



WEST VIRGINIA SECRETARY OF STATE

MAC WARNER

ADMINISTRATIVE LAW DIVISION

eFILED

4/6/2021 1:10:45 PM

Office of West Virginia
Secretary Of State

**NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED
BY THE WEST VIRGINIA LEGISLATURE**

AGENCY: Lottery Commission

TITLE-SERIES: 179-10

RULE TYPE: Legislative Amendment to Existing Rule: No Repeal of existing rule: No

RULE NAME: West Virginia Interactive Wagering Rule

CITE STATUTORY AUTHORITY: W.Va. Code §29-22E-4(c), W.Va. Code §29-22A-1 et seq., and W.Va. Code §29A-3-15

The above rule has been authorized by the West Virginia Legislature.

Authorization is cited in (house or senate bill number) SB 160

Section W.Va. Code §64-7-5 Passed On 3/23/2021 12:00:00 AM

This rule is filed with the Secretary of State. This rule becomes effective on the following date:

April 6, 2021

This rule shall terminate and have no further force or effect from the following date:

August 01, 2026

BY CHOOSING 'YES', I ATTEST THAT THE PREVIOUS STATEMENT IS TRUE AND CORRECT.

Yes

Allen R Prunty -- By my signature, I certify that I am the person authorized to file legislative rules, in accordance with West Virginia Code §29A-3-11 and §39A-3-2.

TITLE 179
LEGISLATIVE RULE
WEST VIRGINIA LOTTERY

SERIES 10
WEST VIRGINIA LOTTERY INTERACTIVE WAGERING RULE

§179-10-1. General.

1.1 Scope and Purpose. -- The purpose of this legislative rule is to clarify and provide regulations that the Commission considers necessary for the successful implementation, administration, and enforcement of the West Virginia Lottery Interactive Wagering Act codified in W.Va. Code §§29-22E-1 *et seq.*

1.2. Authority. -- W.Va. Code §29-22E-4(c), W.Va. Code §29-22A-1 *et seq.*, and W.Va. Code §29A-3-15.

1.3. Filing Date. -- April 6, 2021.

1.4. Effective Date. -- April 6, 2021.

1.5. Sunset Provision. -- This rule shall terminate and have no further force or effect upon August 1, 2026.

§179-10-2. Definitions.

The following words and terms, when used in this rule, shall have the following meanings unless the context clearly indicates otherwise:

2.1. "Account Creation Log" means a cumulative data set where each entry is date and time stamped and it identifies each newly created account or any account deletion. An Account Creation Log includes all information necessary to identify who performed the action and the identity of the patron.

2.2. "Act" means the West Virginia Lottery Interactive Wagering Act, W.Va. Code §29-22E-1 *et seq.*

2.3. "Adjustments Log" means a cumulative data set where each entry is date and time stamped, identifies the user ID of the staff performing the action, a description of the event or action taken, and the initial (before) and final (after) values of any data altered as a part of the event or action taken.

2.4. "Anti-Money Laundering (AML)" means systems or processes to detect suspicious transactions or activities concealing the origins of money obtained illegally.

2.5. "Authentication process" means a method used by a system to verify the validity of software. Such method requires the calculation of an output digest, which is compared to a secure embedded value. The output digest shall be of 128-bit complexity, at a minimum. Software shall be deemed to have been authenticated if the calculated digest equals the secure embedded value.

2.6. "Authorized interactive game" means any game authorized by the Commission for use with an interactive gaming system.

2.7. "Automated Clearing House (ACH)" means a network that connects all banking and financial institutions within the United States.

2.8. "Backup Data" means off system storage of programs and data that can be restored to resume operations in another location by installation of new hardware and operating system software.

2.9. "Cheating device" means a device, software, or hardware used or possessed with the intent to obtain an unfair advantage through fraud or deceit during the operation or play of any authorized interactive game. The term also includes any device used to alter an authorized interactive gaming or interactive gaming device or system without the interactive gaming operator's or interactive gaming management services provider's approval.

2.10. "Communication technology" means any method used as well as the components employed to facilitate the transmission and receipt of information, including transmission and reception by systems using wire, wireless, cable, radio, microwave, light, fiber optics, satellite or computer data networks, including the internet and intranets.

2.11. "Confidential Player Account Information" means player account balances and any personally identifiable information (PII) contained within the interactive gaming system.

2.12. "Content Delivery Network" means a geographically distributed network of servers and their data centers.

2.13. "Contest" means an authorized interactive game competition among players for cash, cash equivalents or prizes.

2.14. "Customer Service Representative" means an employee of an interactive gaming operator, management services provider or a supplier who has access to confidential player account information and has the ability to modify or adjust account data or PII.

2.15. "Data warehouse" means a system of one or more servers, located in West Virginia, for the purpose of storing transactions received from the primary gaming equipment.

2.16. "Deposit Account" means the financial instrument by which a patron originally funds their interactive gaming account.

2.17. "Director" means the Director of the West Virginia State Lottery Commission, appointed pursuant to W.Va. Code §29-22-6.

2.18. "Dormant account" means an interactive gaming account, which has had no patron initiated activity for a period of sixteen (16) months.

2.19. "Funds on game" means the sum of pending wagers and funds transferred to a game not yet wagered, less pending wins.

2.20. "Game Availability Log" means a cumulative data set in which each entry is date and time stamped and documents the identification of the software program and the identity of the person making the change for each software program that is included in the principal gaming system.

2.21. "Game server" means the server that contains game software and control programs.

2.22. "Hardened System" means designing a system architecture whereby key servers/processes are duplicated and synchronized together to provide fault tolerance and minimize single points of failure. An example includes the use of duplicate Structured Query Language (SQL) servers that are synchronized, in the event of a failure control can be switched to the other server(s) in near real time.

2.23. "Interactive gaming" means, in addition to the definition set forth in W.Va. Code §29-22E-3(17), the placing of wagers through a server-based gaming system using a computer network of interoperable packet switched data networks through which the operator may offer authorized interactive games to a patron who has established an interactive gaming account. Interactive gaming can be used with an Android or IOS device using an application ("App") or through an internet web browser on any supported device using software such as, but not limited to, Internet Explorer, Firefox and Google Chrome. "Interactive gaming" is synonymous with "i-Gaming."

2.24. "Interactive gaming account" means a financial record established by an operator or its management services provider for an individual patron in which the patron may deposit and withdrawal funds for interactive gaming and to which the operator or its management services provider may credit winnings or other amounts due to that patron or authorized by that patron.

2.25. "Interactive gaming management services provider" means an interactive gaming licensee authorized to operate interactive gaming on behalf of or in partnership with an interactive gaming operator. "Interactive gaming management services provider" is synonymous with "management services provider" or "MSP."

2.26. "Interactive gaming manager" means an employee(s) of an interactive gaming operator or management services provider who is responsible for the oversight and reporting of interactive gaming at a licensed gaming facility.

2.27. "Interactive gaming network" means the linking of patrons of one or more interactive gaming operators to participate in peer-to-peer gaming.

2.28. "Interactive gaming operator" means a licensed gaming facility that has elected to operate authorized interactive gaming activities or an interactive gaming system on its own or in partnership with an interactive gaming management services provider. An "interactive gaming operator is synonymous with "operator."

2.29. "Interactive gaming system" means all hardware, software, and communications that comprise a type of server-based gaming system for the purpose of offering authorized interactive games.

2.30. "MICS" means the Minimum Internal Control Standards established by the Commission pursuant to W.Va. Code §29-22E-15(e) that determine how interactive gaming systems are to be designed, operated and controlled.

2.31. "Multi-factor authentication" means a type of strong authentication that uses two of the following to verify a patron's identity:

2.31.1. Information known only to the patron, such as a password, pattern, or answers to challenge questions;

2.31.2. An item possessed by a patron such as an electronic token, physical token or an identification card; or

2.31.3. A patron's biometric data, such as fingerprints, facial or voice recognition.

2.32. "Patron device" means any device that is used to interact with a gaming system for the purpose of conducting server-based gaming activity.

2.33. "Patron session" means the period of time when a patron is logged on to an interactive gaming system.

- 2.34. "Peer-to-peer gaming" means all gaming activity, such as poker, in which patrons compete against each other, and the interactive gaming operator receives a rake.
- 2.35. "Pending wager account" means the account maintained by a server-based gaming system that holds the total balance of all wagers pending disposition and all other funds attributable to uncompleted games.
- 2.36. "Personally identifiable information" or "PII" means any data that could potentially be used to identify a particular person. Examples include, but are not limited to, a full name, Social Security Number, driver's license number, birth date, age, bank account number, credit card number, debit card number, and email address. Generally two or more of these can identify a specific person depending on the uniqueness of the identifiers within a specific geographic area.
- 2.37. "Primary interactive gaming equipment" means all hardware, software, and other technology or equipment of any kind determined by the Director to be necessary for the conduct of an authorized interactive game within the boundaries of the State of West Virginia.
- 2.38. "Prohibited interactive gaming participant" means any individual who is prohibited from wagering pursuant to: (1) any self-exclusion list or a casino or Commission exclusion list; (2) any individual whose participation may undermine the integrity of the wagering or who is excluded from wagering for other good cause, including but not limited to, an attempt to place a wager as an agent or a proxy; (3) any employee of the Commission; or (4) a licensed interactive gaming operator or any of its employees placing a wager with that interactive operator in violation of W.Va. Code §§29-22E-1 *et seq.*
- 2.39. "Promotion Log" means a cumulative data set where each entry is date/time stamped and it identifies each promotion and the current terms of that promotion and the identity of the person from the operator's staff who authorized the promotion.
- 2.40. "Promotional Credit" means any amount credited to a patron by an interactive gaming operator or MSP, without charge, to be included in a patron's wager.
- 2.41. "Rake" means that portion of the patrons' wager that is taken by the operator.
- 2.42. "Random Number Generator (RNG)" means a computer program that produces random numbers in a periodic series that are used to determine outcomes in i-Gaming that depend on random chance.
- 2.43. "Redundant System" means a duplication of the Primary System in a separate data center including real time replication of all data and configuration files from the Primary System to the redundant system thus permitting a faster return to operations than rebuilding a system from backup data.
- 2.44. "Registrant" means an interactive gaming marketing affiliate whose services are limited to click on ads or links for the sole purpose of steering a patron to an interactive gaming site to sign up for a new interactive gaming account.
- 2.45. "Remote Gaming System (RGS)" means hardware and software used to provide authorized games to patrons in conjunction with an interactive gaming system, which may be a standalone system or integrated within another part of the interactive gaming system.
- 2.46. "Restricted interactive gaming credit" means interactive gaming funds that cannot be cashed out until a wagering requirement or other restriction associated with those funds is met in accordance with disclosed terms and conditions.
- 2.47. "Secure transaction file" means a financial record that contains data, which is unalterable and cannot be modified without detection.

