

MISSOURI GAMING COMMISSION
MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U – CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

CONTENTS

<u>Section</u>	<u>Page</u>
§ 1. Definitions	U-2
§ 2. General	U-4
§ 3. Criteria for Electronic Gaming Devices	U-8
§ 4. Promotional Accounts	U-9
§ 5. Wagering Accounts	U-10
§ 6. Bonusing Systems	U-12

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

§ 1 Definitions

- 1.01 Application(s): Include all purchased and custom applications, including external (Web) applications.
- 1.02 Attendant Paid External Bonus Payout: The total value of cashable credits electronically awarded by an external bonusing system, which are paid by an attendant and are uniquely metered by the EGD.
- 1.03 Bonusing System: A system, functionally independent of Electronic Gaming Devices (EGDs), that electronically communicates system bonuses to participating EGDs and is not utilized in the calculation of Return to Player for theoretical payback.
- 1.04 Cashable Electronic Promotion In (CEP In): The total value of cashable credits electronically transferred to the EGD from a promotional account by means of an external connection between the EGD and a cashless wagering system.
- 1.05 Cashable Electronic Promotion Out (CEP Out): The total value of cashable credits electronically transferred from the EGD to a promotional account by means of an external connection between the EGD and a cashless wagering system.
- 1.06 Cashless Systems: Permit patrons to wager at EGDs or other devices approved by the Missouri Gaming Commission (MGC), through the use of electronic card(s) which activate access to wagering and/or promotional accounts. Wagering account funds, player reward credits or promotional giveaway credits are requested for transfer through the use of an electronic card, followed by a successful confirmation through a secure, patron-initiated verification process or other methodologies approved in writing by the MGC. The funds, reward credits, or giveaway credits are then eligible for electronic transfers between the cashless system and EGDs through an encrypted communication protocol approved by the MGC.
- 1.07 Machine Paid External Bonus Payout: The total value of cashable credits electronically awarded by an external bonusing system, which are paid to and are uniquely metered by the EGD.
- 1.08 Non-Cashable Electronic Promotion In (NCEP In): The total value of non-cashable credits electronically transferred to the EGD from a promotional account by means of an external connection between the EGD and a cashless wagering system.
- 1.09 Non-Cashable Electronic Promotion Out (NCEP Out): The total value of non-cashable credits electronically transferred from the EGD to a promotional account

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

- by means of an external connection between the EGD and a cashless wagering system.
- 1.10 Promotional Account: A patron account enabled to allow the direct electronic transfer of promotional giveaway credits, player reward credits, or other source of credits approved by the MGC to an EGD. Transfers use the EGD electronic promotion (i.e., CEP, NCEP) metering methodology to record activity.
- 1.11 Promotional System(s): A collection of files deemed critical by an MGC licensed independent testing laboratory, which electronically transfers credits bi-directionally between any promotional account and EGD through the use of a Cashless system. These credits shall be metered as non-cashable or cashable promotional credits (i.e., NCEP or CEP).
- 1.12 Promotional Giveaway Credits: Credits based on predefined criteria outlined by the rules of the promotion, where the patron provides no consideration and there is no chance or skill involved in the attainment of the credits.
- 1.13 Player Reward Credits: Credits earned by patrons and increment with play based on predetermined formulas (e.g. player reward points).
- 1.14 Server(s): Include, but are not limited to, Web, database, authentication, Domain Name Service (DNS), mail, proxy and Network Time Protocol (NTP).
- 1.15 Slot Machine Interface Board (SMIB): Include, but are not limited to, interface device(s) which permits the host Cashless system to communicate to EGDs.
- 1.16 System Bonus: Is an award external to the gambling game, in the form of cashable credits added directly to the EGD credit meter, triggered by a random event as the result of a wager.
- 1.17 Wagering Account: A patron account enabled to allow the electronic transfer of the patron's funds to an EGD. The source of funds may come from winnings at the game, money deposited, or other method approved by the MGC. Transfers use the EGD Wagering Account Transfer (WAT) metering methodology to record activity.
- 1.18 Wagering Account Transfer In (WAT In): The total value of cashable credits electronically transferred to the EGD from a wagering account by means of an external connection between the EGD and a cashless wagering system.
- 1.19 Wagering Account Transfer Out (WAT Out): The total value of cashable credits electronically transferred from the EGD to the wagering account by means of an external connection between the EGD and a cashless wagering system.

