

2. All correspondence concerning the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility;
3. Copies of all promotional material and advertising;
4. A personnel file on each employee of the licensee, including sales representatives;
5. Financial records of all transactions concerning the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility.

(b) The records listed in (a) above shall be held for at least five years.

Amended by R.1989 d.281, effective June 5, 1989.

See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a).

Reduction of recordkeeping to transactions directly related to the casino hotel or related facility. Requirement deleted for maintenance of personnel file beyond five years and submission of files to Commission upon closing.

19:51-1.10 Causes for suspension, failure to renew or revocation of a license

(a) Any of the following shall be cause for suspension, refusal to renew or revocation of a casino service industry license, although suspension, refusal to renew or revocation may be made for sufficient cause other than those listed:

1. Violation of any provision of the Casino Control Act or these rules and regulations;
2. Conduct which would disqualify the applicant, or any other person required to be qualified, if such person were applying for original licensure;
3. Failure to comply with all applicable Federal, State and local statutes, ordinances and regulations;
4. A material departure from any representation made in the application for licensure.

19:51-1.11 Equal employment opportunity

The rules relating to equal employment opportunity and affirmative action program requirements for casino service industry enterprises are set forth in N.J.A.C. 19:53-1.3, 1.5, 1.6 and 1.7.

19:51-1.12 Fees

The general rules relating to the fees for the issuance and renewal of casino service industry and junket enterprise licenses are set forth in N.J.A.C. 19:41-9.8.

Amended by R.1992 d.412, effective October 19, 1992.

See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Junket enterprise added.

Amended by R.1997 d.1, effective January 6, 1997.

See: 28 N.J.R. 4570(a), 29 N.J.R. 157(a).

Amended N.J.A.C. references and deleted reference to additional rules.

19:51-1.13 Exemption

(a) The general rules relating to exemption of persons or fields of commerce from licensure as casino service industries are set forth in N.J.S.A. 5:12-92(c).

(b) The Commission may, upon the written request of any person, or upon its own initiative, exempt any person or field of commerce, other than a junket enterprise, from the casino service industry licensure requirements of sections 92c and d of the Act, pursuant to the standards contained in N.J.S.A. 5:12-92(c).

Amended by R.1992 d.412, effective October 19, 1992.

See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Exemption not allowed for junket enterprise.

19:51-1.14 Persons required to be qualified

(a) Except as otherwise provided in (b) below and N.J.A.C. 19:51-1.14B, no casino service industry license shall be issued or renewed unless the individual qualifications of each of the following persons shall have first been established in accordance with all provisions, including those cited, of the Act and the rules of the Commission. The Commission shall apply the following provisions to both corporate and non-corporate applicants or licensees or, if that is not possible, the Commission will in its discretion apply comparable standards to non-corporate applicants and licensees.

1. In the case of casino service industry licenses issued in accordance with subsections 92a and b of the Act:

- i. The applicant or licensee;
- ii. If the applicant or licensee is, or if it is to become a subsidiary, each holding company and each intermediary company;
- iii. Each natural person who directly or indirectly holds any beneficial or ownership interest of five percent or more of the applicant or licensee;
- iv. Each person who directly or indirectly holds any beneficial or ownership interest of five percent or more of a holding company or intermediary company of the applicant or licensee;
- v. Each director of the applicant or licensee or of a holding or intermediary company thereof;
- vi. Each officer of the applicant or licensee or of a holding or intermediary company thereof;
- vii. The management employee supervising the regional or local office which employs the sales representative who will solicit business or deal directly with a casino licensee;
- viii. Each employee who will act as a sales representative or otherwise regularly engage in the solicitation of business from casino licensees.

2. In the case of casino service industry or junket enterprise licenses issued in accordance with subsections 92c and d or section 102 of the Act:

- i. The applicant or licensee;
- ii. Each natural person who directly holds any beneficial or ownership interest of five percent or more or who indirectly holds any beneficial or ownership interest of 10 percent or more of the applicant or licensee;
- iii. Each holding company that directly holds any beneficial or ownership interest of five percent or more of the applicant or licensee.
- iv. Each inside director of the applicant or licensee;
- v. Each officer of the applicant or licensee;
- vi. The management employee supervising the regional or local office which employs the sales representative or junket representative soliciting business or dealing directly with a casino licensee;
- vii. Each employee who will act as a sales representative or otherwise regularly engage in the solicitation of business from casino licensees and each junket representative who will deal directly with casino licensees or their employees.

(b) Notwithstanding (a) above, any of the following persons may request in writing that the Commission waive their obligation to qualify as part of a casino service industry license issuance or renewal by making the appropriate showing required in (b)1 through 4 below:

1. If the person is required to qualify as an officer, the person shall be required to demonstrate that he or she is not significantly involved in and has no authority over the conduct of business with a casino licensee. Such request shall include, at a minimum, the following:

- i. A description of his or her title, duties and responsibilities with the applicant, licensee or with any affiliate thereof;
- ii. The terms of his or her compensation; and
- iii. A certification by the officer or, if the applicant or licensee is governed by N.J.S.A. 5:12-92c and d, by counsel for the applicant or licensee, stating that the officer is not significantly involved in and has no authority over the conduct of business with any casino licensee or applicant.

2. If the person is required to qualify as an outside director of a holding company of an applicant or licensee governed by N.J.S.A. 5:12-92a, the person shall be required to demonstrate that he or she is not significantly involved in the management or ownership of the applicant or licensee. Such request shall include, at a minimum, the following:

i. A description of his or her title, duties and responsibilities with the applicant, licensee or with any affiliate thereof;

ii. The terms of his or her compensation;

iii. Any board committee memberships, including a description of the functions and responsibilities of any such committee;

iv. His or her ownership interest; and

v. A certification by the director stating that the director is not significantly involved in the management or ownership of the applicant or licensee.

3. If the person is required to qualify as an owner of the applicant or licensee or a holding or intermediary company thereof and requests a waiver as an institutional investor, the person shall be required to demonstrate compliance with the standards for institutional investor status set forth in N.J.S.A. 5:12-27.1 as well as the standards for waiver set forth in N.J.S.A. 5:12-85f, as applied to the casino service industry applicant or licensee, regardless of whether such applicant or licensee is publicly traded or privately held. Such request shall include, at a minimum, the following:

i. The number of shares held and percent of ownership;

ii. A copy of the most recent notice filed with the Securities and Exchange Commission;

iii. A list of any direct or indirect owners;

iv. An explanation as to why such investor should be considered an institutional investor pursuant to N.J.S.A. 5:12-27.1; and

v. A certification by the investor stating that the investor has no present involvement in, and no intention of influencing the business activities of, the applicant or licensee or any holding or intermediary company thereof and will give the Commission 30 days notice if the investor determines to become involved in or influence such activities in the future.

4. If the person is required to qualify as an owner of the applicant or licensee or of a holding or intermediary company of the applicant or licensee, the person shall be required to demonstrate their inability to control such applicant, licensee or holding or intermediary company. For a publicly traded corporation, any person who owns or beneficially holds five percent or more of the equity securities of such corporation shall be presumed to have the ability to control such corporation, unless such presumption is rebutted by clear and convincing evidence.

(c) Notwithstanding (a) and (b) above, the Commission may require a casino service industry applicant or licensee to establish the qualifications of any person if the Commission determines that the qualification of such person would further the policies of the Act. In making such determination, the Commission shall consider, without limitation, the following: