surprise testing of weigh scale and weigh scale interface, surprise testing of count room currency counters, slot machine drop cabinet access, tracing of source documents to summarized documentation and accounting records, reconciliation to restricted copies, location and control over sensitive keys, and compliance with EPROM duplication procedures.



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8. The following are reviewed at least annually:
  - a. Keno: game write and payout procedures, sensitive key location and control, and a review of keno auditing procedures.
  - b. Card games: card games operation, monetary exchange procedures, skill transactions, and count procedures.
  - c. Bingo: bingo card control, payout procedures, and cash reconciliation process.
  - d. Entertainment: procedures for initial recording of entertainment revenue, cash turn-in procedures,
  - e. Accounting procedures, and package program allocations.
  - f. Cage and credit procedures: all cage, credit, and collection procedures, and the reconciliation of trial balances to physical instruments on a sample basis.
  - g. Cage accountability is reconciled to the general ledger.
  - h. Electronic data processing functions: review for compliance with EDP standards.
9. Regularly gross revenue is reconciled from the accounting records to the monthly tax returns.
10. Deterrence and detection of unusual transactions.

Independent testing of the adequate functioning of the casinos policies and procedures should be conducted at least annually by an adequately resourced internal audit department or by an outside independent party, such as the institution's external auditors. These tests may include:

- a. evaluation of the casino's anti money-laundering and anti-terrorist financing manual(s);
- b. customer's file review;
- c. interviews with employees who handle transactions and with their supervisors;
- d. sampling of unusual transactions on and beyond the threshold(s) followed by a review of compliance with the internal and external policies and reporting requirements; and
- e. assessment of the adequacy of the record retention system.



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The scope of the testing and the testing results should be documented, with any deficiencies reported to senior management and/or to the Board of Supervisory directors, and to the designated officer(s) with a request for a response to take prompt corrective actions by a certain deadline.

The responsible departments should be prepared to make available the following items:

- its written and approved policy and procedures on money laundering and terrorist financing prevention;
- the name of each designated officer responsible for the casino's overall money laundering and terrorist financing deterrence and detection procedures and her/his designated job description;
- records of reported unusual transactions;
- unusual transactions which required closer investigations;
- the completed source of funds declaration;
- schedule of the training provided to the casino's personnel regarding money laundering and terrorist financing;
- the assessment report on the casino's policies and procedures on money laundering and terrorist financing by the internal audit department or the casino's external auditor;
- required copies of identification documents;
- all other documents and information that may be necessary.

11. In addition to the observation and examinations performed, follow-up observations and examinations are performed to verify that corrective action has been taken regarding all instances of noncompliance cited by internal audit, the Board and/or the independent accountant. The verification is performed within six months following the date of notification.



## **Chapter VI: Deterrence and detection of money laundering and terrorist financing**

Casinos are not only required to adhere to the stipulations of the identification regulations, but they also are required to detect and report either proposed or completed unusual transactions. Therefore, it is important for every casino to have in place adequate procedures for its personnel. These procedures should cover:

- (a) the recognition of unusual transactions;
- (b) the acceptance and documentation of unusual transactions and;
- (c) the reporting of unusual transactions.

### **6.1. Definitions**

- A. MOT: the "Meldpunt Ongebruikelijke Transacties Nederlandse Antillen"(Unusual Transactions Reporting Center).
- B. Money laundering: is the attempt to conceal or disguise the nature, location source, ownership, or control of illegally obtained money. In practice money laundering covers all procedures to change the identity of illegally obtained funds (including cash) so that it appears to have originated from a legitimate source. All money laundering has three common factors:(1) criminals need to conceal the true ownership and origin of the money; (2) they need to control the money; and (3) they need to change the form of the money.

During the three stages of money laundering, there may be numerous transactions made by launderers that could alert casinos to criminal activity.

1) **Placement:**

This is the first stage of the money laundering process, when illegal monies are introduced into the financial system, e.g., through deposits in a bank account. Illegal proceeds are easier to detect at the placement stage, when the physical currency enters the financial system.



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- 2) Layering:  
Illicit proceeds are separated from their source by creating complex layers of financial transactions designed to disguise the audit trail and provide anonymity.
  - 3) Integration:  
Thus, this stage provides apparent legitimacy to criminally derived wealth. If the layering process has succeeded, integration schemes place the laundered proceeds back into the economy in such a way that they re-enter the financial system appearing to be normal business funds.
- C. Terrorist financing: a casino that carries out a transaction, knowing that the funds or property involved are owned or controlled by terrorist or terrorist organizations, or that the transaction is linked to, or likely to be used in terrorist activity, is committing a criminal offence. Such an offence may exist regardless of whether the assets involved in the transaction were the proceeds of criminal activity or were derived from lawful activity but intended for use in support of terrorism.
- D. Reporting Form: a form, supplied by the MOT, that is used to record information about unusual transactions.
- E. Reporting code: a unique identification that will be assigned by MOT to each casino for the purposes of identification

### **6.2 Policy statement**

Each casino's senior management should have issued a policy statement that clearly expresses the casino's commitment to combat the abuse of its facilities, products, and services for the purpose of money laundering and terrorist financing. The policy should state the casino's intention to comply with current anti-money laundering and terrorist financing legislation as well as provisions and guidelines, in particular the



laws and guidelines regarding the identification of clients and the reporting of unusual transactions.

### **6.3 Identification of resident and nonresident customers**

Casinos have the obligation to identify their customers before rendering them services for an amount higher than Naf 5,000. Management should maintain an information program to inform those clients of the objectives of the relevant anti-money laundering legislation and inherent requirements for casinos. Also, internal procedures should clearly indicate for which services clients or their representatives must identify themselves and which identification documents are acceptable.

The allowed client identification documents and the nature of the transaction are legally prescribed in the LID<sup>1</sup> Legislation. The required information should be regularly updated and adequately documented. Casinos should have and follow clear standards on what records must be kept on the aforementioned areas, including individual transactions, account files, and business correspondence, and on their retention period for current as well as terminated accounts or relationships. An important objective for casinos is to be able to retrieve this information, without any undue delay. Hence, the GCB requires the casino to implement a checklist containing identification and/or transaction information and to maintain a centralized record keeping system to retain copies. The casino should insure that the identification documents are valid at all times. Reference is in this respect also made to article 3, paragraph 3 of the LID legislation.

#### **Customer Due Diligence (CDD)**

Casinos should develop clear customer acceptance policies and procedures, including a description of the types of customer likely to pose a higher than average risk to the casino. The policy should ensure that transactions will not be conducted or member

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<sup>1</sup> Landsverordening Identificatie Dienstverlening.



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accounts opened with customers who fail to provide satisfactory evidence of their identity.

The efforts to “know your customer” must continue even after the client has been identified. Ongoing due diligence also should include scrutiny of transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the casino’s knowledge of the customer, and where necessary, the source of funds. If doubts arise relating to the identity of the client after the client has been accepted and member accounts have been opened, the relationship with the client must be re-examined to determine whether it should be terminated and whether the incident must be reported to the Financial Intelligence Unit (MOT).

Casinos should apply CDD requirements to existing customers and may determine the extent of such measures on a risk sensitive basis depending on the type of customer or transaction.

Examples of when this action may be appropriate is when:

- (a) a transaction of significance takes place,
- (b) customer documentation standards change substantially, and
- (c) the casino becomes aware that it lacks sufficient information about an existing customer.

In the latter instances, updated copies of the identification document must be retained.

Casinos are required to ensure that documents, data, or information collected under the CDD process is kept up-to-date and relevant by undertaking reviews of existing records, particularly for higher risk categories of customers.



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### Higher risk categories of customers

Casinos should conduct enhanced due diligence for high risk customers, including politically exposed persons (PEPs)<sup>2</sup>, their families and associates. The casino's decision to render service to customers should be taken at its senior management level. The casino should make reasonable efforts to ascertain that the customer's source of wealth is not from illegal activities and where appropriate, review the customer's credit and character and the type of transactions the customer would typically conduct. Casinos should not render services to customers if the casino knows or must assume that the funds derive from corruption or misuse of public assets, without prejudice to any obligation the casino has under criminal law or other laws or regulations. The casino should develop risk profiles to determine which of the categories expose its casino to higher risk.

### Anonymous member accounts or member accounts in fictitious names

Anonymous member accounts or member accounts in fictitious names are prohibited. Casinos are required to maintain numbered accounts in such a way that full compliance can be achieved with the FATF Recommendations. For example, the casino should properly identify the customer in accordance with these criteria, and the customer identification records should be available to the AML/CFT compliance officer, other appropriate staff, and competent authorities.

Pursuant to article 3 of the LID, the identity of **resident** and **nonresident** personal customers shall be established through one of the following valid documents:

- a driver's license;
- an identity card;
- a travel-document or passport; or
- other document designated by the Minister of Finance<sup>3</sup>.

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<sup>2</sup> Politically exposed persons (PEP's) are individuals who are or have been entrusted with promoting public functions, including heads of state or governments, senior politicians, senior government, judicial or military officials, senior executives of publicly owned corporations, and important political party officials.

<sup>3</sup> The Minister of Finance hasn't designated any other document yet.



#### **6.4. Recognition of unusual transactions**

An unusual transaction will often be a transaction inconsistent with a customer's known legitimate behaviour. Therefore, the first key to recognizing that a transaction or series of transactions is unusual is to know the customer.

Based on the MOT legislation, objective and subjective indicators have been established by means of which casinos must assess if a customer's transaction qualifies as an unusual transaction. However, management must provide its staff with specific guidelines and training in recognizing and adequately documenting unusual transactions.

According to the FATF recommendation 14, casinos are required to pay special attention to all complex, unusual large transactions, and all unusual pattern of transactions, which have no apparent economic or visible lawful purpose. Casinos are required to examine as far as possible the background and purpose of such transactions and to set forth their findings in writing.

#### **Countries that do not or insufficiently apply the FATF recommendations including the Non-Cooperative Countries and Territories (NCCT's)**

Casinos are required to give special attention to transactions with persons from or in countries that do not or insufficiently apply the FATF Recommendations (set out in FATF recommendation 21) including the Non-Cooperative Countries and Territories (NCCT's).



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### Terrorist financing

Casinos should take into account the characteristics including types of transactions mentioned in the FATF document entitled "Vulnerabilities of Casinos and Gaming Sector".<sup>4</sup> Those characteristics and transactions could be cause for additional scrutiny and could indicate funds involved in terrorist financing. In addition, casinos should take into account other available information, including any (updated) lists of suspected terrorists, terrorist groups, and associated individuals and entities as mentioned in:

1. the list issued by the United Nations;<sup>5</sup>
2. the annex to the National Ordinance on Freezing the assets of Taliban of Afghanistan c.s. and Osama Bin Laden c.s. of 2002 (N.G. 2002, no. 27);
3. Vulnerabilities of Casinos and Gaming Sector<sup>6</sup> and;
4. the listing<sup>7</sup> of the Office Of Foreign Assets Control (OFAC)<sup>8</sup> or of other national authorities.

If a casino suspects or has reasonable grounds to suspect that funds are linked or related to, or are to be used for terrorism, terrorist acts, or by terrorist organizations, it should report promptly its suspicion to the MOT. Reference is made to the National Gazette 2002, no. 129 for indicators on terrorist financing.

### **6.5. Acceptance and documentation of unusual transactions**

To guard against money laundering and terrorist financing, it is important for casinos to provide an audit trail for suspicious funds. According to article 11 of the National Ordinance on the Reporting of Unusual Transactions, anyone who renders services by virtue of his profession in the ordinary course of his business, shall be bound to report

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<sup>4</sup> The full document can be consulted at <http://www.fatf-gafi.org/dataoecd/47/49/42458373.pdf>.

<sup>5</sup> The list can be consulted at <http://www.un.org/docs/sc/committees/1267/1267listeng-htm>.

<sup>6</sup> The full document can be consulted at <http://www.fatf-gafi.org/dataoecd/47/49/42458373.pdf>.

<sup>7</sup> The list can be consulted at FINCEN's website at

<http://www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html>.

<sup>8</sup> See Appendix 1 for the definition or explanation or summary.



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any unusual (intended) transaction thereby made or proposed to the MOT without delay.

Internal reporting

The individual transaction or series of transactions that become unusual should be reported internally without undue delay. All transactions as mentioned in the ministerial decrees and national decrees regarding the Indicators for Unusual Transactions should be referred to the designated officers in the format(s) approved by management. However, management may choose to require that some categories of unusual transactions be drawn to their attention. Whenever available, additional documents, such as copies of the identification documents, credit/debit slips, checks, and account ledger records also should be submitted as supplements. The designated officers should keep an adequate filing system of these records.

If internally reported transactions are not reported to the MOT by the casino, the reasons should be adequately documented and signed off or by the compliance officer and/or by management.

External reporting

The designated officers should prepare a report of all unusual transactions for external reporting purposes. The report should be submitted to senior management for their review for compliance with existing regulations and their authorization for submission to the MOT. Copies of these reports must be kept by the reporting casino.

If an unusual transaction is not authorized by senior management to incorporate in the report to the MOT, all documents relevant to the transaction including the reasons for non authorization should be adequately documented, signed off by the designated officer and senior management, and kept by the reporting casino.



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Management should establish a policy to ensure that:

- the casino and its supervisory directors, senior management, and employees do not warn customers when information about them is being reported to the MOT, or on internal inquiries being made by the casinos compliance staff on customers;
- the casino and its supervisory directors, senior management, and employees follow the instructions from the MOT to the extent that they carry out further investigation or review. The same holds for inquiries made by either the justice department or the public prosecutor.

**6.6. Reporting of unusual transactions<sup>9</sup>**

Casinos should have clear procedures that are communicated to their personnel for the reporting of unusual transactions.

1. Each casino will be responsible for the identification and reporting to the MOT of monetary transactions that can be qualified as unusual transactions.
2. Identification of unusual transaction is the responsibility of all employees rendering services. It is the responsibility of the Compliance Officer that all employees rendering services are trained in the identification of unusual transactions and the procedures for reporting them.
3. For all indicators shall apply:
  - obligatory reporting of transactions or intended transactions
  - all amounts refer to Netherlands Antillian Guilder or the equivalent thereofin  
foreign currency
  - transactions related to landbased or offshore games of hazard (i.e. sportsbook) and lotteries.

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<sup>9</sup> PB 2010 no. 27 annex F.



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I. Reporting obligatory:

*A. Transactions to be reported to police or justice:*

Transactions which in connection with money laundering or terrorism financing are reported to the Police or to the Department of Justice, are obliged to be also reported to the MOT.

*B. Deposit:*

Accepting deposit of coins, banknotes and other currency in excess of Naf. 20.000

*C. Transfers:*

Transactions in excess of Naf. 20.000

*D. Sale of chips or tokens whether real or virtual:*

1. Sale of chips or tokens to a client with a value in excess of Naf. 5.000 in return for the handing-over of foreign currency (coins or banknotes)
2. Sale of chips or tokens to a client with a value in excess of Naf. 5.000 in return for the handing-over of one or more checks.

II. Obligatory reporting if the casino considers that one of the following situations are applicable:

*A. Presumed money laundering transactions or terrorist financing:*

Transactions where there is cause to presume that they may relate to money laundering or terrorist financing

*B. Upper limit amount evasion*

Customer's preference for transactions below the upper limit amount, giving rise to the presumption that the customer wants to evade reporting.