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

§ 2 General

- 2.01 The Cashless and Promotional systems rules as stated in this chapter do not apply to systems where the Class B Licensee has provided written documentation to the MGC stating its player reward credits and promotional giveaway credits cannot be downloaded to an EGD or any component or peripheral thereof.
- 2.02 Cashless, Promotional, and Bonusing systems shall meet the applicable Gaming Laboratory International (GLI) technical standards (or their equivalent as approved by the MGC) and Missouri statutes, regulations, and Minimum Internal Control Standards.
- 2.03 All aspects of the Cashless and Bonusing systems, including all hardware and software utilized therein, shall be subject to testing by the MGC, an independent testing laboratory, or consulting firm authorized by the MGC. All Cashless and Bonusing systems shall be reviewed and approved by the MGC prior to and following implementation, prior to any changes thereto, or at any other time the MGC deems appropriate, the cost for which shall be borne by the Class B Licensee.
- 2.04 The Class B Licensee shall provide MGC personnel training, to the MGC's satisfaction, prior to implementation of Cashless, Promotional, or Bonusing systems and following any significant changes thereto. Training shall be conducted at a location to be determined by the MGC as optimal, the cost for which shall be borne by the Class B Licensee.
- 2.05 The manufacturers of the Cashless, Promotional, and Bonusing systems shall be responsible for providing, in a format acceptable to the MGC, electronic training modules denoting interrelationships between EGDs and associated hardware/software to the systems. Subject matter expert(s) may be requested for training as determined necessary by the MGC. All costs associated with providing personnel and associated equipment shall be borne by the manufacturer.
- 2.06 All files which are deemed to be crucial for the proper operation of Cashless, Promotional, and/or Bonusing functionality by an MGC licensed independent testing laboratory shall be designed to permit an on-demand, independent integrity check and shall be approved for use by an MGC licensed independent testing laboratory. The integrity check (i.e., authentication process) shall be accomplished by utilizing an MGC approved, external third-party verification tool.
- 2.07 If any part of the casino gaming floor has Cashless, Promotional, and/or Bonusing features enabled, the Class B Licensee shall ensure a prominent and conspicuous notice is located on the EGDs denoting which EGDs have these features enabled or which EGDs do not have these features enabled. Alternatively, if all EGDs on the Class B Licensee's gaming floor have these features enabled, a prominent and

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

conspicuous notice may be placed at all entrances to the gaming floor in lieu of notices on individual EGDs. At a patron's request, the Class B Licensee shall provide printed information outlining information necessary to participate in the Cashless, Promotional, and/or Bonusing system environment.

- 2.08 Cashless and Promotional system central servers shall possess sufficient high availability features and employ redundancy techniques to prevent loss of data. The Class B Licensee shall submit written detailed topology layout, rapid recovery strategies and failover procedures to the MGC EGD department.
- 2.09 Cashless and Promotional systems in use at the licensee's facility shall perform the following minimum functions:
- (A) Prohibit monetary transfers between patron accounts;
 - (B) Ensure all patron accounts are solely owned and accessed by one account number and one unique identifier per patron;
 - (C) Prohibit external Electronic Funds Transfers (EFTs) between financial institutions and the Cashless system;
 - (D) Prohibit the ability to place a wager directly at an EGD by the means of an external Electronic Funds Transfer (EFT) to an EGD through the use of a credit card or other external debit instrument(s);
 - (E) Institute measures that prohibit ANY extension of credit;
 - (F) Possess the ability to flag accounts; and
 - (G) Allow no more than three failed PIN entry attempts prior to locking the patron's account, which would require verification of the patron's valid government-issued photo identification prior to unlocking the account.
- 2.10 An integrity check of all file(s) deemed critical by the MGC for the operation of the Cashless, Promotional, or Bonusing systems shall be executed no less than every 24 hours. Results of the integrity check shall be logged and maintained for at least one year. Should the system integrity check(s) fail, a notification shall be sent to the Class B Licensee designee, as noted in the Internal Control System, and the MGC shall be immediately notified.
- 2.11 The Class B Licensee shall only allow patrons to establish wagering and promotional account(s) at a ticketing location. Only ticketing employees are authorized to activate accounts. Ticketing employees shall not perform any cash or chip transactions. In order to establish a patron account the Class B Licensee shall:
- (A) Require patrons to present valid government-issued photo identification;
 - (B) Verify the photo on the identification matches the physical characteristics of the patron presenting the photo identification; and
 - (C) The patron shall independently and confidentially, through the use of a shadow box or other MGC approved method, enter a secure PIN a minimum of two times. The two PINs shall successfully match.

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

- 2.12 The Class B Licensee shall perform the following minimum functions when “resetting” a patron’s PIN:
- (A) The ticketing supervisor, who does not have the ability to adjust points and account balances, shall confirm the patron’s valid government-issued photo identification matches the physical characteristics of the person presenting the identification and respective fields (i.e., name, date of birth, photo identification type, and number) in the Cashless system; and
 - (B) The patron will be required to independently and confidentially, through the use of a shadow box or other MGC approved method, enter the “reset” (e.g., PIN) information a minimum of two times. All reset information shall successfully match.
- 2.13 The Class B Licensee shall ensure the Cashless, Promotional, and Bonusing systems in use at the licensee’s facility perform the following minimum functions to control system operations:
- (A) Validate the identity of those devices from which a transmission is received;
 - (B) Monitor data for complete and accurate transmission; and
 - (C) Detect the presence of corrupt or lost data packets and, as necessary, rejects the transmission.
- 2.14 Should the Class B Licensee choose to configure a test environment off the gaming floor for training or testing purposes, the licensee shall submit detailed written correspondence to the MGC for approval. The Class B Licensee shall establish control procedures to ensure:
- (A) Live production data (i.e., actual patron accounts) are not utilized for training or testing purposes;
 - (B) Adequate controls for removal of all accounts and liability;
 - (C) Each individual participating in the test is assigned a uniquely identifiable account number which permits reconciliation;
 - (D) The training/testing environment has restricted access acceptable to the MGC;
 - (E) All ingress and egress to the testing area is documented and maintained until the training/testing environment is removed;
 - (F) A physically or logically segregated network is utilized between the test and production environments; and
 - (G) All controlled modules are approved for use in the State of Missouri, unless otherwise approved in writing by the MGC.
- 2.15 The Class B Licensee shall maintain all transactions in the Cashless, Promotional, and Bonusing system for a period of not less than 90 days from the date of the transaction, except for wagering account liability transactions. Any records

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

- removed from the system after 90 days shall be stored and controlled in an easily accessible manner approved by the MGC, consistent with the requirements of 11 CSR 45-8.
- 2.16 The Class B Licensee shall utilize the following formula for computing Adjusted Gross Revenue (AGR): [(Bill Drop + Ticket Drop + Coupon Drop) + (WAT In + CEP In + NCEP In)] – [(WAT Out + CEP Out + NCEP Out) + (Hand Pays + Online Tickets Issued by EGDs Only)]. Hand pays include cancelled credits, jackpots, and attendant paid external bonus payouts.
- 2.17 If online access is provided for patrons to view their account balances or transaction histories from the Cashless and/or Promotional system, physical or logical restrictions shall exist to provide independent operation from the Cashless system.
- 2.18 The Class B Licensee shall, on each gaming day, in an MGC approved format, prepare a meter comparison report for all EGDs with Cashless, Promotional, or Bonusing options enabled. The reports will compare the Cashless (i.e., WAT In, WAT Out, CEP In, CEP Out, NCEP In, and NCEP Out) and Bonusing (i.e., machine paid external bonus payout and attendant paid external bonus payout) deltas of the EGD internal soft meters with the meter deltas of the respective system. The EGD soft meter deltas may be obtained by manually recording the values at the EGD, or by polling the EGD using the respective system. Any meter variance between the deltas of the EGD and the respective system shall be reconciled prior to filing the daily tax transmittal with the MGC. Transaction detail reports or other tools shall be used to investigate the cause of the variance. If it is determined that an adjustment must be made to ensure the AGR calculations are correct, an appropriate adjustment shall be made by an Accounting employee to correct the system reports. The adjustment must be documented and maintained. The documentation shall indicate who made the adjustment and the amount of the adjustment. The original daily electronic drop reports listing any variances, the transaction detail reports used to investigate the variances, and any corresponding adjustments to correct the variances shall all be maintained as source documentation to support the daily tax remittal. The MGC EGD department shall be notified of any variance and the results of the investigation by the end of the next gaming day.
- 2.19 Any EGD exhibiting meter variances (i.e., CEP In, CEP Out, NCEP In, NCEP Out, WAT In, WAT Out, machine paid external bonus payout, or attendant paid external bonus payout) for three consecutive days shall be removed from service. Once the malfunction has been identified and repaired the EGD may be placed back into service. The Class B Licensee shall submit a detailed report to the MGC EGD department annotating the malfunction and the corrective action steps.
- 2.20 The Class B Licensee shall ensure the MGC is provided at least 30 days advanced written notice of any proposed programming changes or upgrades to critical files

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

of an existing Cashless, Promotional, and Bonusing system through submission of an Missouri Gaming Commission System Upgrade Form (SUF). The SUF is available on the MGC EGD website at <https://www.mgc.dps.mo.gov/egd>.

§ 3 Criteria for Electronic Gaming Devices

- 3.01 EGDs participating in the Cashless environment shall possess a single 100 event log by transaction type which provides an audit trail for WAT In, WAT Out, CEP In, CEP Out, NCEP In and NCEP Out or provide a combined 35 event log for all cashless transfers that increment the aforementioned in-meters and a 35 event log for all cashless transfers that increment the aforementioned out-meters. The EGD shall provide the following information by transaction, accessible through the attendant menu:
- (A) Type of transaction;
 - (B) The monetary value of the transaction;
 - (C) The time and date of the transaction; and
 - (D) A unique transaction number, which shall be utilized to authenticate the source of funds.
- 3.02 EGDs participating in the Bonusing environment shall possess a log history for the last 35 events for monetary transactions received from the external bonus system or possess a single 100-event log for cashless, promotional and bonus transfers. Bonus transfers shall increment the machine paid external bonus payout or attendant paid external bonus payout meters. The EGD shall provide the following information by transaction, accessible through the attendant menu:
- (A) The type of transaction;
 - (B) The monetary value of the transaction; and
 - (C) The time and date of the transaction.
- 3.03 EGD Critical Program Storage Media (CPSM) to be used with Cashless and/or Bonusing systems shall be approved for use in Missouri and shall be annotated on the Missouri Cashless Approved Report.
- 3.04 The MGC shall be provided, free of charge, forensic tool(s) which permit the recovery of non-volatile memory of EGDs approved for use with the Cashless system. Such recovery techniques shall be satisfactory to the MGC.
- 3.05 If NCEP credits are co-mingled with cashable credits on one credit meter at an EGD, the EGD shall wager the NCEP funds first.
- 3.06 EGDs participating in the Cashless system shall, at the EGD level, display the relevant informational message whenever any patron-initiated transaction (WAT, CEP, NCEP) occurs. During the transaction, the EGD shall possess bi-directional communication and “lock” until the transfer is confirmed.

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

- 3.07 EGDs participating in the Bonusing system shall, at the EGD level, display a clear message indicating a bonus has been won. During the transaction, the EGD shall possess bi-directional communication until the bonus award is confirmed.

§ 4 Promotional Accounts

- 4.01 Upon card out, all non-wagered NCEP credits shall be uploaded to the patron's promotional account for future use. NCEP credits shall not remain on the EGD credit meter following a card out. Should the Cashless system become inoperable, the Class B Licensee shall in the Internal Control System establish procedures for handling non-wagered NCEP credits.
- 4.02 Promotional giveaway credits established in the promotional system shall comply with 11 CSR 45-5.181. Class B Licensees offering multi-jurisdictional promotional giveaway credits to patrons shall provide all records related to the promotional giveaway credits to the MGC upon request. Multi-jurisdictional downloadable player reward credits are prohibited, unless approved in writing by the MGC.
- 4.03 Should the Class B Licensee elect to utilize a Promotional system, in addition to all other requirements of this section and consistent with the provisions of 11 CSR 45-5.181, the licensee shall comply with the following standards:
- (A) All credits shall be converted into CEP or NCEP credits when placed in the patron's promotional account. The system shall provide fair notice to the patron the type of credits that are awarded;
 - (B) The system shall prompt the patron to enter his/her PIN prior to displaying the amount of the credits;
 - (C) Any disclaimers and rules for the promotional credits shall be clearly displayed to the patron (e.g., promotion expiration); and
 - (D) If any communication errors are present, there shall be a message to notify the patron of the inability to participate with the system.
- 4.04 The addition of promotional giveaway credits (i.e., CEP and NCEP) to an individual patron's account, at anytime other than when a previously approved promotion that is in compliance with 11 CSR 45-5.181, is being initially loaded into the system, shall be issued only by occupational licensees as designated in the Internal Control System. Only these authorized job positions shall have system access to perform this function. The issuance of these credits shall be documented, including the patron's name, patron's account number, the amount of the credits, the explanation for the issuance, and the name of the individual issuing the credits. A daily report shall be generated from the system listing all of the additions, including the required information. The Accounting department shall conduct a daily audit of these additions to verify that all of the required information is present and to detect any additions that exceed a monetary threshold or a specified amount of credits, as set forth and approved in the

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

Internal Control System. Additionally, should more than six additions occur to an individual patron's account within a gaming week, an investigation shall be conducted by the end of the following gaming week to ascertain the legitimacy of the transactions. The results of the investigation shall be documented.

- 4.05 Any manual adjustments of player reward credits (i.e., CEP and NCEP) to an individual patron's account shall only be performed by occupational licensees as designated in the Internal Control System. Only these authorized job positions shall have system access to perform this function. These adjustments shall be documented, including the patron's name, patron's account number, the amount of the adjustment, the explanation for the adjustment, and the name of the individual performing the adjustment. A daily report shall be generated from the system listing all of the adjustments, including the required information. The Accounting department shall conduct a daily audit of these adjustments to verify that all of the required information is present and to detect any adjustments that exceed a monetary threshold or a specified amount of points, as set forth and approved in the Internal Control System. Additionally, should more than six adjustments occur to an individual patron's account within a gaming week, an investigation shall be conducted by the end of the following gaming week to ascertain the legitimacy of the transactions. The results of the investigation shall be documented.
- 4.06 The Class B Licensee shall be responsible for all promotional giveaway credits and player reward credits placed in a patron's promotional account. Once placed in a patron's promotional account, a Class B Licensee may only remove those promotional giveaway credits and player reward credits when they have expired or have been redeemed, in accordance with the established rules of the promotion, or with MGC approval.

§ 5 Wagering Accounts

- 5.01 The Cashless system in use at the Class B Licensee's facility shall possess the ability to configure the maximum wager account balance.
- 5.02 Should a patron dispute a wagering account balance in writing, the Class B Licensee shall immediately disable the account. The account shall remain disabled until the dispute is resolved. The on-duty MGC agent shall be notified of any dispute which cannot be resolved within 24 hours.
- 5.03 The Class B Licensee shall, upon patron request with proper identification, provide the patron immediate on-demand access to his/her 30-day wagering transaction history. If the patron requests additional transaction history beyond the 30 days, the Class B Licensee shall provide the information within seven calendar days. The report shall include the:

- (A) Last four digits of the account number and the patron's last name;

