

REGULATION 25

INDEPENDENT AGENTS

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25.010 Definitions.

1. "Independent agent" has that meaning prescribed to it in Nevada Revised Statute 463.0164.
2. "Registered independent agent" means an independent agent who registers with the board pursuant to Regulation 25.020(1).
3. "Preferred guest" means any person, 21 years of age or older, who receives complimentary transportation, food, lodging, or other consideration with a retail price over \$1,000 in any 7-day period from a licensed establishment as an inducement to gamble.
4. "Secondary representative" means any person other than clerical personnel or ticket takers not otherwise exempt under Nevada Revised Statute 463.0164(2) who receives any form of compensation from a registered independent agent for assisting a registered independent agent.
(Adopted: 10/72. Amended: 3/91; 5/92. Effective: 7/1/92.)

25.020 Registration.

1. An independent agent who (a) arranges transportation or lodging for preferred guests or (b) approves or grants the extension of gaming credit on behalf of a state gaming licensee or collects a debt evidenced by a credit instrument, must register with the board.
2. Except as provided in subsection 5, a licensee shall not compensate an independent agent who must register pursuant to subsection 1 for services rendered until the board chairman notifies the licensee in writing that the independent agent submitted the information required by and in compliance with regulation.
3. A filing for registration as a registered independent agent must include the following:
 - (a) The name, address, and type of organization of the independent agent.
 - (b) A copy of any proposed agreement between the licensee and the independent agent. If the proposed agreement is not in writing, the filing shall include a detailed written description of proposed arrangements.
 - (c) A personal financial questionnaire if the independent agent is to guarantee any payment due to a licensee from any preferred guest.
 - (d) The designation of persons whom the independent agent may use as a secondary representative.
 - (e) A statement on a form furnished or approved by the board that the independent agent:
 - (1) Submits to the jurisdiction of the State of Nevada, the board, and the commission;
 - (2) Designates the Secretary of State as its representative upon whom service of process may be made; and
 - (3) Agrees to be governed and bound by the laws of the State of Nevada and the regulations of the commission.
 - (f) Such additional information as the board or commission may request. If the independent agent is not an individual, the board may designate the officers and principals of the independent agent that shall provide this information. The independent agent shall supply this information on forms furnished or approved by the board.
4. The independent agent shall provide its filing to the licensee for transmittal to the board. The board may reject filings made directly by an independent agent.
5. A licensee may compensate a registered independent agent that is registered with the board pursuant to arrangements with another licensee, if the board chairman notifies the licensee in writing that the registered independent agent has:
 - (a) Submitted a copy of the proposed agreement between the licensee and the registered independent agent;
 - (b) A current registration with the board;
 - (c) Complied with Regulation 25.050; and
 - (d) Provided such additional information as the board or commission may request.
(Adopted: 10/72. Amended: 3/91; 5/92. Effective: 7/1/92.)

25.030 Determination of suitability.

1. The commission may require a finding of suitability of an independent agent at any time. The commission shall give written notice to the independent agent and any licensee having an agreement with the independent agent on file with the board that the independent agent must file an application for finding of suitability. The commission retains jurisdiction to determine the suitability of an independent agent even if the licensee terminates its relationship with the independent agent or the independent agent is otherwise no longer functioning as an independent agent.

2. If the commission finds a registered independent agent to be unsuitable, the registration of such registered independent agent is thereupon cancelled. A licensee or independent agent shall, upon written notification of a finding of unsuitability, immediately terminate all relationship, direct or indirect, with such independent agent. Failure to terminate such relationship may be deemed to be an unsuitable method of operation. No determination of suitability of an independent agent shall preclude a later determination by the commission of unsuitability.

(Adopted: 10/72. Amended: 3/91; 5/92. Effective: 7/1/92.)

25.040 Required reports and recordkeeping.

1. Each licensee shall provide to the board within one month following each calendar quarter, separate lists of registered independent agents:

(a) Whose relationship with the licensee terminated in that quarter, and

(b) Whose total compensation in that quarter either (1) exceeds \$1,000 and places them in the top 10 percent of all the licensee's registered independent agents ranked by compensation, or (2) exceeds \$20,000. This list shall include the total compensation paid in that quarter to the registered independent agents on the list.

2. The licensee shall retain in its files for a 5-year period and make available for inspection by the board, upon request, the following information:

(a) The origin and dates of stays by preferred guests arranged by a registered independent agent;

(b) The total amount of gaming credit extended to such preferred guests that remains unpaid following their departure; and

(c) Such other information required by the board regarding any business arrangement between the licensee and an independent agent.

(Adopted: 10/72. Amended: 3/91; 5/92. Effective: 7/1/92.)

25.050 Mandatory requirements. Every agreement, including any agreement of employment, between a licensee and a registered independent agent must contain the following conditions:

1. If the commission determines the registered independent agent is unsuitable, the agreement shall thereupon terminate unless the commission orders otherwise.

2. The agreement is not effective and the registered independent agent is not entitled to and may not be paid any compensation until the licensee receives notice that the board chairman has registered the independent agent.

(Adopted: 5/92. Effective: 7/1/92.)

25.060 Reporting requirements for registered independent agents.

1. Annually, on or before July 15, each registered independent agent shall file a list of all secondary representatives on a form furnished or approved by the board. Each licensee shall send a notice annually, on or before June 1, to each registered independent agent under contract with it, advising the registered independent agent of the requirements of this section.

2. The registered independent agent shall report additions, deletions and changes to the following items to the board within 30 days thereof:

(a) The registered independent agent's address or telephone number;

(b) The officers, directors, shareholders or partners of the registered independent agent;

(c) The list of secondary representatives contained within the annual report or the initial submission required by Regulation 25.020(2).

(Adopted: 5/92. Effective: 7/1/92.)

End – Regulation 25