2.48. "Server-based gaming" means all gaming activity conducted via a patron device where a random number generator determines the outcome of a game maintained on a server or a dealer-verified outcome from a simulcast table game.

2.49. "Server-based gaming system" means all hardware, software, and communications that comprise a system utilized for the purpose of offering electronic versions of authorized casino games where material aspects of game functionality occur at the server level.

2.50. "Significant system" means a hardware or software system that communicates directly with the i-Gaming system to provide services including, but not limited to, payment processing, player authentication (also known as "know your customer" or "KYC"), geolocation services and other systems as determined by the Commission to have significant integration with the i-Gaming system.

2.51. "Software installation/removal Log" means a cumulative data set where each entry is date and time stamped and documents the identification of the software and the identity of the person performing the action.

2.52. "Stateful protocol" means a protocol in which the communication system utilized between the player and the i-Gaming servers tracks the state of the communication system.

2.53. "Stateless protocol" means a protocol [computer code or file] in which neither the player nor the i-Gaming communication systems track the state of the communication of the communication system.

2.54. "Strong authentication" means a method that has been approved by the Commission to provide better security than a user name and password alone.

2.55. "Suspended account" means an interactive gaming account that has been temporarily disabled from engaging in wagering activity.

2.56. "Table game simulcasting system" means a system to provide live interactive gaming in conjunction with a server-based gaming system, whereby the patron views video content pertaining to gaming activities while wagering.

§179-10-3. General requirements for interactive gaming.

3.1. An interactive gaming operator shall conduct interactive gaming activities in compliance with the requirements of the West Virginia Racetrack Video Lottery Act as set forth in W.Va. Code §29-22A-1 *et seq.* and the W.Va. Code of State Rules 179-5-1 *et seq.* and the requirements of the West Virginia Racetrack Table Games Act as set forth in W.Va. Code §29-22C-1 *et seq.* and W.Va. Code of State Rules 179-8-1 *et seq.*, when such requirements are applicable and do not conflict with the Act or this rule.

3.2. An interactive gaming management services provider authorized to operate an interactive gaming system, shall conduct such interactive gaming activities in compliance with the requirements of the West Virginia Racetrack Video Lottery Act set forth in W.Va. Code §29-22A-1 *et seq.* and W.Va. Code of State Rules 179-5-1 *et seq.* and the requirements of the West Virginia Racetrack Table Games Act set forth in W.Va. Code §29-22C-1 *et seq.* and W.Va. Code of State Rules 179-8-1 *et seq.*, when such requirements are applicable and do not conflict with the Act or this rule.

3.3. An interactive gaming operator shall maintain a cash reserve of the amount necessary to cover the outstanding interactive gaming account liability. Lottery personnel shall verify this amount on at least a quarterly basis.

3.4. An interactive gaming operator or an interactive gaming management services provider shall only

accept wagers from patrons verified to be physically located in the State of West Virginia at the time of their wager: *Provided*, That wagers may be accepted from patrons located outside of the State of West Virginia pursuant to a reciprocal interactive gaming agreement with another government as provided in W.Va. Code §29-22E-14 and so long as acceptance of such wagers does not conflict with federal law.

3.5. An interactive gaming operator or an interactive gaming management services provider shall only accept wagers from patrons who are 21 years of age or older.

§179-10-4. Interactive gaming integrity; confidential information.

4.1. An interactive gaming operator offering interactive gaming shall have controls in place to identify unusual and suspicious activity and report such activity according to the integrity monitoring system procedures approved by the Commission.

4.2. All integrity monitoring system procedures shall provide for the sharing of information with each operator and shall disseminate all reports of unusual activity to all management services providers and suppliers, as well as to any regulatory agencies and governing authorities as required by the Commission. All operators shall review such reports and notify other operators, in a manner approved by the Commission, regarding whether they have experienced similar activity. Specific reporting requirements shall be designated by the Commission in its MICS.

4.3. If an interactive gaming operator finds that previously reported unusual wagering activity rises to the level of suspicious activity, it shall immediately notify all other operators, the Commission, appropriate law enforcement entities, regulatory agencies, and governing authorities as required by the Commission.

4.4. An operator offering interactive gaming shall employ an interactive gaming manager responsible for the operation and integrity of interactive gaming and for the review of all reports of suspicious activity. The interactive gaming manager shall be a key employee. The interactive gaming manager shall immediately notify the Commission upon the detection of any person participating in interactive gaming who is:

4.4.1. Engaged in or attempting to engage in or reasonably suspected of cheating, theft, embezzlement, collusion, money laundering, or any other illegal activity;

4.4.2. Excluded pursuant to Commission policy or the Commission's statewide exclusion list; or

4.4.3. Excluded by the interactive gaming operator.

4.5. Notwithstanding the other provisions of this section, all information and data received pursuant to the administration of the West Virginia Lottery Interactive Wagering Act related to unusual or suspicious activity shall be considered confidential. Such data and information may not be revealed in whole or in part except to the West Virginia State Police or other law enforcement entity, regulatory agency, or governing authority, or upon the lawful order of a court of competent jurisdiction. Nothing in this section shall prohibit the West Virginia Lottery from sharing data and information as a participant in an integrity monitoring association or industry group organized for the purpose of integrity monitoring.

§179-10-5. Internal controls; house rules; terms and conditions; patron protection page.

5.1. Interactive gaming operators or their management services providers shall file internal controls with the Commission regarding all aspects of their interactive gaming operations prior to implementation as well as any time a change is proposed. The internal controls shall include detailed procedures for system security, operations, accounting, and reporting of problem gamblers.

5.2. At a minimum, the internal controls shall address the following items regarding the interactive

gaming system:

- 5.2.1. The user access controls for all personnel;
- 5.2.2. The segregation of duties;
- 5.2.3. The automated and manual risk management procedures;
- 5.2.4. The procedures for identifying and reporting fraud and suspicious conduct;
- 5.2.5. The procedures to prevent wagering by prohibited participants;
- 5.2.6. A description of Anti-Money Laundering (AML) compliance standards; and
- 5.2.7. A description of all integrated third party systems.

5.3. An interactive gaming operator or MSP offering interactive gaming shall describe in its internal controls its method for securely issuing, modifying, and resetting a patron's account password, Personal Identification Number (PIN), or other approved security feature, where applicable. The method shall include notification to the patron via electronic or regular mail, text message, or other manner approved by the Commission. At a minimum, the method shall include:

- 5.3.1. Proof of identity, if in person;
- 5.3.2. The correct response to two or more challenge questions; or
- 5.3.3. Strong authentication.

5.4. In the event of a failure of an interactive gaming system's ability to pay winning game outcomes, the interactive gaming operator or MSP shall include internal controls detailing the method of paying winning game outcomes. The interactive gaming operator or MSP shall also file with the Commission an incident report for each system failure documenting the date, time, and reason for the failure along with the date and time the system is restored.

5.5. An interactive gaming operator shall investigate each patron complaint related to interactive gaming and provide a response to the patron within ten calendar days. For complaints that cannot be resolved to the satisfaction of the patron or are related to patron accounts, game outcomes, and/or illegal activity, a copy of the complaint and the interactive gaming operator's response, including all relevant documentation, shall be provided to the Director. Interactive gaming operators shall provide all other complaints and responses related to interactive gaming (for example, password problems, online chat disputes and technical matters) to the Director on a biweekly basis or with such frequency as required by the Commission.

5.6. All terms and conditions for interactive gaming shall be included as an appendix to the internal controls of the interactive gaming operator or MSP addressing all aspects of the operation, including the following:

- 5.6.1. The name of the party or parties with whom the patron is entering into a contractual relationship, including any interactive gaming operator or MSP;
- 5.6.2. The patron's consent to have the interactive gaming operator or MSP confirm the patron's age and identity;
- 5.6.3. The rules and obligations applicable to the patron other than rules of the game including, but

not limited to:

5.6.3.a. Any prohibition against allowing any other person to access or use his or her interactive gaming account;

5.6.3.b. Any prohibition against engaging in interactive gaming activity, unless physically present in West Virginia;

5.6.3.c. The consent to the monitoring and recording by the operator, MSP and/or the Commission of any wagering communications and geographic location information;

5.6.3.d. The consent to the jurisdiction of the State of West Virginia to resolve any disputes arising out of interactive gaming;

5.6.3.e. Any prohibition against utilizing automated computerized software or other equivalent mechanism, such as a "bot," to engage in play; and

5.6.3.f. Any prohibition against cheating and geolocation tampering.

5.6.4. A full explanation of all fees and charges imposed upon a patron related to interactive gaming transactions;

5.6.5. The availability of account statements detailing patron account activity;

5.6.6. Privacy policies, including information about who has access to the patron's PII;

5.6.7. The legal age policy, including a statement that it is a criminal offense to allow a person who is under the age of 21 to participate in interactive gaming;

5.6.8. A full explanation of all rules applicable to dormant interactive gaming accounts;

5.6.9. The patron's right to set responsible gaming limits and to self-exclude;

5.6.10. The patron's right to suspend his or her account for a period of no less than 72 hours;

5.6.11. An explanation of the actions that will be taken in the event a patron becomes disconnected from the interactive gaming system during game play;

5.6.12. A notice that a malfunction voids all pays and plays;

5.6.13. The estimated time period for withdrawal of funds from an interactive account; and

5.6.14. The information to be displayed on a patron protection page. At a minimum, the patron protection page shall contain the following:

5.6.14.a. A method for changing or retrieving a password or other approved access security feature and the ability to choose "strong authentication" login protection;

5.6.14.b. A method for filing a complaint with the interactive gaming operator;

5.6.14.c. A method for filing with the Director an unresolved complaint after all reasonable means to resolve the complaint with the operator have been exhausted;

5.6.14.d. A method for obtaining a copy of the terms and conditions to which the patron must

agree when he or she establishes an interactive gaming account;

5.6.14.e. A method for the patron to obtain account and game history from the operator;

5.6.14.f. A notification that underage gambling is a criminal offense and that facilitating gambling activity by a person under the age of 21 is also a criminal offense in addition to being prohibited from interactive gaming;

5.6.14.g. A notification that the patron is responsible for configuring his or her device's auto-lock feature to protect the device from unauthorized use;

5.6.14.h. A notification that a patron is prohibited from allowing any other person to access or use his or her interactive gaming account;

5.6.14.i. A notification of federal prohibitions and restrictions regarding interactive gaming, including any limitations upon interactive gaming as set forth in 18 U.S.C. § 1084 *et seq.* (The Wire Act) and 31 U.S.C. §§ 5361 through 5367 (The Unlawful Internet Gambling Enforcement Act or UIGEA). The notice shall explicitly state that it is a federal offense for persons physically located outside of West Virginia to engage in interactive gaming through a West Virginia operator or MSP, unless explicitly authorized by the Commission; and

5.6.14.j. A notification that the connection will be terminated if the patron device is removed from the boundaries of the State of West Virginia.

5.6.15. Whenever the terms and conditions that apply to interactive gaming are changed, the interactive gaming operator or MSP shall require a patron to acknowledge acceptance of such change. Unless otherwise authorized by the Director the patron's acknowledgement shall be date and time stamped by the interactive gaming system.

5.7. An interactive gaming operator or MSP shall maintain primary and a backup interactive gaming equipment.

5.7.1. Subject to prior approval by the Director, the interactive gaming operator's or MSP's gaming equipment used to conduct interactive gaming shall be located as set forth below:

5.7.2. The primary interactive gaming equipment shall be located:

5.7.2.a. In a restricted area on the premises of the licensed operator within the boundaries of the State of West Virginia; or

5.7.2.b. In another facility owned or leased by the interactive gaming operator or its MSP within the boundaries of the State of West Virginia that is secure, inaccessible to the public, and specifically designed to house that equipment. The equipment shall be under the complete control of the interactive gaming operator or its MSP. For the purposes of this subsection, a secure facility "within the boundaries of the State of West Virginia" shall be considered to be part of the interactive gaming operator's casino location notwithstanding that the facility may not be contiguous with the interactive gaming operator's casino location.

5.7.2.b.1. The primary server used to resolve domain name service (DNS) inquiries by an interactive gaming operator or its MSP must be physically located in a secure data center. At least one secondary server must be able to resolve DNS queries.

5.7.2.b.2. This applies to each direct interactive gaming system server, including remote gaming servers (RGS) and the player account management system (wallet). This subsection does not apply

to ancillary services such as payment processors, player authentication systems (KYC), customer service systems, back end office systems, and other ancillary systems as authorized by the Commission.

5.7.2.b.3. Any hosting data center must register as an approved provider by sending a letter to the Director documenting which vendor systems will be on site, identifying the location, key management, and the scope of services being provided. In addition, the hosting data center must provide a list of applicable certifications including, but not limited to: SOC 1 Type 1-2, PCI, and ISO 27001, which serve as documentation of the adequacy of services for hosting a complex system. Upon request of the Director, the hosting data center will provide copies of its most recent audits. The Lottery must be able to inspect the facilities at the hosting data center upon request.

5.7.3. The backup gaming equipment (redundant system) used to conduct interactive gaming shall be located:

5.7.3.a. In a restricted area on the premises of an operator's facility within the boundaries of the State of West Virginia for a time period not to exceed 60 days unless otherwise authorized by the Director; or

5.7.3.b. In another facility owned or leased by the interactive gaming operator or its MSP within the boundaries of the State of West Virginia that is secure, inaccessible to the public, and specifically designed to house that equipment. The equipment shall be under the complete control of the interactive gaming operator or its MSP. For the purposes of this subsection, a secure facility "within the boundaries of the State of West Virginia" shall be considered to be part of the interactive gaming operator's casino location notwithstanding that the facility may not be contiguous with the interactive gaming operator's casino location.

5.7.4. Backup gaming equipment used to restore data to primary interactive gaming equipment shall be located within the boundaries of the State of West Virginia. Backup data may be stored in any secure data center within the United States.

5.7.5. Each interactive gaming operator or MSP must provide with its license application diagrams and narrative to document how its interactive gaming system is configured including the location of each server that is part of the primary interactive gaming system, the player account management system (wallet), each system providing content, and any remote interactive gaming system that might be combined to provide the player interface. The interactive gaming operator or MSP must define in its minimum internal controls the specific configuration of equipment including any hardened systems or redundant systems and backup requirements including any effect on the entity's risk environment.

5.8. Interactive gaming systems shall require a patron to re-enter his or her username and password, upon 15 minutes of user inactivity as measured by the interactive gaming system.

5.9. An interactive gaming system shall not induce a patron to continue placing wagers when play is in session, when the patron attempts to end a session, or when the patron wins or loses a bet.

5.10. An interactive gaming system shall allow patrons to access a player protection page at all times while logged into their interactive gaming account. The player protection page shall include all features listed in subsection 5.6.14 above.

5.11. An interactive gaming system may offer games to patrons that do not require a wager or payment from a patron's interactive gaming account as long as the patron has not exceeded any daily time-based limit. The games offered must comply with the following requirements:

5.11.1. Any game substantially similar to a game approved by the Commission shall utilize a payout percentage equal to or less than the lowest payout percentage of the approved game;

5.11.2. Any game not substantially similar to a game approved by the Commission shall prominently display the following information prior to the start of the game and during game play:

5.11.2.a. The game is offered for entertainment purposes only;

5.11.2.b. The game is not approved by the Commission; and

5.11.2.c. The game outcomes may not be representative of those for a Commission approved game.

5.12. Games traditionally played on social networks that may require a payment for certain game features (social games) may be funded or accessed from a patron's interactive gaming account. This requires that the interactive gaming operator or its MSP also provide a clear and conspicuous notice on the initial screen that the patron is accessing a social game whose features may require payment. The social game's terms and conditions must include a notice that the Commission does not regulate such social games.

5.13. All interactive gaming operators or MSP's with employees who have direct contact with patrons via phone, e-mail, electronic chat, or other means, shall implement training for those employees, at the start of their employment and at regular intervals thereafter. The training shall address the following subject areas:

5.13.1. How to recognize the nature and symptoms of problem gambling behavior.

5.13.2. How to assist players in obtaining information about help for a gambling problem;

5.13.3. How to provide information about individual interactive gaming operator self-exclusion and Lottery statewide self-exclusion programs;

5.13.4. How to respond to patrons who may disclose that they have a gambling problem; and

5.13.5. How to respond to reports from third parties, such as family members, about patrons who may have a gambling problem.

5.14. Interactive gaming operators shall employ personnel responsible for the duties of an IT Department.

5.15. Each interactive gaming operator's website shall display a responsible gaming logo in a manner approved by the Director, which shall direct a patron to the site's responsible gaming page. The responsible gaming page shall be accessible to a patron during a patron session and shall contain, at a minimum, the following:

5.15.1. A prominent message that states "If you or someone you know has a gambling problem and wants help, call 1-800-Gambler;"

5.15.2. A direct link to the Problem Gamblers Network of West Virginia;

5.15.3. A clear statement of the interactive gaming operator's or MSP's policy and commitment to responsible gaming; and

5.15.4. The rules governing self-imposed responsible gaming limits, including the ability for the patron to establish those limits.

5.16. Interactive gaming operators or their MSP's shall promptly notify all affected interactive gaming managers of any issues impacting the integrity of interactive gaming operations.

5.17. Each interactive gaming operator or MSP offering interactive gaming shall perform an Annual System Integrity and Security Assessment conducted by an independent professional. The selection of the independent professional shall be by the interactive gaming operator, subject to the approval of the Director. The first assessment should be completed within 90 days of commencing operations and annually thereafter. The independent professional shall timely submit the annual report on the Assessment to the Commission, which shall include:

5.17.1. Scope of review;

5.17.2. Name and company affiliation of the individual(s) who conducted the assessment;

5.17.3. Date of the assessment;

5.17.4. Findings;

5.17.5. Recommended corrective action, if applicable; and

5.17.6. Operator's response to the findings and recommended corrective action.

5.18. Each interactive gaming operator or MSP offering interactive gaming shall comply with all federal requirements including, but not limited to, suspicious activity reporting and W2-G reporting.

5.19. Patron account information shall not be retained by any management service provider, supplier, or third party vendor after contract completion or termination without the express written consent of the interactive gaming operator.

5.20. At a minimum, interactive gaming operators and their MSP's shall adopt comprehensive house rules, which shall be approved by the Director and which shall include the following:

5.20.1. A method of calculation and payment of winning wagers;

5.20.2. A method of notifying patrons of changes;

5.20.3. A method of contacting the operator for questions and complaints;

5.20.4. A description of prohibited participants; and

5.20.5. A method of funding a wager.

5.21. The house rules, together with any other information the Commission deems appropriate, shall be posted on its website, and included in the terms and conditions of a patron's gaming account. Interactive gaming operators or their MSP's shall make copies of the house rules readily available to patrons.

§179-10-6. Interactive gaming system requirements.

6.1. Prior to operating an interactive gaming system pursuant to W.Va. Code §§29-22E-1 *et seq.*, all equipment and software used in conjunction with the operation shall be submitted to an independent testing laboratory approved by the Commission or a testing laboratory operated in an accredited jurisdiction approved by the Commission.

6.2. All wagers on interactive gaming authorized by W.Va. Code §§29-22E-1 *et seq.*, shall be initiated,

received, and otherwise placed within the boundaries of the State of West Virginia unless otherwise permitted by the Commission in accordance with applicable federal and state laws. Consistent with the intent of the United States Congress as articulated in the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA) set forth in 31 U.S.C. §§5361 through 5367, the intermediate routing of electronic data relating to a lawful intrastate wager in West Virginia shall not be a factor in determining the location or locations in which such wagers are initiated, received, or otherwise placed.

6.3. An interactive gaming system submission to a testing laboratory shall contain a description of the risk management framework, including but not limited to:

- 6.3.1. User access controls for all personnel;
- 6.3.2. Information regarding segregation of duties;
- 6.3.3. Information regarding automated risk-management procedures;
- 6.3.4. Information regarding fraud detection;
- 6.3.5. Controls ensuring regulatory compliance;
- 6.3.6. Description of Anti-Money Laundering compliance standards;
- 6.3.7. Description of all software applications that comprise the system;
- 6.3.8. Description of all types of games to be offered by the system;
- 6.3.9. Description of all integrated third party systems; and
- 6.3.10. Description of the method to prevent past posting.

6.4. An interactive gaming system shall maintain all transactional wagering data for a period of five years.

6.5. An interactive gaming system shall prevent past posting of wagers and the voiding or cancellation of wagers after the outcome of a game is determined.

6.6. In the event a patron has a pending interactive gaming wager and then self-excludes, the operator's internal controls shall govern any cancellation or refund of the wager.

6.7. An interactive gaming system shall, at least once every 24 hours, perform an authentication process on all software used to offer, record, and process wagers to ensure there have been no unauthorized system modifications. In the event of an authentication failure, the operator's Information Systems Officer (ISO) and the Director, or his or her designee, must be notified within 24 hours. The results of all authentication attempts shall be recorded by the system and maintained for a minimum period of 90 days.

6.8. An interactive gaming operator or MSP shall provide the Director, or his or her designee, with access to wagering transactions and related data as deemed necessary and in a manner approved by the Commission.

6.9. An interactive gaming system shall utilize sufficient security to ensure patron access is appropriately limited to the account holder. Unless otherwise authorized by the Commission, security measures shall include, at a minimum, the following:

- 6.9.1. A Username;

6.9.2. Password of sufficient length and complexity to ensure its effectiveness;

6.9.3. An option for users to choose "strong authentication" login protection upon account creation;
and

6.9.4. Electronic notification to the patron's registered e-mail address, cellular phone, or other device each time an interactive gaming account is accessed with the option for a patron to opt out of such notification.

6.10. An interactive gaming system shall be designed with a methodology approved by the Commission to ensure secure communications between a patron device and the interactive gaming system.

6.11. An interactive gaming system shall be designed to detect and report:

6.11.1. Suspicious behavior, such as cheating, theft, embezzlement, collusion, money laundering, or any other illegal activities; and

6.11.2. Excluded persons or any person who is prohibited from entering a casino or a casino simulcasting facility.

6.12. Patron account access information shall not be permanently stored on patron devices used with an interactive gaming system. Such information shall be masked after entry and encrypted immediately after entry is complete. Patron account access information may be temporarily stored or buffered during patron entry, provided that the buffer is automatically cleared as follows:

6.12.1. After the patron confirms that the account access entry is complete; or

6.12.2. If the patron fails to complete the account access entry within five minutes.

6.13. Unless otherwise approved by the Commission, an interactive gaming system shall associate a patron's account with a single patron device during each patron session.

6.14. Each patron session shall have a unique identifier assigned by the interactive gaming system.

6.15. The interactive gaming system shall immediately terminate a patron session whenever:

6.15.1. Required by the Commission or interactive gaming operator or MSP; or

6.15.2. The patron ends a session.

6.16. Interactive gaming systems shall employ a mechanism that can detect and prevent any patron initiated wagering or withdrawal activity that would result in a negative balance of an interactive gaming account.

6.17. Interactive gaming systems shall disable a patron's account after three failed login attempts and require strong authentication to recover or reset a password or username.

6.18. Interactive gaming systems shall employ a mechanism that places an interactive gaming account in a suspended mode:

6.18.1. When requested by the patron for a specified period of time, which shall not be less than 72 hours;

- 6.18.2. When required by the Commission;
- 6.18.3. Upon a determination that a patron is a prohibited interactive gaming participant; or
- 6.18.4. When initiated by an interactive gaming operator or MSP who has evidence that indicates:
 - 6.18.4.a. Illegal activity;
 - 6.18.4.b. A negative patron account balance;
 - 6.18.4.c. Failed ACH deposit attempts as provided for in subsection 7.5.2.; or
 - 6.18.4.d. A violation of the terms and conditions.
- 6.19. When an interactive gaming account is in a suspended status, the interactive gaming system shall:
 - 6.19.1. Prevent the patron from placing wagers;
 - 6.19.2. Prevent the patron from depositing funds;
 - 6.19.3. Prevent the patron from withdrawing funds from his or her interactive gaming account, unless the suspended status was initiated by the patron;
 - 6.19.4. Prevent the patron from making changes to his or her interactive gaming account;
 - 6.19.5. Prevent the removal of the interactive gaming account from the interactive gaming system;and
 - 6.19.6. Prominently display to the patron that the account is in a suspended status, and notify the patron of the restrictions placed on the account, as well as any further course of action needed to remove the suspended status.
- 6.20. Unless the suspension was a result of a patron's self-exclusion, an interactive gaming operator or MSP shall also notify the interactive gaming account holder via electronic mail, regular mail, or other method approved by the Commission, whenever his or her account has been closed or placed in a suspended status. Such notification shall include the restrictions placed on the account and any further course of action needed to remove the restriction.
- 6.21. A suspended account may be restored:
 - 6.21.1. Upon expiration of the time period established by the patron;
 - 6.21.2. When permission is granted by the Director;
 - 6.21.3. When the patron is no longer a prohibited person; or
 - 6.21.4. When the interactive gaming operator or MSP has lifted the suspended status.
- 6.22. An interactive gaming system shall be capable of allowing a patron to establish responsible gaming limits. Any decrease in these limits shall be effective no later than the patron's next login. Any increase in these limits shall become effective only after expiration of the time period for the previous limit. The responsible gaming limits shall include:
 - 6.22.1. A deposit limit offered on a daily, weekly, and monthly basis, which specifies the

maximum amount of money a patron may deposit into his or her interactive gaming account during a particular period of time;

6.22.2. A spend limit offered on a daily, weekly, and monthly basis, which specifies the maximum amount of patron deposits that may be put at risk during a particular period of time; and

6.22.3. A time-based limit offered on a daily basis, which specifies the maximum amount of time, measured hourly from the patron's login to log off, that a patron may spend playing on an interactive gaming system, provided that if the time-based limit is reached, a patron shall be permitted to complete any round of play, or active or prepaid tournament.

6.23. A monthly report listing the total sum removed from patron accounts shall be filed with the Commission by each interactive gaming operator or its MSP. An interactive gaming operator or its MSP shall not remove or withdraw any funds from a patron's interactive gaming account unless:

6.23.1. The patron has a confirmed chargeback, in which case the removal of funds shall be limited to the amount of the chargeback;

6.23.2. The patron has engaged in cheating, collusion, chip dumping, or other illegal gaming activity;

6.23.3. By order of a court of competent jurisdiction; or

6.23.4. As otherwise approved by the Commission.

6.24. An interactive gaming system shall provide a patron with the ability to view the game outcome and subsequent account balance changes from the previous game, including a game completed subsequent to an outage such as a network disconnection or patron device malfunction.

6.25. Unless otherwise approved by the Commission, a record of all bonus and promotional i-Gaming offers related to interactive gaming shall be maintained in an electronic file that is readily available to the Commission. All bonus and promotional i-Gaming offers shall be stated in clear and unambiguous terms and shall be readily available to the patron after the offer is accepted and prior to completion of participation. Offer terms and the record of all offers shall include at a minimum:

6.25.1. The date and time presented;

6.25.2. The date and time the offer is active and expires;

6.25.3. Patron eligibility, including any limitations on patron participation;

6.25.4. Any restriction on withdrawals of funds;

6.25.5. Wagering requirements and limitations by type of game;

6.25.6. The order in which funds are used for wagers;

6.25.7. Eligible games; and

6.25.8. Rules regarding cancellation.

6.26. An interactive gaming system shall provide a clear and conspicuous method for a patron to cancel his or her participation in a bonus or promotional i-Gaming offer that utilizes restricted gaming credits. If the patron elects to proceed with cancellation, unrestricted funds remaining in a patron's interactive gaming

account shall be returned according to the terms and conditions.

6.27. Once a patron has met the terms of a bonus or promotional i-Gaming offer, the interactive gaming operator or MSP shall not cap or limit winnings earned while participating in the offer.

6.28. Manual adjustments to interactive gaming data by an interactive gaming operator or MSP shall only be made by a software application approved by the Commission.

6.29. When a patron's lifetime deposits exceed the gaming deposit threshold established by the Commission, the interactive gaming system shall immediately prevent any interactive game play until the patron acknowledges the following:

6.29.1. The patron has met the gaming deposit threshold as established by the Commission;

6.29.2. The patron has the capability to establish responsible gaming limits or close his or her account; and

6.29.3 The availability of 1-800-GAMBLER.

6.30. The acknowledgement prescribed in 6.29.2 and 6.29.3 above shall be required on an annual basis thereafter.

6.31. Interactive gaming operators or MSP's may utilize celebrity or other players to participate in peer-to-peer games for advertising or publicity purposes. Such players may have their accounts funded in whole or in part by an interactive gaming operator or MSP. An interactive gaming operator or MSP may pay a fee to the celebrity player. If a celebrity player is utilized and the celebrity player generates winnings that the interactive gaming operator or MSP does not permit the celebrity player to retain, such winnings shall be included as interactive gaming gross revenue in a manner approved by the Director.

§179-10-7. Patron Wagers.