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

- (B) Class B Licensee name, city, and state at which the report was generated;
 - (C) EGD location number or kiosk location, at which the transaction(s) occurred;
 - (D) Detailed transaction history that occurred; and
 - (E) Summary balance of each account.
- 5.04 The Class B Licensee shall ensure the Cashless system(s) restricts patron wagering accounts to the property at which the account was originally established, prohibiting transfers of any wagering account balances between properties.
- 5.05 The Class B Licensee shall immediately notify the MGC agent on duty of any:
- (A) Incident of a suspicious transaction(s) involving WAT; and
 - (B) Evidence that an electronic card has been counterfeited, tampered with, or altered in any way which would affect the integrity or suitability of the card.
- 5.06 The Class B Licensee shall maintain a record of wagering account liability transactions, which shall be stored in the Cashless system for not less than two years from the last date of account activity, provided that:
- (A) Any account liability archived from the Cashless system shall be stored and controlled in a manner approved by the MGC, consistent with the provisions of 11 CSR 45-8;
 - (B) The withdrawal of any patron account funds for which the record has been archived from the Cashless system shall require that, prior to withdrawal, the patron account data be reloaded into the system and patron identification be verified to the Cashless system player account data; and
 - (C) Any patron account which is abandoned or unclaimed shall be disposed of in accordance with sections 447.500 through 447.595, RSMo.
- 5.07 The Class B Licensee utilizing wagering account transfers shall in the Internal Control System establish “terms and/or conditions” (Notice) for patron accounts prior to activating the Cashless system modules. Patrons participating in the Cashless system shall receive a copy of the Notice upon the establishment of an account. The Notice, at a minimum, as applicable, shall include the disclosures outlined in the Electronic Code of Federal Regulations (E-CFR) Title 12 § 205.7, et seq. Should the Class B Licensee revise or change the Notice, all Cashless account holders shall receive an updated Notice at least 30 days before its effective date.
- 5.08 A wagering account shall only be archived after one year or more of inactivity.
- 5.09 The Class B Licensee shall evaluate records to determine whether the currency transactions for a patron in gaming day exceed \$5,000 for possible fund structuring subject to FinCEN regulations. The Internal Control System shall

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

- include the procedures used by the Class B Licensee to evaluate these transactions and indicate which department is responsible for performing these procedures.
- 5.10 The Class B Licensee shall establish procedures to ensure wagering account funds are only deposited and withdrawn from EGDs or devices approved by the MGC. These transactions shall not be performed by casino personnel except as applicable to the employee's job requirement to perform functional testing/troubleshooting.
- 5.11 The Class B Licensee shall maintain a restricted account of minimum reserve to fully fund the present value of all wagering account outstanding balances. The restricted account shall be consistent with the provisions of 11 CSR 45-8.150.
- 5.12 The Class B Licensee shall provide patrons participating in the Cashless environment an opportunity to establish a "Pay On Death" (POD) designee for wagering accounts. The patron shall, at any time, have the ability to cancel or change the designee. Upon death of the patron, the designee shall provide to the licensee a certificate of death issued by the official registrar of the state in which the death occurred. The designee shall present a valid government-issued photo identification prior to the licensee surrendering the Cashless account balance and retaining a copy of the proof of death. Should the patron choose not to establish a POD, the balance of the patron's account shall be disposed of in accordance with sections 447.500 through 447.595, RSMo. All POD claims on a patron's account shall require notification to the on-duty MGC Agent prior to issuance.
- 5.13 Adjustments to wagering accounts other than from deposits or withdrawals shall be issued and authorized only by occupational licensees as designated in the Internal Control System. The adjustments made to wagering accounts shall be documented including the patron's name, patron's account number, the amount of the transaction, the explanation for the adjustment, and the name of the individual issuing/authorizing the adjustment. A daily report shall be generated from the system listing all of the adjustments, including the required information. The Accounting department shall conduct a daily audit of these adjustments to verify that all of the required information is present and to detect any unusual adjustments. Additionally, should more than one adjustment occur to an individual patron's account within 30 days, the MGC EGD department shall be notified within 24 hours.

§ 6 Bonusing Systems

- 6.01 If a wager is not required to trigger participation for an award, the award shall not be considered a system bonus and therefore, any payouts resulting from that award shall not be deducted from AGR.
- 6.02 Bonusing system awards shall not be utilized when calculating the theoretical payback percentage of individual EGDs. Bonusing system awards may be

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U - CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

- included in the actual aggregate payout percentage posted at the Class B Licensee's facility, as required by 11 CSR 45-5.070.
- 6.03 If a bonus payout causes the EGD to lock up, the bonus shall be paid using established hand-paid jackpot payout procedures or if applicable, override procedures.
- 6.04 At the conclusion of each bonusing life cycle, Accounting shall run system reports to determine whether the bonus(es) was awarded as required by the rules of the bonusing campaign. If a bonus fails to be awarded, the MGC EGD department shall be notified within 24 hours.
- 6.05 Bonusing campaigns shall not be multi-jurisdictional.

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