

2. The date of the transaction;
3. The amount of funds to be transferred, stated in numbers and in words;
4. The source of funds to be transferred (cash, cash equivalent, casino check, chips, plaques, slot tokens, prize tokens or cash deposit);
5. The name and address of the financial institution to which the funds will be transferred and the account number to which the funds will be credited;
6. The signature of the patron if the request is made in person at the cage or, if the request is made by mail, an indication that a signed written request from the patron is attached to the Wire Transfer or Electronic Fund Transfer Request Form;
7. The signature of the general cashier; and
8. The signature of the reserve cash cashier.

(c) Prior to completing the Wire Transfer or Electronic Fund Transfer Request Form, the general cashier shall perform and maintain documentation supporting the following verifications:

1. If the request is made in person, the general cashier shall compare the patron's signature on the Wire or Electronic Fund Transfer Request and the patron's physical appearance with:
 - i. The signature and general physical description recorded in a patron signature file; or
 - ii. The signature on the patron's identification credential and the patron's photograph or physical description, if any, recorded on the identification credential; or
2. If the request is made by mail, the general cashier shall compare the signature on the attached written request with the signature in a patron signature file.

(d) After verifying the patron's signature, the general cashier shall present the Wire Transfer or Electronic Fund Transfer Request Form to the reserve cash cashier, who shall sign the form and retain the original and duplicate copy. The general cashier shall retain the triplicate copy of the form and shall give the patron the quadruplicate copy of the form as evidence of the wire transfer or electronic fund transfer request.

(e) The reserve cash cashier shall immediately forward the original Wire Transfer or Electronic Fund Transfer Request Form to the accounting department as authorization to effect the transfer, and shall retain the duplicate copy for agreement with the triplicate copy held by the general cashier. At the end of the gaming day, and upon agreement of the duplicate and triplicate copies of the Wire Transfer or Electronic Fund Transfer Request Form, the

reserve cash cashier shall forward both copies of the form to the accounting department.

(f) Upon receipt of the original Wire Transfer or Electronic Fund Transfer Request Form, the accounting department shall authorize the wire or electronic transfer of the funds and shall either:

1. Record on the original Wire Transfer or Electronic Fund Transfer Request Form:

- i. The name and title of the person contacted at the casino licensee's bank;
- ii. The date and time that the wire transfer or electronic fund transfer was authorized; and
- iii. The signature of the accounting department employee authorizing the wire transfer or electronic fund transfer; or

2. If the wire transfer or electronic fund transfer is authorized by means of a direct computer link between the casino licensee and its bank, print a copy of the wire transfer or electronic fund transfer authorization from the computer screen which shall:

- i. Comply with the requirements of (f)1iii and iii above; and
- ii. Be attached to the original Wire Transfer or Electronic Fund Transfer Request Form.

(g) At the end of the gaming day, the accounting department shall compare the duplicate and triplicate copies of the Wire Transfer or Electronic Fund Transfer Request Form to the original.

New Rule, R.1989 d.233, effective May 1, 1989.

See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1997 d.131, effective March 17, 1997.

See: 28 N.J.R. 4572(a), 29 N.J.R. 919(a).

In (b)6, (c) and (d), added provisions for signature verification on Wire Transfer Request Forms.

Amended by R.1998 d.267, effective June 1, 1998.

See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).

Rewrote (c).

Amended by R.2002 d.282, effective September 3, 2002.

See: 34 N.J.R. 655(a), 34 N.J.R. 3128(a).

Rewrote the section.

19:45-1.25 Procedure for exchange of checks submitted by gaming or simulcast wagering patrons; repurchase of cash equivalents

(a) Except as otherwise provided in this section, no casino licensee or any person licensed under the Casino Control Act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Casino Control Act, shall:

1. Cash any check, make any loan, or otherwise provide or allow to any person any credit or advance of anything of value or which represents value to enable any

person to take part in gaming or simulcast wagering activity as a player; or

2. Release or discharge any debt which is uncollectible, either in whole or in part, which represents any losses incurred by any player in gaming or simulcast wagering activity without maintaining a written record of the deposit, check return and collection efforts as required by N.J.A.C. 19:45-1.28 and 19:45-1.29; or

3. Make any loan which represents any losses incurred by any player in gaming or simulcast wagering activity without receiving from said player in exchange therefore, a check in the amount of said loan, which check shall conform with the Casino Control Act and these regulations.

(b) No casino licensee or any person licensed under the Act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Act, may accept a check, other than a recognized travelers' check or other cash equivalent, a casino check, a casino affiliate check, or an annuity jackpot trust check from any person to enable such person to take part in gaming or simulcast wagering activity as a player, or may give cash or cash equivalents in exchange for such check unless the requirements of this section and N.J.A.C. 19:45-1.26, 19:45-1.27, 19:45-1.28, and 19:45-1.29 concerning check cashing, redeeming, consolidating, collecting and recording procedures are observed by the casino licensee and its employees and agents. For purposes of this chapter: the term "check" when used in connection with an exchange, redemption, substitution or consolidation by a patron shall mean any draft drawn by the patron which is a "cash item" as defined in Regulation J of the Board of Governors of the Federal Reserve System, 12 C.F.R. 210.2(e), and which is drawn on an account maintained in a "depository institution" as defined in Section 19(b) of the Federal Reserve Act, 12 U.S.C. § 461(b), including share drafts and drafts drawn on negotiable order of withdrawal accounts or similar accounts; the term "checking account" shall mean any account on which a "check" is drawn; and the term "bank" shall include any "depository institution" as defined in 12 U.S.C. § 461(b). For purposes of this chapter, a check received from a person by cage cashiers may be presumed by the casino licensee not to be exchanged to enable such person to take part in gaming activity as a player, if the casino licensee shall cause to be posted at each general cashier station in the cashiers' cage a conspicuous sign that reads:

"By law, personal checks cannot be exchanged for currency or coin to be used for gaming or simulcasting wagering purposes."

(c) All checks sought to be exchanged in a casino by a patron shall be:

1. Drawn on a bank and payable on demand;

2. Drawn for a specific amount;

3. Made payable to the casino licensee; and

4. Currently dated, but not post dated.

(d) All checks sought to be exchanged at the cashiers' cage shall be:

1. Presented directly to the general cashier who shall:

i. Restrictively endorse the check "for deposit only" to the casino licensee's bank account;

ii. Initial the check;

iii. Date and time stamp the check;

iv. Immediately exchange the check for currency and coin in an amount equal to the amount for which the check is drawn, not to exceed two hundred dollars (\$200.00) per patron per day, if such check is exchanged for the purpose of nongaming; and

v. Forward redemption, consolidation and substitution checks to the Check Cashier and all non-gaming checks to the main bank cashier.

(e) Cash equivalents, casino checks, casino affiliate checks and annuity jackpot trust checks shall only be accepted at the cashiers' cage by general cashiers. Notwithstanding the foregoing, recognized credit and debit cards may be used to obtain gaming chips or plaques at gaming tables pursuant to N.J.A.C. 19:45-1.18A and the processing of such transactions shall occur in accordance with the provisions of that section.

1. Prior to the acceptance of any cash equivalent from a patron, the general cashier shall determine the validity of such cash equivalent by performing the necessary verification for each type of cash equivalent and such other procedures as may be required by the issuer of such cash equivalent. Prior to the acceptance of any casino check, casino affiliate check or an annuity jackpot trust check from a patron, the general cashier shall comply with the requirements of (f) below.

2. In order to ensure the patron's identity, prior to the acceptance of a cash equivalent made payable to a presenting patron, a casino check, a casino affiliate check or an annuity jackpot trust check, the general cashier shall be required to verify that the patron's signature recorded on the cash equivalent, casino check, casino affiliate check or the annuity jackpot trust check and the patron's physical appearance agree with the information recorded in a patron signature file or with the signature and, if applicable, photograph or physical description contained on an identification credential presented by the patron. Each casino licensee shall maintain documentation supporting that verification.

3. Any cash equivalent other than a travelers check or credit card and any casino check, casino affiliate check or annuity jackpot trust check which is accepted from a patron by a general cashier shall be:

i. Endorsed in blank by the patron (but in the case of a cash equivalent, only if the cash equivalent is made payable to the presenting patron); and

ii. Except as otherwise provided in (e)4ii below, restrictively endorsed "For Deposit Only" to the bank account of the casino licensee immediately upon acceptance by the general cashier and deposited no later than the next banking day following the date of the transaction.

4. A casino licensee may, in its discretion, allow a patron who has exchanged a cash equivalent (other than a travelers check or credit card) for currency, coin or a Customer Deposit Form to repurchase the cash equivalent for an equal amount of cash, gaming chips, plaques or slot tokens prior to the deposit of the cash equivalent by the casino licensee. If a casino licensee agrees to provide a patron with this repurchase option, the general cashier shall, prior to acceptance of the cash equivalent:

i. Immediately determine the validity of the cash equivalent by performing the verification required in (e)1 above; and

ii. In lieu of complying with the requirements of (e)3ii above, comply with the approved internal control procedures of the casino licensee for the processing of such transactions, which procedures shall include, at a minimum, the following:

(1) The creation of an audit trail which shall assure that no single employee is in a position to convert the cash equivalent to his or her personal use without detection;

(2) The establishment of a definite time limit on the repurchase rights of the patron, which time limit shall be no later than the end of the fifth calendar day following the date of acceptance of the cash equivalent; and

(3) Upon expiration of the time limit required by (e)4ii(2) above, the immediate restrictive endorsement of the cash equivalent "For Deposit Only" to the bank account of the casino licensee, and the deposit of the cash equivalent by no later than the next banking day.

5. Whenever a casino licensee accepts from a patron a cash equivalent payable to a holding company of the casino licensee where presented to enable the patron to take part in gaming or simulcasting activity as a player, the holding company shall, pursuant to an agreement with the casino licensee and in accordance with approved internal controls:

i. Indemnify and hold the casino licensee harmless for the face amount of the cash equivalent; and

ii. Cause a credit in the amount of such cash equivalent to be posted to the casino licensee's bank account by no later than the next banking day.

(f) Prior to the acceptance of any casino check, casino affiliate check or annuity jackpot trust check from a patron, a general cashier shall determine the validity of such check by contacting the New Jersey casino licensee which issued the check or by confirming, in a manner approved by the Commission, the issuance of the check by the casino licensee affiliate or the annuity jackpot trust, as the case may be, and verifying the following information:

1. The date of the check;

2. The check number;

3. The name of the payee appearing on the check;

4. The amount of the check; and

5. That the check represents:

i. The return of a patron's deposit money;

ii. The redemption of the casino licensee's gaming chips; or

iii. The winnings from slot machine or keno payoffs;

iv. The winnings from simulcast wagering;

v. The winnings from table game progressive payouts;

vi. An annuity jackpot payment by an annuity jackpot trust pursuant to N.J.A.C. 19:45-1.40B; or

vii. A casino affiliate check.

(g) Each casino licensee shall maintain a casino check log and an annuity jackpot trust check log.

1. The general cashier of the casino licensee accepting a casino check or casino affiliate check shall document the verifications performed in (f) above in the casino check log and shall also record therein his or her name and license number and:

i. For a casino check, the name of the cashier providing such information and the date and time the information was obtained; or

ii. For a casino affiliate check, the name of the employee at the casino licensee affiliate providing such information, and the date and time the information was obtained.

2. The general cashier of the casino licensee accepting an annuity jackpot trust check shall document the verifications performed in (f) above in the annuity jackpot trust check log, and shall record therein the manner in which the information was obtained, including, if applicable, the

name of any person providing the information and the date and time the information was obtained.

3. A general cashier of the New Jersey casino which issue a casino check shall provide the information required by (f) above to the casino licensee accepting such check, and shall indicate that verification was requested by notating in the casino check log the following information:

- i. The date and time of the request;
- ii. The name of the casino requesting the information;
- iii. The name of the general cage cashier making the request;
- iv. The check number;
- v. The date of the check;
- vi. The name of the payee appearing on the check; and

vii. The reason for the check as either:

- (1) The return of a patron's deposit money;
- (2) The redemption of the casino licensee's gaming chips;
- (3) The winnings from slot machine payoffs;
- (4) The winnings from simulcast wagering; or
- (5) The winnings from table game progressive payouts; or
- (6) A casino affiliate check.

4. Each casino licensee shall, upon request, provide to any other casino licensee a list, updated as necessary, of the name of each affiliate of that casino licensee which holds a gaming license in any jurisdiction, and the name and telephone number of a person at each such affiliate who can verify the issuance of a casino affiliate check by that affiliated casino.

(h) Prior to acceptance of a travelers check from a patron, the general cashier shall verify its validity by:

1. Requiring the patron to countersign the travelers check in his or her presence;
2. Comparing the countersignature with the original signature on the travelers check;
3. Examining the travelers check for any other signs of tampering, forgery or alteration; and
4. Performing any other procedures which the issuer of the travelers check requires in order to indemnify the acceptor against loss.

(i) A person may obtain cash or slot tokens at the cashiers' cage or slot booth or cash at the simulcast counter or keno booth to be used for gaming purposes by presenting a recognized credit or debit card to a general cashier, pari-mutuel cashier, keno writer or slot cashier in transactions known as a credit card cash transaction or a debit card cash transaction defined at N.J.A.C. 19:45-1.1. Each casino licensee that accepts a recognized credit or debit card in a credit or debit card cash transaction shall establish internal controls governing the transactions, which internal controls shall include procedures comparable to those required by the provisions of N.J.A.C. 19:45-1.18A.

(j) The following procedures and requirements over Counter Checks shall be observed:

1. Counter Checks shall be serially prenumbered forms; each series of Counter Checks shall be used in sequential order, and the series numbers of all Counter Checks received by a casino licensee shall be accounted for by employees with no incompatible functions. The original and all copies of void Counter Checks shall be marked "VOID" and shall require the signature of the casino clerk.

2. For establishments in which Counter Checks are manually prepared:

i. Each series of Counter Checks shall be a five-part form, at a minimum, which consists of an original, a redemption copy, an accounting copy, an issuance copy and acknowledgment copy and shall be attached in a book that will permit an individual slip in the series and its copies to be written upon simultaneously, while still contained in the book, and that will allow the removal of the original and all duplicate copies.

ii. Access to the Counter Checks shall be maintained and controlled at all times by the casino clerks responsible for controlling of and accounting for the unused supply of Counter Checks, and the preparation of Counter Checks for a patron's signature.

3. For establishments in which Counter Checks are computer prepared, each series of Counter Checks shall be a four-part form, at a minimum, which consists of an original, a redemption copy, an issuance copy and accounting copy and shall be inserted in a printer that will: simultaneously print an original and duplicates and store, in machine readable form, all information printed on the original and duplicates; and discharge the original and duplicates. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Counter Check.

(k) For each Counter Check exchanged at a gaming table, the casino clerk shall:

1. Verify the patron's identity by either:

i. Obtaining the patron's signature, on a form, which signature shall be compared to the signature contained within a patron signature file. The casino clerk shall sign the form indicating that the signature of the patron on the form appears to agree with the signature in the patron signature file. Such form shall be attached to the accounting copy of the Counter Check exchanged by the patron prior to forwarding it to the accounting department in conformity with (p) below.

(1) After the patron's identity has been verified by the casino clerk as required above, the requirements for subsequent verification of the patron's identity during the same shift and in the same gaming pit may be satisfied by that casino clerk signing a form attesting to the patron's identity before each subsequent Counter Check is exchanged. The form shall include the patron's name and the serial number of the initial Counter Check exchanged by the patron. Such form shall be attached to the accounting copy of the Counter Check prior to forwarding it to the accounting department in conformity with (p) below; or

ii. Obtaining the attestation of a casino supervisor as to the identity of the patron. The casino supervisor shall sign a form attesting to the patron's identity and shall record his license number thereon. Such form shall be attached to the accounting copy of the Counter Check exchanged by the patron prior to forwarding it to the accounting department in conformity with (p) below.

2. Determine the patron's remaining credit limit from the cashiers' cage.

3. Prepare the Counter Check for a patron's signature by recording, at a minimum, on the face of the original and all duplicates of the Counter Check, with the exception of the acknowledgment copy which shall only have recorded on it the game and table number, or in stored data, the following information:

- i. The name of the patron exchanging the Counter Check;
- ii. The name of the patron's bank (required on the original copy only);
- iii. The current date and time;
- iv. The amount of the Counter Check expressed in numerals;
- v. The game and table number;
- vi. The signature of the casino supervisor authorizing acceptance of the check; and
- vii. The signature of the preparer or, if computer prepared, the identification code of the preparer.

4. Place an impression on the back of the original Counter Check a restrictive endorsement "for deposit only" to the casino licensee's bank account.

5. Present the original and all duplicate copies of the Counter Check to the patron for signature.

6. Receive the signed Counter Check directly from the patron; the issuance copy, which is the equivalent of a Check Credit Slip, of the Counter Check shall be immediately and directly given to the dealer or boxman. In no instance shall the chips or plaques be given to the patron prior to the receipt of the issuance copy of the Counter Check by the dealer or boxman.

i. The original, redemption, and acknowledgment copies of the Counter Check shall be expeditiously transported to the cashiers' cage where the original and redemption copies shall be maintained and controlled by the Check Bank Cashier;

ii. The accounting copy of the Counter Check shall be maintained and controlled at all times by the casino clerk; and

iii. The issuance copy of the Counter Check shall be deposited by the dealer or boxman in the drop box immediately after the issuance of chips or plaques to the patron.

(l) For establishments in which the Chip Bank Cashier receives the original, redemption and acknowledgment copies of the Counter Check the Chip Bank Cashier shall sign and time stamp the acknowledgment copy of the Counter Check and expeditiously return it to the casino clerk via a security department member or pneumatic tube system and shall transfer the original and redemption copies of the Counter Check to the Check Cashier in return for properly signed documentation.

(m) For establishments in which the Check Cashier receives the original, redemption and acknowledgment copies of the Counter Check directly from the casino clerk, whether through the use of the pneumatic tube system or transported by a security department member the Check Cashier shall:

1. Sign and time stamp the acknowledgment copy and shall transmit it to the casino clerk via a security department member or pneumatic tube system, and shall maintain the original and redemption copies of the Counter Check.

(n) The acknowledgment copy of the Counter Check returned to the casino clerk shall be agreed to the accounting copy and maintained and controlled by the casino clerk.

(o) If the total amount of chips or plaques possessed by a patron exceeds \$500, the casino licensee shall request the patron to apply all chips or plaques in his possession to the redemption of Counter Checks or Slot Counter Checks exchanged for purposes of gaming prior to exchanging such chips or plaques for cash or prior to departing from the casino or casino simulcasting facility areas.

(p) At the end of each gaming day, at a minimum, the following procedures and requirements shall be observed:

1. The original and all copies of void Counter Checks and the accounting and acknowledgment copies of the Counter Check shall be forwarded by a representative of the accounting or security department to the accounting department for agreement, on a daily basis, with the issuance copy of the Counter Check removed from the drop box or stored data.

2. The redemption copy of a Counter Check maintained and controlled in conformity with (k)6i above shall be forwarded to the accounting department subsequent to the redemption, consolidation or deposit of the original Counter Check for agreement with the accounting and issuance copies of the Counter Check or stored data.

Amended by R.1981 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(d)iv.: Added \$200.00 check limit per patron per day.

Added (e) and (f); renumbered (e)-(k) as (g)-(m).

Amended by R.1984 d.624, effective January 21, 1985 (operative September 30, 1985).

See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a), 17 N.J.R. 1917(b).

(h) and (l) substantially amended.

Operative date changed from July 20, 1985.

Amended by R.1985 d.41, effective February 19, 1985.

See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c).

(e) amended.

Amended by R.1986 d.77, effective April 7, 1986.

See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b).

New (f)-(h) added; old (f)-(m) now (i)-(p).

Petition for Rulemaking: Verification procedures to be followed by the Casino prior to the acceptance of recognized travelers checks from a casino patron.

See: 20 N.J.R. 1489(a).

Amended by R.1988 d.304, effective July 5, 1988.

See: 20 N.J.R. 51(a), 20 N.J.R. 1572(a).

Added (e)1 concerning cashing of travelers checks.

Amended by R.1990 d.2, effective January 2, 1990.

See: 21 N.J.R. 2954(a), 22 N.J.R. 63(a).

In (f)5: deleted "either" from phrase and added new 5iii.

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

In (j)3, revised text read "accounting" copy; in (o), added "Slot Counter Checks."

Amended by R.1991 d.231, effective May 6, 1991.

See: 22 N.J.R. 3711(a), 23 N.J.R. 1463(a).

In (e): added text providing casino licensees with an additional method to verify patron identification.

Amended by R.1991 d.300, effective June 17, 1991.

See: 23 N.J.R. 397(a), 23 N.J.R. 1964(a).

In (i): added options of slot booth and slot cashier.

Amended by R.1991 d.301, effective June 17, 1991.

See: 23 N.J.R. 191(a), 23 N.J.R. 1963(b).

In (b): added rule text to describe expanded check exchanges procedures.

Amended by R.1992 d.13, effective January 6, 1992.

See: 23 N.J.R. 3087(a), 24 N.J.R. 110(a).

Added new (h)7iii; winnings from slot machine payoffs.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (d)1.v.: added text defining "day" as used in subparagraph; in (p): stylistic revisions.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Simulcast provisions added.

Temporary Amendment: Caribbean Stud Poker.

See: 26 N.J.R. 3464(a).

Amended by R.1994 d.473, effective September 19, 1994.

See: 26 N.J.R. 2216(a), 26 N.J.R. 3893(a).

Administrative Correction.

See: 26 N.J.R. 4216(a).

Temporary Amendment: Double Down Stud.

See: 26 N.J.R. 4445(a).

Amended by R.1995 d.285, effective June 5, 1995.

See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

Amended by R.1995 d.430, effective August 7, 1995.

See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).

Added (f)5v and (g)2vii(5).

Amended by R.1995 d.466, effective August 21, 1995.

See: 27 N.J.R. 2113(a), 27 N.J.R. 3219(a).

Added casino checks and annuity jackpot trust checks in (b) and (e) through (g); added winnings from table game progressive payouts at (f)5v and (g)3vii(5); and renumbered existing (g)3 as (g)2 and inserted new (g)2.

Amended by R.1995 d.620, effective December 4, 1995.

See: 27 N.J.R. 3307(a), 27 N.J.R. 4909(a).

Amended by R.1996 d.439, effective September 16, 1996.

See: 28 N.J.R. 2809(a), 28 N.J.R. 4236(a).

Amended by R.1996 d.441, effective September 16, 1996.

See: 28 N.J.R. 3245(a), 28 N.J.R. 4241(a).

Amended by R.1998 d.148, effective March 16, 1998.

See: 30 N.J.R. 36(a), 30 N.J.R. 1059(a).

In (i), inserted "or cash at the simulcast counter or keno booth" and "pari-mutuel cashier, keno writer".

Amended by R.1998 d.267, effective June 1, 1998.

See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).

Rewrote (e)2; and in (k)1i, substituted references to signature files for references to credit files throughout the introductory paragraph.

Amended by R.2000 d.333, effective August 21, 2000.

See: 32 N.J.R. 1918(a), 32 N.J.R. 3076(a).

In (e), added 5.

Cross References

Casino licensee's right to apply chips, plaques, slot tokens or prize tokens presented by a patron towards redemption of patron's counter checks, see N.J.A.C. 19:46-1.5 and N.J.A.C. 19:46-1.35.

Case Notes

Taxpayer did not realize income when gambling debt was forgiven. *Zarin v. C.I.R.*, 1990, 916 F.2d 110.

Regulation requiring on back of original countercheck a restrictive endorsement "for deposit only" to casino licensee's bank account does not require depository bank's name. *GNOC, Corp. v. Endico, C.A.2 (N.Y.)* 1989, 876 F.2d 1076.

Common-law contract defenses of incapacity, duress, and unconscionability exist, in action to have casino markers declared void. *Lomomaco v. Sands Hotel Casino and Country Club*, 259 N.J.Super. 523, 614 A.2d 634 (L.1992).

Casino Control Act does not confer private cause of action in favor of losing players. *Miller v. Zoby*, 250 N.J.Super. 568, 595 A.2d 1104 (A.D.1991), certification denied 606 A.2d 366, 127 N.J. 553.

Casino operator's write-off of patron's indebtedness as bad debt without reasonable attempt to collect was properly disallowed. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Commission did not violate procedural due process when it considered regulations not cited in complaint. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Credit transaction may not be bifurcated with casino personnel receiving payment of counter check at off-site location and counter check then being released when funds are received at cashiers' cage. *Petition of Adamar of New Jersey, Inc.*, 222 N.J.Super. 464, 537 A.2d 704 (A.D.1988).

Check not dated. Resorts Intern. Hotel, Inc. v. Salomone, 178 N.J. Super. 598, 429 A.2d 1078 (App. Div., 1981).

Former regulation concerning procedure for casino clerk exchange of counter checks at gaming tables valid. Playboy-Elsinore Associates v. Strauss, 189 N.J. Super. 185 (Law Div. 1983).

19:45-1.25A Procedure for exchange of slot counter checks by slot patrons

(a) A casino licensee may offer credit to slot patrons pursuant to N.J.A.C. 19:45-1.27. Slot Counter Checks may be prepared by slot cashiers at slot booths and coin redemption locations and by general cashiers at the cashiers' cage in exchange for which patrons may receive any combination of coin, currency or slot tokens. For casino licensees which issue credit to slot players, the following procedures and requirements over Slot Counter Checks shall be observed:

1. Slot Counter Checks shall be serially prenumbered forms. Each series of Slot Counter Checks shall be used in sequential order; however, nothing in this subsection shall preclude a casino licensee from issuing Slot Counter Checks from the same numbering sequence used for the issuance of Counter Checks pursuant to N.J.A.C. 19:45-1.25. The series numbers of all Slot Counter Checks shall be accounted for by employees with no incompatible functions.

i. The original and all copies of voided Slot Counter Checks shall be marked "VOID" and shall require the signature of the preparer.

2. For establishments in which Slot Counter Checks are manually prepared:

i. Each series of Slot Counter Checks shall be a five-part form, at a minimum, which consists of an original, a redemption copy, an accounting copy, an issuance copy and acknowledgment copy and shall be attached in a book that will permit an individual slip in the series and its copies to be written upon simultaneously, while still contained in the book, and that will allow the removal of the original and all duplicate copies.

ii. Access to the Slot Counter Checks shall be maintained and controlled at all times by the general cashier or slot cashier responsible for control of and accounting for the unused supply of Slot Counter Checks, and the preparation of Slot Counter Checks for a patron's signature.

3. For establishment in which Slot Counter Checks are computer prepared, each series of Slot Counter Checks shall be a four-part form, at a minimum, which consists of an original, a redemption copy, an issuance copy and accounting copy and shall be inserted in a printer that will: simultaneously print an original and duplicates; store, in machine readable form, all information printed on the original and duplicates; and discharge the original and duplicates. The stored data shall not be

susceptible to change or removal by any personnel after preparation of a Slot Counter Check.

(b) For each Slot Counter Check exchanged, in accordance with (a) above, the general cashier or slot cashier shall:

1. Verify the patron's identity by either:

i. Obtaining, at a minimum, the amount of the requested Slot Counter Check and the patron's signature on a form, which signature shall be compared to the signature contained within a patron signature file. The general cashier or slot cashier shall sign the form indicating that the signature of the patron on the form appears to agree with the signature in the patron signature file. Such form shall be attached to the accounting copy of the Slot Counter Check exchanged by the patron and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below.

(1) After the patron's identity has been verified by the general cashier or slot cashier as required above, the requirements for subsequent verification of the patron's identity may be satisfied by that general cashier or slot cashier signing a form attesting to the patron's identity before each subsequent Slot Counter Check is exchanged. The form shall include the patron's name and the serial number of the initial Slot Counter Check exchanged by the patron. Such form shall be attached to the accounting copy of the Slot Counter Check and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below; or

ii. Obtaining the attestation of a slot supervisor as to the identity of the patron. The slot supervisor shall sign a form attesting to the patron's identity and shall record his or her license number thereon and the amount requested by the patron. Such form shall be attached to the accounting copy of the Slot Counter Check exchanged by the patron and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below;

2. Determine the patron's remaining credit limit either from a check bank cashier or from a computer terminal located in an area as approved by the Commission;

3. Prepare the Slot Counter Check for the patron's signature by recording, at a minimum, on the face of the original and all duplicates of the Slot Counter Check, with the exception of the acknowledgment copy which shall only have recorded on it the location of preparation, or in stored data, the following information:

i. The name of the patron exchanging the Slot Counter Check;

- ii. The name of the patron's bank (required on the original copy only);
 - iii. The current date and time;
 - iv. The amount of the Slot Counter Check expressed in numerals;
 - v. The location of preparation of the Slot Counter Check;
 - vi. The signature of the cage supervisor or slot supervisor verifying that the Slot Counter Check was prepared for the correct amount and for the correct individual per the information recorded on the form referenced in (b)1 above; and
 - vii. The signature of the preparer or, if computer prepared, the identification code of the preparer;
4. Place an impression on the back of the original Slot Counter Check a restrictive endorsement "for deposit only" to the casino licensee's bank account;
5. Present the original and all duplicate copies of Slot Counter Check to the patron for signature;
6. Receive the signed original and all duplicate copies of the Slot Counter Check directly from the patron. The general cashier or slot cashier shall, if verification occurs in accordance with (b)1i above, compare the patron's signature on the signed Slot Counter Check to the form referenced in (b)1 above and sign the form referenced in (b)1 above if the signatures appear to agree. In no instance shall currency, coin or slot tokens be given to the patron prior to the receipt of the signed copy of the Slot Counter Check by the general cashier or slot cashier. Distribution of the Slot Counter Check copies shall be as follows:
- i. The issuance copy of the Slot Counter Check, which shall serve as documentation of the exchange of currency, coin or slot tokens for the Slot Counter Check and shall be maintained by the general cashier or slot cashier in his or her imprest fund immediately after the issuance of currency, coin or slot tokens to the patron.
 - ii. The original, redemption, and acknowledgment copies of the Slot Counter Check, if not issued by the general cashier, shall be expeditiously transported to the cashiers' cage by a security department member or via a pneumatic tube system where the original and redemption copies shall be maintained and controlled by the check bank cashier. If the Slot Counter Check was issued by a general cashier, the general cashier shall expeditiously transport the original, redemption and acknowledgment copies of the Slot Counter Check to the check bank cashier where the original and redemption copies shall be maintained. The acknowledgment copy shall be returned to the general cashier or slot cashier in accordance with either (d) or (e) below; and

iii. The accounting copy of the Slot Counter Check shall be attached to the form referenced in (b)1 above by the general cashier or slot cashier and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below.

(c) Nothing in this section shall preclude a casino licensee from issuing a Slot Counter Check to a patron directly at a slot machine, provided the casino licensee follows the procedures and requirements established below:

1. A slot supervisor shall obtain, at a minimum, the amount of the requested Slot Counter Check and the patron's signature, on a two-part form ("Request"), and transport both copies of the Request directly to the general cashier or slot cashier. The general cashier or slot cashier shall compare the patron's signature pursuant to (b)1i above.

2. Once the patron's signature has been verified in accordance with (b)1 above, the general cashier or slot cashier shall prepare the Slot Counter Check in accordance with (b)2, (b)3i through v and (b)4 above.

3. The general cashier or slot cashier shall obtain the signature of the slot supervisor responsible for obtaining the information on the Request referenced in (c)1 above on the Slot Counter Check. The general cashier or slot cashier shall sign the Slot Counter Check as the preparer of the Slot Counter Check, and present the original and all duplicate copies of the Slot Counter Check and the original and duplicate copy of the Request, and the currency, coin and/or slot tokens in the amount of the Slot Counter Check to an accounting or casino security department representative, a slot supervisor (other than the slot supervisor referenced in (c)1 above) if the amount of the Slot Counter Check is less than \$10,000, or a slot shift manager if the amount of the Slot Counter Check is less than \$25,000.

4. The employee receiving the funds and documents in accordance with (c)3 above shall verify the currency, coin and/or slot tokens against the amount recorded on the Slot Counter Check and the Request and, if in agreement, sign the original and duplicate copy of the Request and return the duplicate copy of the Request to the general cashier or slot cashier.

5. The general cashier or slot cashier shall retain the duplicate copy of the Request as evidence of the funds and the Slot Counter Check being received by the employee in accordance with (c)3 above.

6. Once the currency, coin and/or slot tokens has been verified in accordance with (c)4 above, the employee who received the funds shall transport them along with the original and all copies of the Slot Counter Check and the original Request, to the patron in the presence of the slot supervisor referenced in (c)1 above.

7. The employee who transports the funds shall present the original and all duplicate copies of the Slot Counter Check to the patron for signature.

8. Upon receiving the signed original and all duplicate copies of the Slot Counter Check directly from the patron, the employee who transports the funds shall verify the patron's signature on the original Slot Counter Check against the patron's signature on the original Request. If in agreement, the funds shall be immediately given to the patron. In no instance shall the funds be given to the patron prior to the receipt of the signed Slot Counter Check from the patron.

9. Once the patron has received the funds, the slot supervisor referenced in (c)1 above shall sign the back of the accounting copy of the Slot Counter Check as a witness to the transfer of funds to the patron in exchange for the signed Slot Counter Check from the patron. The slot supervisor shall immediately deposit the accounting copy of the Slot Counter Check with the original Request in a locked accounting box for forwarding to the accounting department in conformity with (h) below.

10. The employee who transported the funds shall immediately return the original, redemption, acknowledgment (manual mode only) and issuance copies of the Slot Counter Check to the general casino or slot cashier who issued the funds. The general cashier or slot cashier shall attach the duplicate copy of the Request to the issuance copy of the Slot Counter Check and shall maintain them in his or her imprest fund for forwarding to the main bank or master coin bank cashier at the end of his or her shift.

i. The original, redemption and acknowledgment (manual mode only) copies of the Slot Counter Check, if not issued by the general cashier, shall be expeditiously transported to the cashiers' cage by a security department member or via a pneumatic tube system where the original and redemption copies shall be maintained and controlled by the check bank cashier. If the Slot Counter Check was issued by a general cashier, the general cashier shall expeditiously transport the original, redemption and acknowledgment copies of the Slot Counter Check to the check bank cashier where the original and redemption copies shall be maintained and controlled by the check bank cashier. The acknowledgment copy shall be returned to the general cashier or slot cashier in accordance with either (d) or (e) below.

(d) For establishments in which the chip bank cashier receives the original, redemption and acknowledgment copies of the Slot Counter Check, the chip bank cashier shall sign and time stamp the acknowledgment copy of the Slot Counter Check and expeditiously return it to the general cashier or slot cashier via a security department member or pneumatic tube system and shall transfer the original and

redemption copies of the Slot Counter Check to the check bank cashier in return for properly signed documentation.

(e) For establishments in which the check bank cashier receives the original, redemption and acknowledgment copies of the Slot Counter Check directly from the general cashier or slot cashier, whether directly through the use of the pneumatic tube system or transported by a security department member, the check bank cashier shall:

1. Sign and time stamp the acknowledgment copy and shall transmit it to the general cashier directly or to the slot cashier via a security department member or pneumatic tube system, and shall maintain the original and redemption copies of the Slot Counter Check.

(f) If there is no acknowledgment copy, the check bank cashier shall be responsible for consummating the transaction in the computer upon receipt of the original and redemption copies of the Slot Counter Check.

(g) Once the acknowledgment copy of the Slot Counter Check has been returned to the general cashier or slot cashier, it shall be attached to the issuance copy of the Slot Counter Check and forwarded to the main bank or master coin bank at the end of the cashier's shift.

(h) At the end of the gaming activity each day, at a minimum, the following procedures and requirements shall be observed:

1. The original and all copies of voided Slot Counter Checks and the accounting copy of the Slot Counter Check shall be picked up by a representative of the accounting department with no incompatible functions and returned to the accounting department for agreement, on a daily basis, with the issuance and acknowledgment copies of the Slot Counter Check received from the general cashiers or slot cashiers.

2. The redemption copy of a Slot Counter Check maintained and controlled in conformity with (b)6ii and (c)10i above shall be forwarded to the accounting department subsequent to the redemption, consolidation or deposit of the original Slot Counter Check for agreement with the accounting and issuance copies of the Slot Counter Check or stored data.

New Rule, R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1995 d.625, effective December 4, 1995.

See: 27 N.J.R. 3311(a), 27 N.J.R. 4914(a).

Amended by R.1998 d.267, effective June 1, 1998.

See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).

In (b)1i, substituted "signature" for "original signature, or a computer generated facsimile thereof," in the first sentence, and substituted references to signature files for references to credit files throughout the introductory paragraph.

Amended by R.2003 d.118, effective March 17, 2003.

See: 34 N.J.R. 3943(a), 35 N.J.R. 1429(b).

In (c), rewrote the second sentence in 3 and substituted references to employee who receives and transports the funds for accounting or security department representative throughout.

Cross References

Casino licensee's right to apply chips, plaques, slot tokens or prize tokens presented by a patron towards redemption of patron's slot counter checks, see N.J.A.C. 19:46-1.5 and N.J.A.C. 19:46-1.35.

19:45-1.26 Substitution, redemption and consolidation of patron checks at the cashiers' cage; initiation of transactions by mail

(a) The drawer of an undeposited Counter Check or Slot Counter Check may use a personal check to substitute for or partially redeem such Counter Check or Slot Counter Check or to consolidate two or more undeposited Counter Checks or Slot Counter Checks if the personal check is drawn on an account which has been verified pursuant to N.J.A.C. 19:45-1.27, complies with the requirements of N.J.A.C. 19:45-1.25(b) and (c), and is deposited or redeemed in accordance with the requirements of N.J.S.A. 5:12-101 and this chapter.

1. For purposes of this chapter, a personal check which is used by a drawer in a substitution, partial redemption or consolidation transaction shall be referred to as a "replacement check."

2. The drawer of an undeposited replacement check may use another replacement check in a substitution, consolidation or partial redemption transaction involving the original replacement check.

(b) The drawer of an undeposited patron check may redeem it:

1. In its entirety by exchanging cash, cash equivalents, complimentary cash gifts, casino checks, casino affiliate checks, annuity jackpot trust checks, slot tokens, gaming chips or gaming plaques in an amount equal to the amount of the patron check being redeemed; or

2. In part by exchanging:

i. Another patron check in a lesser amount; and

ii. Cash, cash equivalents, complimentary cash gifts, casino checks, casino affiliate checks, annuity jackpot trust checks, slot tokens, gaming chips or gaming plaques in an amount which equals the difference between the amount of the check exchanged in (b)2i above and the amount of the patron check being partially redeemed.

(c) If a drawer has more than one undeposited patron check outstanding, such checks shall be redeemed in reverse chronological order (the most recently dated patron check shall always be redeemed first).

1. If more than one patron check bears the same date, the drawer may choose the order in which to redeem the identically dated checks.

2. If, pursuant to its internal controls, a casino licensee does not require a patron check used in a substitution, consolidation or partial redemption transaction to be dated with the date of the initial patron check being substituted, consolidated or partially redeemed, then the date of the initial patron check, and not the date of the replacement, consolidation or partial redemption check, shall be used to determine the order in which outstanding patron checks shall be redeemed.

(d) The drawer of a patron check may consolidate some or all undeposited patron checks by exchanging another patron check in an amount equal to the total amount of the outstanding patron checks being consolidated.

(e) Except as otherwise provided in this section, N.J.A.C. 19:45-1.26A, 19:46-1.5(g) and 1.35(d), all consolidations, total or partial redemptions or substitutions of patron checks shall be initiated by the drawer of the patron check and processed by a general cashier at a cashiers' cage or a satellite cage. Consolidation, redemption or substitution of personal checks exchanged for nongaming purposes pursuant to N.J.A.C. 19:45-1.25(d) shall not be allowed.

(f) Notwithstanding (e) above, the drawer of one or more outstanding patron checks may initiate a redemption, substitution or consolidation transaction by mailing an authorized instrument to the casino licensee, provided that the casino licensee complies with all relevant provisions of this section, N.J.A.C. 19:45-1.25, 1.26A, 1.27, 1.28 and its approved internal controls, which internal controls shall, at a minimum, include:

1. Procedures requiring that any authorized instrument received by the casino licensee through the mail be forwarded directly to the casino accounting department, which department shall maintain oversight of the transaction at all times and shall record the receipt of the authorized instrument, including, without limitation:

i. The date that the authorized instrument is received;

ii. The name of the drawer;

iii. The amount and type of any payment received and, if applicable, the check number of any replacement check received; and

iv. The signature of the casino accounting department employee who receives the authorized instrument;

2. The notation of the transaction in the patron's credit file including, without limitation, the specific terms of any oral instructions or a copy of any written instructions from the patron concerning the intended use of the authorized instrument;

3. Procedures governing the verification and processing of the authorized instrument including, where appropriate, its transfer to the check bank;

4. A method of documenting and processing the receipt of payments toward the total or partial redemption of a patron check in accordance with N.J.A.C. 19:45-1.26A, if the authorized instrument received is insufficient to effectuate a requested redemption; and

5. Procedures for the return of the original patron check to the drawer in accordance with (i) below if the transaction results in a substitution, consolidation or redemption.

(g) No casino licensee or any other person licensed under the Act, or any other person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Act, shall accept any patron check in redemption, consolidation or substitution of any patron check for the purpose of avoiding or delaying the deposit of a patron check in a bank for collection or payment within the time periods specified in N.J.A.C. 19:45-1.28.

(h) Upon completion of a redemption, consolidation or substitution transaction pursuant to this section, the general cashier shall return any original patron check being redeemed, consolidated or substituted to the drawer in accordance with the requirements in (i) below. If the redemption, consolidation or substitution of a patron check is accomplished by the acceptance of another patron check, the general cashier accepting the new patron check shall date and time stamp the new check, place his or her initials on the new check, and record on the new check the serial number of any Counter Check, Slot Counter Check or replacement check being redeemed, consolidated or substituted. The new patron check shall be dated with the date of the initial patron check being redeemed, consolidated or substituted unless the internal controls of the casino licensee include an independent procedure to ensure that the date of the initial patron check shall be used to determine the date by which the new patron check shall be redeemed or deposited pursuant to N.J.A.C. 19:45-1.28.