4. In the event multiple casino patrons appear to be acting in unison, their



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individual transactions may be added together to evaluate whether they need to be reported under this paragraph.

5. The casino will record each unusual transaction individually on a Reporting Form. Individual Reporting Forms are numbered sequentially. Any Reporting Form that is voided should be retained by the casino.
6. Each report about an unusual transaction will include at least the following information:
  - a. Casino reporting code
  - b. Date and time of the report
  - c. Full name of person(s) wanting to execute the transaction
  - d. Address of said person in Curaçao and, if different, in home country
  - e. Type and number of the customer's proof of identity)
  - f. Nature, time and place of the transaction
  - g. Amount of the transaction, including the currency in which it is to be executed
  - h. The destination and origin of the money
  - i. In case of non-cash transactions, the bank(s) and account number(s) the person wishes to use in the transaction
  - j. Reason the transaction was identified as unusual
  - k. Whether or not the casino executed the transaction
    - l. Any other relevant facts or circumstances pertaining to the patron or the proposed transaction.
7. The employee filling out the Reporting form signs the form.
8. The casino will not conclude the unusual transaction if the necessary information cannot be obtained or if the person executing the unusual transaction refuses to provide identifying information.
9. The casino shall report to the MOT within 48 hours the details of the transaction as recorded on the Reporting Form. The casino can use an electronic system approved by MOT for this purpose, or submit a paper copy of the Reporting Form. Submission of paper forms shall not be done by fax for the purpose of data security. In either case, the casino will retain a copy of the Reporting Form for its own records, which are available to GCB Agents upon request.



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10. Submission of Reporting Forms will be confirmed in a confirmation letter from the casino to the MOT, which references only the transaction numbers of the submitted Reporting Forms.
11. The MOT shall confirm receipt of confirmation letters by means of a stamped, signed and dated return of the confirmation letter. This letter confirms receipt of the corresponding Reporting Forms and serves as indemnification in a civil or criminal procedure. The casino shall file such letter with the copy of the original Reporting Form.

**6.7. The appointment of a compliance officer**

1. Each casino shall assign a compliance officer within its organization. The Compliance officer responsibilities can be shared with other management responsibilities, but the compliance officer must be part of the casino management team. The compliance officer(s) should be able to act independently. The AML/CFT<sup>10</sup> compliance officer and other appropriate staff should have timely access to customer identification data and other CDD information, transaction records, and other relevant information.
2. The compliance officer will be responsible for the proper execution of the provisions in this standard and the necessary training of casino personnel to be able to identify and report unusual transactions:
  - to organize training sessions for the staff on various compliance-related issues;
  - to review compliance with the casino's policy and procedures;
  - to analyze transactions and verify whether any are subject to reporting according to the indicators mentioned in the Ministerial Decree regarding the Indicators for Unusual Transactions;
  - to review all internally reported unusual transactions for their completeness and accuracy with other sources;
  - to keep records of internally and externally reported unusual transactions;

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<sup>10</sup> Anti-money laundering/counter-financing of terrorism



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- to prepare the external report of unusual transactions;
  - to execute closer investigation of unusual or suspicious transactions;
  - to remain informed of the local and international developments on money laundering and terrorist financing and to make suggestions to management for improvements and;
  - to prepare periodic information on the casino's efforts against money laundering and terrorist financing.
3. The above-mentioned responsibilities should be included in the job description of Each designated officer. The job description should be signed off on and dated by the officer, indicating her/his acceptance of the entrusted responsibilities.
4. The casino will inform the Gaming Control Board and the MOT of the identity of the compliance officer.

### **6.8 A system of independent testing of the policies and procedures**

Independent testing of the adequate functioning of the casinos policies and procedures should be conducted at least annually by an adequately resourced internal audit department or by an outside independent party, such as the casino's external auditors.

These tests may include:

- evaluation of the casino's anti money-laundering and anti-terrorist financing manual(s);
- customer's file review;
- interviews with employees who handle transactions and with their supervisors;
- sampling of unusual transactions on and beyond the threshold(s) followed by a review of compliance with the internal and external policies and reporting requirements; and
- assessment of the adequacy of the record retention system.



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The scope of the testing and the testing results should be documented, with any deficiencies reported to senior management, and to the designated officer(s) with a request for a response to take prompt corrective actions by a certain deadline.

**6.9 Screening of employees / Appropriate training plans and programs for personnel**

Casinos should ensure that their business is conducted at a high ethical standard and that the laws and regulations pertaining to financial transactions are followed. Each company should establish and adhere to proper policies and procedures in screening their employees for criminal records.

Casinos should develop training programs and provide training to all personnel who handle transactions susceptible to the activities listed in the National Decree containing general measures and the Ministerial Decree regarding the Indicators for Unusual Transactions.

Training includes setting out rules of conduct governing employees' behavior and their ongoing education to create awareness of the casino's policy against money laundering and terrorist financing. Training should at least address the following topics:

**(a) New employees**

A general appreciation of the nature and process of money laundering and terrorist financing, and the need to report any unusual transactions to the appropriate designated officer(s) should be provided to all new employees who will handle customers or their transactions, irrespective of their level of seniority. They should be made aware of the existing internal policies, procedures, and external regulations concerning money laundering, terrorist financing, and the reporting requirements. They should receive an explanation of the vigilance policy and systems, including



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particular emphasis on customer identification, suspicious activity, and reporting requirements.

### (b) Cashiers/advisory staff

Members of staff who are dealing directly with the public are the first point of contact with potential money launderers. Therefore, their efforts are vital to the organization's strategy in the fight against money laundering and terrorist financing. These members must be aware of the organization's reporting system for such transactions. Training should be provided on the KYC principle, on how to detect unusual transactions or proposals, and on the procedures to follow after identifying such transactions.

### (c) Personnel involved with new client

Members of the staff who are in a position to accept new clients, must receive the training set out under (b) above. In addition, the need to verify the identity of the customer must be understood, and training should be provided in the organization's customer verification procedures. These staff members should be aware that unusual transactions must be reported whether the funds are accepted or not. Staff must also know what procedures to follow in this respect.

### (d) Supervisors and Managers

A higher level of instruction covering all aspects of money laundering and terrorist financing policies, procedures, and regulations should be provided to those with the responsibility to supervise or manage the staff.

### (e) On-going training

Refreshment training at regular intervals must be arranged to ensure that the staff remembers their responsibility and keeps informed of current and new developments regarding domestic and/or international money laundering and terrorist financing techniques, methods, and trends. The training should include a clear explanation of all aspects of the Netherlands Antillean laws or executive decrees relating to money laundering and terrorist financing and requirements concerning customer identification, due diligence, and unusual transactions reporting. This might be best



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achieved through a semi-annual review of the instructions for recognizing and reporting of unusual transactions.

For a casino to demonstrate that it has complied with the aforementioned guidelines with respect to staff training, it should at all times maintain records that include:

- details of the content of the training programs provided;
- the names of staff who have received the training;
- the date on which the training was delivered;
- the results of any testing carried out to measure staff understanding of the money laundering and terrorist financing requirements; and
- an ongoing training plan.

### **6.10 Examination by the GCB**

All casinos should be prepared to provide information or documentation on money laundering and terrorist financing policies and deterrence and detection procedures to the examiners of the GCB before or during an examination and upon the GCB's request during the year. The casino should be prepared to make available the following items:

- its written and approved policy and procedures on money laundering and terrorist financing prevention;
- the name of each designated officer responsible for the casino's overall money laundering and terrorist financing deterrence and detection procedures and her/his designated job description;
- records of reported unusual transactions;
- unusual transactions which required closer investigations;
- the completed source of funds declaration;
- schedule of the training provided to the casino's personnel regarding money laundering and terrorist financing;



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- the assessment report on the casino's policies and procedures on money laundering and terrorist financing by the internal audit department or the casino's external auditor;
- required copies of identification documents;
- all other documents and information that may be necessary.



**Chapter VII: Responsible gaming**

These regulations will be added to the MICS in the course of 2011 -



## **Glossary of used terminology**

**Bankroll** the total operating fund maintained by the casino cage.

**Cage** the area designated for and controlled by the casino cashier.

**Chips** chips have a predetermined value and can only be wagered or redeemed at the game purchased.

**Credit play** wagering based on the issuance of credit and documented by the completion of a credit instrument (marker)

**Credit slip** a document used to record the transfer of chips from one table or markers from a table to the casino cage.

**Currency acceptor** a device that allows the slot machine to accept currency (bill validator).

**Dealer** An employee who operates a casino game, individually or as part of a crew, administering house rules and making payoffs and collecting losing bets.

**Drop** For slots, refers to the total amount of currency and coin removed from the slot machine currency acceptor box and drop bucket. For table games refers to the total amount of currency and chips removed from the drop box along with any credit issued at the game.

**Drop box** A locked box affixed to the game into which currency, chips and all documentation pertaining to transactions conducted at the table are dropped.

**Drop bucket** a bucket in the slot machines that contain the slot drop.

**Fill** A transfer of chips from the casino cashier to a table game which is documented by a fill slip.

**Fill slip** A concurrently pre-numbered document that records the denominations and amount of chips, game number, game type, date, time and signatures of the employees conducting the fill transaction.

**Foreign currency** All currency that is not the Antillean Guilder or the US Dollar.

**Hard count** The process of counting the coins and tokens removed from the slot machine drop buckets through the use of a weigh scale or coin counter. It is



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performed by a count team in a secured room which is monitored by surveillance cameras.

**Hold percentage** Refers to percentage of gaming revenue retained by the casino and is calculated by dividing the win by the drop.

**Hopper** A device within the slot machine which holds a predetermined amount of coin used to payout player winners.

**Jackpot payout** Refers to a jackpot or a portion of a jackpot which is paid to the player directly by slot employees instead of from the machine hopper (hand pay).

**Lammer button** Similar in appearance to a chip, lammer buttons are placed onto the table to indicate the amount of chips given on credit to a player for wagering purposes prior to the completion of a marker.

**Marker** An instrument used by the casino to document extensions of credit to players. The marker is similar in appearance to check and contains the player name, signature, the amount of credit extended and the date.

**Name credit** Credit play system that allows the casino to issue markers in the pit, but redemptions are not allowed in the pit.

**Pit** An arrangement of tables within the casino, usually in a circular or oblong shape.

**Pit boss** The employee responsible for overseeing all activity within a particular pit. The supervisors within a pit report to the pit boss who in turn reports to the shift manager.

**Shift manager** The employee responsible for overseeing all activity in the casino during a shift. The shift manager reports directly to the casino manager.

**Short pay** A payout made by a slot machine which is less than the amount indicated by the payout schedule. Occurs when the hopper becomes depleted during a payout and the remaining amount is paid to the player by slot employees.

**Soft count** The process through which the contents of each table's drop box are counted and recorded on the master game report. The soft count is performed by a team of employees who report to a department independent of the casino.

**Theoretical hold worksheet** A worksheet provided by the manufacturer for all slot machines which indicates the theoretical percentages that the slot machine should hold based on adequate levels of coin-in. The worksheet also indicates the reel strip



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settings, number of coins that may be played, the payout schedule, the number of reels and other information descriptive of the particular type of slot machine.

**Tokens** Substitutes for coins which are produced so that they are unique to each casino and are used for slot machine play. Tokens are primarily used for slot machines with denominations of \$0.25, ANG 0.25, \$1 or more.

**Win** Refers to the net win resulting from all gaming activities and equal drop -/- cashout (gross revenue).