7.1. Prior to engaging in interactive gaming, a patron shall establish an interactive gaming account. Casino key employees and occupational licensees and employees of any management service provider or supplier, shall not be permitted to establish an interactive gaming account, with and are prohibited from wagering on, any interactive gaming system operated by the casino with which they are employed or provide services. Commission employees shall not be permitted to wager on any interactive gaming system authorized in the State of West Virginia and shall not be permitted to establish an interactive gaming account with the exception of accounts used for testing purposes. All testing accounts for West Virginia Lottery employees must be approved by the Director. The Director reserves the right to prohibit the acceptance of wagers, order the cancellation of wagers, and require refunds on any interactive game for which wagering would be contrary to the public policies of the State of West Virginia.

7.2. In order to establish an interactive gaming account, an interactive gaming operator or its MSP shall:

7.2.1. Create an electronic patron file, which, at a minimum, shall include:

7.2.1.a. The patron's legal name;

7.2.1.b. The patron's date of birth;

7.2.1.c. The entire or last four digits of the patron's Social Security number, if voluntarily provided or the equivalent for a foreign patron such as a passport or taxpayer identification number;

7.2.1.d. The patron's interactive account number;

7.2.1.e. The patron's residential address (a post office box is not acceptable);

7.2.1.f. The patron's electronic mail address;

7.2.1.g. The patron's telephone number;

7.2.1.h. Any other information collected from the patron used to verify his or her identity;

7.2.1.i. The method used to verify the patron's identity; and

7.2.1.j. The date of verification.

7.2.2. Encrypt all information contained in an electronic patron file including the following:

7.2.2.a. The patron's Social Security number or the equivalent for a foreign patron such as a passport or taxpayer identification number;

7.2.2.b. The patron's password and/or personal identification number or PIN; and

7.2.2.c. Any credit card numbers, bank account numbers, or other personal financial information.

7.2.3. Verify the patron's identity in accordance with methodology for remote multi-sourced authentication, which may include third party and governmental databases, as approved by the Commission;

7.2.4. Require the patron to establish a password or other access security feature as approved by the Commission and advise the patron of the ability to utilize "strong authentication" login protection;

7.2.5. Verify that the patron is 21 years of age, not self-excluded, on an exclusion list, or otherwise prohibited from participation in interactive gaming;

7.2.6. Record the patron's acceptance of the interactive gaming operator's or MSP's terms and conditions to participate in interactive gaming;

7.2.7. Record the patron's certification that the information provided to the operator or MSP by the patron who registered is accurate;

7.2.8. Record the patron's acknowledgement that the legal age for interactive gaming is 21 years of age or older and that he or she is prohibited from allowing any other person to access or use his or her interactive gaming account; and

7.2.9. Notify the patron of the establishment of the account via electronic mail or regular mail.

7.3. A patron shall have only one interactive gaming account for each interactive gaming MSP. Each interactive gaming account shall be:

7.3.1. Non-transferable;

7.3.2. Unique to the patron who establishes the account; and

7.3.3. Distinct from any other account number that the patron may have established with the operator.

7.4. A patron's interactive gaming account may be funded through the use of:

7.4.1. A patron's deposit account;

7.4.2. A patron's credit or debit card;

7.4.3. A patron's deposit of cash, gaming chips, or slot tokens at a cashiering location approved by the Commission;

7.4.4. A patron's reloadable prepaid card, which has been verified as being issued to the patron and is non-transferable;

7.4.5. Cash complementaries, promotional credits, or bonus credits;

7.4.6. Winnings;

7.4.7. Adjustments made by the Operator and/or MSP with documented notification to the patron;

7.4.8. ACH transfer, provided that the operator has security measures and controls to prevent ACH fraud pursuant to 7.5 below; or

7.4.9. Any other means approved by the Director.

7.5. A failed ACH deposit attempt shall not be considered fraudulent if the patron has successfully deposited funds via an ACH transfer on a previous occasion with no outstanding chargebacks. Otherwise, the operator shall:

7.5.1. Temporarily block the patron's account for investigation of fraud after five consecutive failed ACH deposit attempts within a 10 minute time period. If there is no evidence of fraud, the block may be removed; and

7.5.2. Suspend the patron's account after five additional consecutive failed ACH deposit attempts within a 10-minute period.

7.6. Prior to any withdrawal, if a patron used a credit or debit card to fund an interactive gaming account, within the preceding ninety (90) days, any remaining balance in the account up to the amount of the deposit shall be refunded to the patron's credit or debit card account used to fund the interactive gaming account provided that a credit or debit card issuer permits the return of a withdrawal from an interactive gaming account funded by the credit or debit card of the issuer.

7.7. Funds may be withdrawn from a patron's interactive gaming account for the following reasons:

7.7.1. The funding of game play;

7.7.2. A cash-out, regardless of the deposit method used, at the cashier's cage;

7.7.3. A cash-out transfer to a patron's deposit account;

7.7.4. A cash-out transfer to a patron's reloadable prepaid cash card, which has been verified as being issued to the patron and is non-transferable;

7.7.5. Adjustments made by the interactive gaming operator or MSP with documented notification to the patron;

7.7.6. A cash-out transfer directly to the patron's individual account with a bank or other financial institution (banking account) provided that the licensee verifies the validity of the account with the financial institution; or

7.7.7. Any other means approved by the Director.

7.8. An interactive gaming operator or MSP shall not permit a patron to transfer funds to another patron.

7.9. All adjustments to patron accounts, for amounts of \$500.00 or under, shall be periodically reviewed by supervisory personnel as set forth in the licensee's internal controls. All other adjustments shall be authorized by supervisory personnel prior to being entered.

7.10. Interactive gaming systems shall provide an account statement with account details to a patron on demand, which shall include detailed account activity for at least the six months preceding 24 hours prior to the request. In addition, an interactive gaming system shall, upon request, be capable of providing a summary statement of all patron activity during the past year. Information to be provided on the summary statement shall include, at a minimum, the following:

7.10.1. Deposits to the interactive gaming account;

7.10.2. Withdrawals from the interactive gaming account;

7.10.3. Win or loss statistics;

7.10.4. Beginning and ending account balances; and

7.10.5. Self-imposed responsible gaming limits history, if applicable.

7.11. An operator shall maintain a West Virginia bank account separate from all other operating accounts to ensure the security of funds held in patron interactive gaming accounts. The balance maintained in this account shall be greater than or equal to the sum of the daily ending cashable balance of all patron interactive gaming accounts, funds on game, and pending withdrawals. An operator shall have unfettered access to all patron interactive gaming account and transaction data to ensure the amount held in its independent account is sufficient. If an interactive gaming operator offers both sports wagering and interactive gaming and share a wallet, the interactive gaming operator may use one West Virginia Bank account to cover all patron liability for sports wagering and interactive gaming. The casino controller or his or her designee shall file a monthly attestation with the Commission that the funds have been safeguarded pursuant to this section.

7.12. Patron funds held in an interactive gaming account shall not be automatically transferred by an operator or MSP, nor shall an operator or MSP be permitted to require a patron to transfer funds from his or her interactive gaming account in order to circumvent the requirements of 7.11 above.

7.13. An operator shall periodically re-verify a patron's identification upon reasonable suspicion that the patron's identification has been compromised.

7.14. An interactive gaming system shall provide a conspicuous and readily accessible method for a patron to close his or her account through an account management or similar page. Any balance remaining in a patron's interactive gaming account closed by a patron shall be refunded pursuant to the licensee's internal controls.

7.15. An interactive gaming account shall be considered a dormant account if there is no patron initiated

activity for a period of sixteen (16) months. The interactive gaming operator or MSP must comply with W.Va. Code Chapter 36, Article 8 of the Uniform Unclaimed Property Act of West Virginia in the closing and refunding of the account balance.

§179-10-8. Server-based gaming system; server-based games (table games, slot machines, and peer-to-peer gaming).

8.1. A server-based gaming system shall:

8.1.1. Comply with W.Va. Code 29-22E -1 *et seq.*;

8.1.2. Ensure continued operation in the event of a temporary power failure through the use of an Uninterruptable Power Supply (UPS);

8.1.3. Maintain the integrity of the hardware, software, and data contained in the server-based gaming system in the event of a shutdown;

8.1.4. Ensure that the system recovers to its prior state before any system outage;

8.1.5. Have physical and logical controls, as appropriate, to ensure that only authorized hardware components are connected to the system;

8.1.6. Ensure only approved patron device software is used to conduct gaming activity;

8.1.7. Ensure that patron devices meet minimum compatibility requirements in order to conduct gaming activity; and

8.1.8. Be designed with a method for the Commission to approve all game software installations before the game software may be offered to patrons.

8.2. Any software used in server-based gaming shall be designed with a method to permit the validation of software by creating hash signatures of critical programs to ensure that the critical programs are not modified subsequent to Commission approval, or any other method approved by the Commission.

8.3. A server-based gaming system shall perform an authentication process on all control programs on demand and at least once every 24 hours.

8.4. Server-based gaming systems shall provide a mechanism to notify the operator whenever an authentication process has failed. The operator shall immediately cease operation of the software and immediately notify the Commission.

8.5. A server-based gaming system shall be designed with a methodology approved by the Commission to ensure secure communications between a patron device and a server-based gaming system.

8.6. A server-based gaming system shall be designed with a method to identify automatically potential collusion or cheating activity and shall provide a method for a patron to report such activity to the interactive gaming operator or MSP.

8.7. Server-based gaming systems shall provide a patron with the ability to view the game outcome and subsequent account balance changes for the previous game including a game completed subsequent to an outage such as a network disconnection or client device malfunction.

8.8. The following information shall be readily available through a patron device before a patron begins play on an interactive gaming system and at all times during play, where applicable:

8.8.1. Sufficient information to identify the specific game selected;

8.8.2. Game play and payout rules, which shall not rely on sound to convey their meaning; and

8.8.3. All charges imposed on patrons, such as fees, rake, and vigorish.

8.9. Game play shall be initiated only after a patron has affirmatively placed a wager and activated play. No auto play feature shall be permitted in game software unless authorized by the Commission.

8.10. Unless otherwise authorized by the Commission, all server-based table games shall:

8.10.1. Function as approved by the Commission pursuant to the software submission process;

8.10.2. Conspicuously indicate minimum and maximum wagers; and

8.10.3. Contain help screens that provide information and rules regarding approved variations, such as the number of decks used, special odds, and supplemental wagers.

8.11. Server-based table games may be designed to permit a patron to occupy more than one betting position at an individual game, provided that same option is available in its authorized non-electronic version.

8.12. Server-based games shall operate in accordance with rules submitted to and approved by the Commission, which shall describe procedures in case of patron disconnection from the network server during a game in accordance with the following:

8.12.1. Where no patron input is required to complete the game, the game shall produce the final outcome as determined by the RNG, and the patron's account shall be updated accordingly;

8.12.2. For single patron games, in which patron input is required to complete the game, the game shall:

8.12.2.a. Upon subsequent activation, return the patron to the game state immediately prior to the interruption and allow the patron to complete the game. All wagers pending disposition shall be held in a pending wager account; or

8.12.2.b. After an approved period of time, cancel the game resulting in either the forfeiture of the patron's wager or the return of funds to the patron in accordance with a methodology approved by the Director; or

8.12.2.c. Make a selection on behalf of the patron in order to complete the game.

8.12.3. For games with multiple patrons, where the result is affected by the time to respond to a game event, such as poker or blackjack, the game shall, after an approved period of time, make a selection on behalf of the patron in order to complete the game.

8.13. Unless otherwise authorized by the Commission, server-based table game software used to conduct peer-to-peer gaming, such as poker, shall:

8.13.1. Be prohibited from utilizing automated computerized patrons to compete with patrons;
and

8.13.2. Provide a patron with the option to be randomly assigned to a table where all patrons have been selected at random.

8.14. Unless otherwise authorized by the Commission, server-based table games with multiple patrons, where the result is affected by the time to respond to a game event, such as poker or blackjack, shall be designed with a game recall feature, which allows the patron to recall the last five game outcomes and associated wagers. The game recall information shall be viewable from the patron device.

8.15. A server-based gaming system, utilizing a data warehouse approved by the Director, shall be designed to transmit securely a copy of all transactions received from a server-based gaming system's primary interactive gaming equipment to the data warehouse. The data stored in the data warehouse shall be owned by the interactive gaming operator.

8.16. One or more interactive gaming operators or MSP's may, with prior approval of the Commission, participate in an interactive gaming network in accordance with a written agreement that has been executed by each interactive gaming operator. The agreement shall:

8.16.1. Designate the party responsible for the operation and administration of the network;

8.16.2. Identify and describe the role, authority, and responsibilities of each participating interactive gaming operator and, if applicable, any third-party network provider;

8.16.3. Include a description of the process by which significant decisions that affect the operation of the network are approved and implemented by each operator; and

8.16.4. Allocate the interactive gaming gross revenue and tax liability between the participating interactive gaming operators to ensure the accurate reporting thereof.

8.17. Each party to an agreement to participate in an interactive gaming network as set forth in section 8.16 above shall be jointly and severally liable for any acts or omissions in violation of the West Virginia Lottery Interactive Wagering Act (the Act), these rules, or the policies of the Commission.

8.18. An interactive gaming operator or MSP may conduct an interactive gaming tournament for any game approved by the Commission. No interactive gaming tournament shall be conducted unless the interactive gaming operator or MSP, prior to the first time a tournament type is offered, files a written notice with the Director of its intent to offer such a tournament and subsequently obtains written approval from the Director or designee. Each interactive gaming operator or MSP shall have internal controls for each tournament type on file with the Commission, which shall address at a minimum:

8.18.1. Game type (for example, hold 'em poker);

8.18.2. Rules concerning tournament play and participation;

8.18.3. Entry fee amount(s) per participant;

8.18.4. Funding source amount(s) comprising the prize pool (for example, buy-ins, re-buys, or add-ons);

8.18.5. Prize structure on payout; and

8.18.6. Methodology for determining winner(s).

8.19. Wireless communication between the patron device and the server-based gaming system must be encrypted in transit using a method (for example, AES, IPsec or WPA2) approved by the Commission.

8.20. A server-based gaming system must mask the service set identification (SSID) of the i-Gaming network to ensure it is unavailable to the general public.

8.21. An internal clock that reflects the current date and time must be utilized in the server-based gaming system, with all servers synchronized to that source. The date and time must be visible to the patron when logged on.

8.22. All documentation related to software and application development should be available for Commission inspection and retained for the duration of its life cycle and for seven (7) years thereafter.

8.23. A server-based gaming system must be developed to minimize the loss of data when a system is shut down. Operational control must be promptly restored according to the recovery procedures defined in the MICS of the operator or MSP.

8.24. A server-based gaming system must have the ability to restore the system from the last backup.

8.25. A server-based gaming system must be able to recover all critical information from the time of the last backup to the point in time at which the system failure or reset occurred.

§179-10-9. Table game simulcasting.

9.1. An operator shall obtain Commission approval to simulcast authorized table games.

9.2. Table game simulcasting shall utilize a simulcast control server for the purpose of recording all wagering activity and game results. The simulcast control server shall:

9.2.1. Provide the patron with real-time visual access to the live game being played;

9.2.2. Prevent anyone from accessing the game outcome prior to finalizing a wager;

9.2.3. Record dealer-verified game results before posting; and

9.2.4. Be equipped with a mechanism to void game results, if necessary.

9.3. Table games simulcasting shall include the installation and maintenance of security and surveillance equipment, including closed circuit television equipment, according to specifications approved by the Commission. The Commission shall have direct access to the system and its transmissions. An interactive gaming operator shall submit a surveillance plan for Commission approval prior to accepting wagers.

9.4. Information about wagering to be conducted during table game simulcasting shall be provided to a patron in real time and shall include all game play information that would normally be available from the table game equivalent. Such information shall include at a minimum:

9.4.1. The table number and location;

9.4.2. The table minimum and maximum wagers;

9.4.3. The number of decks used, if applicable;

9.4.4. Dealer actions, if applicable;

9.4.5. The amount wagered;

- 9.4.6. The game outcome;
- 9.4.7. Vigorish amount, if applicable;
- 9.4.8. Payout odds, where applicable; and
- 9.4.9. The amount won or lost.

9.5. The following information shall be readily available through the patron device before a patron begins play on a simulcast table game and at all times during play, where applicable:

- 9.5.1. Sufficient information to identify the specific game selected;
- 9.5.2. Game play and payout rules, which shall not rely on sound to convey their meaning; and
- 9.5.3. All charges imposed on the patron, such as fees and vigorish, when applicable.

§179-10-10. Mandatory interactive gaming system logging.

10.1. Interactive gaming systems shall employ a mechanism capable of maintaining a separate copy of all of the information required to be logged in this section on a separate and independent logging device capable of being administered by an employee with no responsibility for gaming systems. If the interactive gaming system can be configured such that any logged data is contained in a secure transaction file, a separate logging device is not required.

10.2. Interactive gaming systems shall provide a mechanism for the Director to query and export, in a format required by the Director, all gaming system data.

10.3. Interactive gaming systems shall electronically log the date and time anytime an interactive gaming account is created or terminated (Account Creation Log).

10.4. An interactive gaming system shall maintain all information necessary to recreate patron game play and account activity during each patron session, including any identity or location verifications, for a period of no less than five (5) years.

10.5. Unless otherwise authorized by the Commission, when software is installed on or removed from an interactive gaming system, such action shall be recorded in a secure electronic log (Software Installation/Removal Log), which shall include:

- 10.5.1. The date and time of the action;
- 10.5.2. The identification of the software;
- 10.5.3. The software hash signature; and
- 10.5.4. The identity of the person performing the action.

10.6. Unless otherwise authorized by the Commission, when a change in the availability of game software is made on an interactive gaming system, the change shall be recorded in a secure electronic log (Game Availability Log), which shall include:

- 10.6.1. The date and time of the change;

10.6.2. The identification of the software;

10.6.3. The software hash signature; and

10.6.4. The identity of the person performing the change.

10.7. Unless otherwise exempted by the Commission, an interactive gaming system shall record all promotional offers (Promotions Log) issued through the system. Such log shall provide the information necessary to audit compliance with the terms and conditions of current and previous offers.

10.8. Results of all software authentication attempts shall be retained in an electronic log (Authentication Log) and accessible for a period of 90 days.

10.9. All adjustments to interactive gaming system data made using stored procedures shall be recorded in an electronic log (Adjustments Log), which lists:

10.9.1. The date and time of the adjustment;

10.9.2. The identification and user ID of person making the adjustment;

10.9.3. A description of the adjustment needed; and

10.9.4. The initial and final values of any data altered as a part of the adjustment made.

§179-10-11. Required reports; reconciliation; test accounts.

11.1. The interactive gaming system shall be designed to generate the reports required by this section in a format approved by the Commission's Security Division.

11.2. All required reports shall be generated by the interactive gaming system, even if the period specified contains no data to be presented. The report generated shall indicate all required information and contain an indication of "No Activity" or similar message if no data appears for the period specified.

11.3. Interactive gaming systems shall provide a mechanism to export the data generated for any report to a format approved by the Commission.

11.4. An interactive gaming system shall generate the following daily reports, at a minimum, for each gaming day in order to calculate the taxable revenue or to ensure the integrity of operations:

11.4.1. A Patron Account Summary Report, which shall include transaction information for each patron account as follows:

11.4.1.a. Beginning balance;

11.4.1.b. Total amount of deposits;

11.4.1.c. Total amount of non-cashable bonuses deposited;

11.4.1.d. Total amount of non-cashable bonuses wagered;

11.4.1.e. Total amount of non-cashable bonuses expired;

11.4.1.f. Total amount of transfers to games;

11.4.1.g. Total amount of transfers from games;

11.4.1.h. Total amount of withdrawals;

11.4.1.i. Total amount of funds on game at the beginning of the gaming day (the amount of pending wagers at the end of the prior gaming day);

11.4.1.j. Total amount of funds on game at the end of the gaming day (the amount of pending wagers plus funds transferred to a game but not yet wagered);

11.4.1.k. Patron win or loss, calculated as the amount of transfers from games and ending funds on game less the amount of transfers to games and beginning funds on game;

11.4.1.l. Ending balance; and

11.4.1.m. Total amount of adjustments;

11.4.2. A Wagering Summary Report, which shall include the following by an authorized interactive game and poker variation, as applicable:

11.4.2.a. Total amount wagered;

11.4.2.b. Total amount won;

11.4.2.c. Total tournament entry or participation fees;

11.4.2.d. Rake or vigorish;

11.4.2.e. Total amount of guaranteed funds paid to players;

11.4.2.f. Total amounts due to or from an interactive gaming network; and

11.4.2.g. Win or loss calculated as the net of the total amount wagered and total amount won plus tournament entry fees, rake or vigorish, guaranteed funds, and amount due to or from an interactive gaming network.

11.4.3. A Non-cashable Promotional Account Balance Report, which shall include the ending non-cashable promotional balance in each patron account; and

11.4.4. A Forfeited Bonus Winnings Report, which shall include, by patron, the amount of winnings removed from a patron's account upon the expiration, cancellation, or forfeiture of a bonus.

11.5. An interactive gaming network shall generate the following daily reports for each participating casino operator, at a minimum, for each gaming day in order to reconcile the daily interactive gross gaming revenue:

11.5.1. A Network Patron Account Summary Report, which shall include the following transaction information for each patron account:

11.5.1.a. Patron identification number;

11.5.1.b. Total amount of transfers to games;

11.5.1.c. Total amount of transfers from games;

11.5.1.d. Win or loss statistics;

11.5.1.e. Total amount of rake; and

11.5.1.f. Total amount of entry fees; and

11.5.2. A Network Wagering Summary Report, which shall include the following game activity by authorized interactive game or poker variation:

11.5.2.a. Total amounts wagered;

11.5.2.b. Total amounts won;

11.5.2.c. Total tournament entry or participation fees;

11.5.2.d. Rake or vigorish;

11.5.2.e. Total amounts of guaranteed funds paid to players; and

11.5.2.f. Win or loss statistics, calculated as the net of the total amounts wagered and total amounts won plus tournament entry fees, rake, or vigorish, and guaranteed funds.

11.6. An operator shall utilize the Wagering Summary Report to calculate interactive gaming gross revenue on a daily basis for reporting purposes. In addition, the operator shall:

11.6.1. Prepare a Variance Report documenting the win/loss amounts from the Patron Account and Wagering Summary Reports;

11.6.2. Calculate the variance between the two amounts;

11.6.3. Document the reason for the variance; and

11.6.4. Report a manual adjustment to increase revenue by the amount of the variance whenever the total of the Patron Account Summary Report is greater than the total of the Wagering Summary Report, unless the reason for the variance as documented in 11.6.3. above is sufficient to support a determination that revenue was properly reported.

11.7. In lieu of section 11.6 above, a licensee may accumulate the daily Variance Report information on a monthly Variance Report in a manner described in its internal controls.

11.8. A gaming system shall generate the following reports related to dormant accounts on a daily basis:

11.8.1. Commencing 16 months after the creation of the first interactive gaming account, a Dormant Account Report, which shall list all patron accounts including the Pending Wager Account that have had no activity for a period of 16 months. The report shall include, at a minimum:

11.8.1.a. The patron name and account number;

11.8.1.b. The date of the last successful patron login;

11.8.1.c. The account balance; and

11.8.1.d. The gaming date; and

11.8.2. A Dormant Funds Report, which shall include:

11.8.2.a. The patron name and account number;

11.8.2.b. The date of the last successful patron login;

11.8.2.c. The account balance subject to W.Va. Code Chapter 36, Article 8 (Uniform Unclaimed Property Act); and

11.8.2.d. The gaming date.

11.9. No voids of completed wagering transactions shall occur without Director approval.

11.10. An interactive gaming system shall generate a Performance Report, which compares the theoretical Return to Patron (RTP) to the actual RTP of each game offered by that gaming system. The report shall also provide the total number of rounds of play for each game and shall be generated and reviewed monthly by the interactive gaming operator or MSP to evaluate the performance of all games offered to the public. The Performance Report shall include the data required by this section from the first day interactive gaming was offered to the date of the report.

11.11. An interactive gaming system shall generate a Patron Account Adjustments Report, which shall be reviewed on a daily basis by either the interactive gaming operator or MSP to evaluate the legitimacy of patron account adjustments. If the daily review is performed by the MSP, the interactive gaming operator shall conduct a weekly review of the Patron Account Adjustment Reports. Unless otherwise authorized by the Commission, the report shall at a minimum include:

11.11.1. The patron's name;

11.11.2. An account number;

11.11.3. The date and time of the adjustment;

11.11.4. The person who performed the adjustment;

11.11.5. The reason for the adjustment; and

11.11.6. The amount of the adjustment.

11.12. An interactive gaming system shall generate a report on a weekly basis identifying problem gamblers, including those patrons who self-report. The interactive gaming operator or its MSP shall review the report and document any action taken.

11.13. An interactive gaming system shall be capable of generating a Pending Transaction Report, which shall include and separately itemize:

11.13.1. Funds on game transactions; and

11.13.2. Deposits and withdrawals not yet cleared.

11.14. On a monthly basis, the interactive gaming operator or its MSP shall submit to the Commission a copy of the West Virginia bank statement and patron liability report that reflects the balance of the restricted account maintained to protect patron funds.

11.15. Interactive gaming operators or their MSP's shall establish test accounts to be used to test the various components and operation of an interactive gaming system in accordance with their internal controls approved by the Commission. The internal controls shall, at a minimum, address the following:

11.15.1. The procedures for the issuance of funds used for testing, including the identification of who is authorized to issue the funds and the maximum amount of funds that may be issued;

11.15.2. The procedures for assigning each test account for use by only one person;

11.15.3. The maintenance of a record for all test accounts, to include when they are active, to whom they are issued, and the employer of the person(s) to whom they are issued;

11.15.4. The procedures for the auditing of testing activity by the interactive gaming operator or its MSP to ensure the accountability of funds used for testing and proper adjustments to interactive gross revenue; and

11.15.5. The procedures for authorizing and auditing out-of-state test activity.

11.16. Peer-to-peer games may be tested by a user with multiple test accounts provided that no patrons are involved in game play.

§179-10-12. Progressive jackpots.

12.1. An interactive gaming system may offer a progressive jackpot that increases in value based upon an approved rate of progression and is awarded for a specific outcome or event.

12.2. The rules governing the award and the value of the progressive award shall be readily available to the patrons.

12.3. Progressive jackpot software must be approved by the Commission. The submission for Commission approval of progressive jackpot software to be used on an interactive gaming system shall include the following:

12.3.1. A description of the software controlling the interactive progressive jackpot;

12.3.2. A mechanism to authenticate the software; and

12.3.3. Rules that will be displayed to the patron that applies to the progressive jackpot.

12.4. Prior to offering, modifying, or transferring a progressive jackpot on software approved by the Commission pursuant to 12.3 above, an operator shall submit a form in a format prescribed by the Commission.

§179-10-13. Geolocation requirement.

13.1. In order to prevent unauthorized use of an interactive gaming system to place a wager when a patron is not within the boundaries of the State of West Virginia, the interactive gaming operator or its MSP must utilize a geolocation system to reasonably detect the physical location of a patron attempting to access the interactive gaming system and place a wager and to monitor and block unauthorized attempts to access the interactive gaming system in order to place a wager when the patron is not within the boundaries of the State of West Virginia.

13.2. The geolocation system shall ensure that any patron is located within the boundaries of the State

of West Virginia when placing any wager and shall be equipped to dynamically monitor the patron's location and block unauthorized attempts to access the interactive gaming system in order to place a wager throughout the duration of the patron session.

13.3. The Commission shall approve technical specifications for geolocation systems and any specific requirements related to geolocation as part of its MICS.

§179-10-14. Remote gaming systems (RGS).

14.1. Each RGS that provides game content to an authorized interactive gaming operator or MSP shall:

14.1.1. Maintain internal controls for all aspects of gaming operations prior to implementation and prior to the time any subsequent change is made. The internal controls shall include detailed procedures for system security, operations, and accounting;

14.1.2. Maintain internal controls approved by the Commission;

14.1.3. At a minimum, employ personnel responsible for:

14.1.3.a. The duties of an IT Department;

14.1.3.b. The operation and integrity of interactive gaming;

14.1.3.c. The review of all reports of suspicious behavior; and

14.1.3.d. Ensuring compliance with standards and controls

14.1.4. Perform an annual system integrity and security assessment conducted by an independent professional selected by the operator, subject to the approval of the Commission. The independent professional's report on the assessment shall be submitted to the Commission annually.

14.1.5. Install and utilize primary and backup gaming equipment in a restricted area within the boundaries of the State of West Virginia; and

14.1.6. Provide the Director with physical and logical access to the RGS to review and collect all data contained therein.

14.2. An RGS may only offer interactive games to an operator that are approved by the Commission. An RGS shall notify the applicable interactive gaming operator(s) and the Commission when a game is disabled, regardless of the reason.

14.3. An RGS shall only void games through a procedure agreed upon between the RGS and affected interactive gaming operator(s) or after being noticed of the need for a void by the interactive gaming operator.

14.4. Each RGS shall respond to the interactive gaming operator(s) for any issue received related to a patron or other game issue with a resolution within three calendar days.

14.5. Any feature that allows a user to manually input or override any game transaction shall be submitted to the Commission for approval prior to use.

14.6. Each RGS shall monitor for and immediately report to the appropriate interactive gaming operator(s) and the Commission any malfunction or security incident that adversely affects the integrity of critical data or system functionality.

14.7. Each RGS shall obtain approval from the Commission for the use of a Content Delivery Network (CDN) prior to implementation or implementation of a change to an approved CDN.

14.8. Each RGS shall generate and distribute to each operator and the Commission the following reports in order to verify the taxable revenue reported:

14.8.1. Game Summary Report, which shall be generated on a daily basis for each licensed gaming facility and shall include the following for all completed transactions for each interactive game:

14.8.1.a. Interactive gaming authorized site name;

14.8.1.b. Interactive game name;

14.8.1.c. Total number of transactions;

14.8.1.d. Total amount wagered;

14.8.1.e. Total amount paid out; and

14.8.1.f. Total win/loss.

14.8.2. Pending Transaction Report, which shall be generated on a monthly basis and separately itemize all outstanding pending transactions for each interactive gaming authorized site. The Pending Transaction Report shall include the following:

14.8.2.a. Interactive gaming authorized site name;

14.8.2.b. Interactive game name;

14.8.2.c. Transaction date and time;

14.8.2.d. Transaction identifier;

14.8.2.e. Unique patron identifier;

14.8.2.f. Status;

14.8.2.g. Amount of the wager; and

14.8.2.h. Amount of the win, if known.

14.8.3. Void Transaction Report, which shall be generated on a daily basis and separately itemize all voided transactions for each interactive gaming authorized site. The Void Transaction Report shall include the following:

14.8.3.a. Interactive gaming authorized site name;

14.8.3.b. Interactive game name;

14.8.3.c. Transaction start date and time;

14.8.3.d. Transaction end date and time;

- 14.8.3.e. Transaction identifier;
- 14.8.3.f. Unique patron identifier;
- 14.8.3.g. Amount of the wager;
- 14.8.3.h. Amount of the win, if known;
- 14.8.3.i. Name of the employee or automated process performing the void; and
- 14.8.3.j. Reason for the void.

§179-10-15. Physical and environment controls for equipment.

15.1. An interactive gaming system and its associated communications systems must be located in facilities that provide physical protection against damage from fire, flood, hurricane, earthquake, and other forms of natural or manmade disaster by utilizing and implementing, at a minimum, the following measures:

15.1.1. Security perimeters (barriers such as walls, card controlled entry gates or manned reception desks) must be used to protect areas that contain interactive gaming systems components.

15.1.2. Protection of secure areas by appropriate entry controls to ensure that access is restricted to authorized personnel only;

15.1.3. Record of all access in a secure log that is available for inspection by Director;

15.1.4. An intrusion detection system in secure areas. Attempts at unauthorized access must be logged;

15.1.5. Locate interactive gaming servers in server rooms that prohibit unauthorized access;

15.1.6. House interactive gaming servers in racks located within a secure area;

15.1.7. Interactive gaming system components shall include all of the following minimum utility support:

15.1.7.a. Adequate power;

15.1.7.b. Uninterruptible power to support operations in the event of a power failure;

15.1.7.c. Adequate cooling for the equipment housed in the server room;

15.1.7.d. Protection from interception of communications or damage for power and telecommunications cabling carrying data or supporting information services; and

15.1.7.e. Adequate fire protection for the interactive gaming system components housed in the server room.

§179-10-16. Access to equipment.

16.1. The interactive gaming operator or MSP shall limit and control access to the primary servers and any secondary servers by ensuring all of the following controls are implemented:

179CSR10

- 16.1.1. Maintain access codes and other computer security controls;
 - 16.1.2. Maintain logs of user access, security incidents, and unusual events;
 - 16.1.3. Coordinate and develop an education and training program on information security and privacy matters for employees and other authorized users;
 - 16.1.4. Ensure compliance with all state and federal information security policies and rules;
 - 16.1.5. Prepare and maintain security-related reports and data;
 - 16.1.6. Develop and implement an incident reporting and response system to address security breaches and policy violations; and
 - 16.1.7. Develop and implement an ongoing risk assessment program that targets information security and privacy matters by identifying methods for vulnerability detection and remediation.
- 16.2. Remote access to an interactive gaming system is only permitted as follows:
- 16.2.1. For the Director upon request and without limitation;
 - 16.2.2. For testing purposes with prior approval and as limited by the Director; and,
 - 16.2.3. By employees of an interactive gaming license holder with prior approval from and as limited by the Director.
- 16.3. All interactive gaming systems must be available for independent testing as directed by the Commission without limitation.

§179-10-17. Security Requirements.

- 17.1. Networks should be logically separated so that there should be no network traffic on a network link that cannot be serviced by hosts on that link.
- 17.2. Networks must meet all of the following requirements to assure security:
- 17.2.1. The failure of any single item should not result in denial of service;
 - 17.2.2. An intrusion detection system/intrusion system must be installed on the network and monitored.
 - 17.2.3. Each server instance in cloud and virtualized environments should perform only one function.
 - 17.2.4. In virtualized environments, redundant server instances cannot run under the same hypervisor.
 - 17.2.5. Stateless protocols should not be used for sensitive data without stateful transport.
 - 17.2.6. All changes to the network infrastructure must be logged and configuration documentation updated.

§179-10-18. Interim approvals for expedited implementation.

18.1. The Director may approve certain system, network, operational, and other standards necessary to implement interactive gaming on an interim basis as long as a deadline for full compliance with permanent standards is provided at the time of approval. The Director may approve extensions if provided justification to show that such additional time is reasonably necessary.

18.2. Upon submitting an application to the Commission for an operator's license and the initial license fee of \$250,000, a licensed gaming facility may submit a contemporaneous request to the Director for an interim operator's license authorizing the gaming facility to immediately commence interactive gaming operations, pending the Commission's full review of the operator's license application.

18.3. A licensed gaming facility receiving an interim operator's license shall be permitted to commence interactive gaming wagering operations for a period of 270 days from the date the Commission grants an interim operator's license. Any interactive gaming wagering operation conducted pursuant to an interim operator's license that is not in compliance with all applicable laws and regulations relating to interactive gaming wagering shall cease operations until compliance is achieved.

18.4. After granting an interim operator's license, the Director shall continue to review the gaming facility's request for an operator's license. If the Director determines that the gaming facility holding an interim operator's license holds a valid gaming facility license, has paid the interactive gaming license fee, and is in compliance with the Act and this rule, the Commission shall issue an interactive gaming operator's license as provided by the Act. Such license shall be valid for five years.

18.5. Any applicant seeking to operate interactive gaming pursuant to a contract with the licensed interactive gaming operator must be licensed as a management services provider. Upon submitting an application to the Commission for a management services provider license and the initial license fee of \$100,000, an applicant may submit a contemporaneous request to the Director for an interim management services provider's license authorizing the applicant to immediately act as an interactive gaming management services provider for 270 days, pending the Commission's full review of the application for a management services provider license. Once approved, the annual license commencement date is the date upon which the interim license was issued.

18.6. Any applicant seeking to sell or lease interactive gaming equipment systems, or other items necessary to conduct interactive gaming, and offer services related to such equipment or other gaming items to an interactive gaming licensee, must be licensed under the Act. Upon submitting the application fee of \$10,000.00 as provided under the Act, an applicant may submit a contemporary request to the Director for an interim license authorizing the applicant to immediately act as an interactive gaming supplier for up to 270 days, pending the Commission's full review of the application for an annual license. Once approved, the annual license commencement date is the date upon which the interim license was issued.

18.7 All interactive gaming wagering conducted under authority of an interim license approval shall comply with these rules and the Act.

§179-10-19. Reciprocal agreements; prohibition of interactive gaming in establishments that do not hold an interactive gaming license.

19.1. The Commission may authorize an operator in West Virginia to participate in interactive gaming with patrons located in jurisdictions outside of West Virginia pursuant to a reciprocal agreement that has been entered into by the State of West Virginia, if the Commission determines that such wagering is not inconsistent with the laws of this state, federal law or the law of the jurisdiction in which any such patrons are located or such wagering is conducted.

19.2. No organization or commercial enterprise, other than an interactive gaming operator located in

West Virginia or its MSP that has located all of its equipment used to conduct interactive gaming, including computers, servers, monitoring rooms, and hubs, within the boundaries of the State of West Virginia, shall make its premises available for placing wagers using an interactive gaming system or advertise that its premises may be used for such purpose.

19.3. An organization or commercial enterprise that is determined by the Commission to have violated the provisions of this section shall be subject to a civil penalty of \$1,000 per patron per day for making its premises available for placing wagers using an interactive wagering system and of \$10,000 per violation for advertising that its premises may be used for such purpose, and may also be subject to the criminal penalties set forth in W. Va. Code §29-22E-20.

§179-10-20. Limitations on licensed i-Gaming operators.

20.1. Each interactive gaming operator, at its discretion, may provide no more than three individually branded online i-Gaming websites and accompanying mobile applications.

20.2. Any individually branded i-Gaming website or mobile application provided by an MSP must conspicuously bear the name of the i-Gaming operator with whom it is affiliated on its webpage and mobile splash screen.

§179-10-21. Racetrack Modernization Fund and Historic Resort Hotel Modernization Fund Reimbursement.

21.1. The interactive gaming system operator shall submit requests for reimbursement from its Racetrack Modernization Fund or Historic Resort Hotel Modernization Fund allowance, whichever is applicable, to the Director for any new and unused purchases of interactive gaming or other equipment necessary to modernize the facility to accept interactive gaming wagers. The Commission may further define covered acquisitions by issuing Commission Policy Statements.

§179-10-22. Advertising.

22.1. The Director shall approve all advertising of interactive gaming systems in advance of an operator or its MSP's, or their agents or affiliates, publishing or otherwise releasing such advertisements. The Commission may define further requirements in its MICS.

22.2. The Commission may set a certain amount or percentage of revenue that may be used for promotional credit, but any excess promotional credit offered must be accounted for as taxable revenue. This amount may be set at a frequency determined by Commission Order.

§179-10-23. Licensing and Registration.

23.1. An individual or entity, employed with or contracted by an interactive gaming operator or a management services provider, to perform certain activities for the operation of an i-Gaming system having assigned duties as an interactive gaming manager or a customer service representative with access to confidential player account information shall be licensed as an occupational licensee.

23.2 In addition, certain affiliate companies that are not involved in the offering or placement of the wager shall be deemed to be a registrant rather than a licensee.