

CHAPTER 15

JUNKET REPRESENTATIVES

SECTION 1 DEFINITIONS

- A. “Collection representative” means any person who may approve or extend gaming credit or collects gaming credit instruments negotiated by a preferred guest. The term does not include:
1. A gaming management license or its employees, or
 2. A bonded collection agency licensed by local government authorities in the jurisdiction where it has its principal place of business; or
 3. Any licensed attorney.
- B. “Complimentary” means a service, item, accommodation or promotion provided to a person at no cost, or at a reduced price not generally available to the public under similar circumstances; that term shall include any service, item, accommodation or promotion including, without limitation, players points or other incentives provided at no cost, or at a reduced price due to the anticipated or actual gaming activities of that person.
- C. “Junket representative” means any person who contracts with any gaming operator to provide services consisting of arranging transportation or lodging for preferred guests at the licensed premises or a collection representation. The term does not include:
1. Actual suppliers of transportation;
 2. Travel agencies that receive compensation based solely on the cost of transportation or lodging; or
 3. Employees of a gaming operator.
- D. “Preferred guest” means any person, 21 years of age or older who receives complimentary transportation, food, lodging, or other consideration with a retail price in excess of \$200 from a gaming operator in a twenty-four hour period as an inducement to gamble.
- E. “Secondary representative” means any person other than clerical personnel or ticket takers not otherwise exempt under Subsections A and C of this Section who receives compensation in any form from a junket representative for assisting a junket representative.

SECTION 2 FILING AND LICENSE DETERMINATION

- A. A gaming operator shall not enter into a contract with a junket representative for services until the junket representative has been investigated and issued a junket representative license from the Commission. No contract may be entered into between any gaming operator and junket representative that would exceed the expiration date of the junket representative license.
- B. An application for a junket representative license must include the following:
1. The name, address, tax identification number (or social security number if a natural person) and type of organization of the junket representative.
 2. A copy of any proposed agreement between the licensee and the junket representative.
 3. If the junket representative is to guarantee any payment due to a gaming operator from any preferred guest, a personal financial questionnaire.
 4. The designation of persons whom the junket representative may use as a secondary representative.
 5. In the discretion of the Gaming Commission, the Gaming Commission may perform criminal background checks on the junket representative if a natural person, on the principals of the junket representative if an organization, and on the secondary representatives identified in the junket representative license application.

For purposes of this provision, “principal” means an officer, director, or stockholder with 5% or more ownership in a corporation.

6. A statement on a form furnished or approved by the Gaming Commission that the junket representative:
 - a. Submits to the jurisdiction of the Mississippi Band of Choctaw Indians and the Choctaw Gaming Commission.
 - b. Designates the Secretary-Treasurer of the Choctaw Tribal Council as its representative upon whom service of process may be made; and
 - c. Agrees to be governed and bound by the laws and ordinances of the Mississippi Band of Choctaw Indians, and the regulations of the Choctaw Gaming Commission.

7. Such additional information as the Gaming Commission may request. In the event the junket representative is not an individual, such officers and principals of the junket representative as the Gaming Commission may designate shall supply the required information. All information required by this Section shall be supplied on forms furnished or approved by the Gaming Commission.
 8. The Gaming Commission may, by order, establish a fee assessable to each applicant for a junket representative license.
- C. An application to receive a junket representative license shall not be granted unless the Commission is satisfied that the applicant is 1) a person of good character, honesty and integrity; 2) a person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of the Tribe or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods or activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto; 3) a person who does not have a felony conviction in any jurisdiction; and 4) in all other respects qualified to be licensed consistent with the laws of the Tribe and the regulations of the Gaming Commission.
 - D. A gaming operator may not compensate a junket representative on the basis of theoretical or actual win attributed to a preferred guest unless such junket representative holds a junket representative license issued by the Commission. A junket representative license is valid for a period of two (2) years.
 - E. The Gaming Commission may at any time suspend or revoke a license for a junket representative's failure to meet the licensing criteria in Section C above. In such case, the Gaming Commission shall give written notice to the junket representative and any gaming operator having an agreement with the junket representative. The Gaming Commission retains jurisdiction to revoke a junket representative license even if the gaming operator terminates its relationship with the junket representative or the junket representative is otherwise no longer functioning as a junket representative.
 - F. If the Gaming Commission suspends or revokes the license of a junket representative, a gaming operator shall immediately terminate all relationships, direct or indirect, with such junket representative during the pendency of a suspension or completely in the event of a revocation. Failure to terminate such relationship constitutes a material violation.
 - G. The general provisions of Chapter 2 applicable to all Commission licensees shall also apply to junket representative licensees.

SECTION 3 REQUIRED REPORTS AND RECORD KEEPING

- A. Each gaming operator shall provide to the Gaming Commission within one month following each calendar quarter, separate lists of junket representatives, which shall include:
1. Status of current relationship with the gaming operator;
 2. Compensation in that quarter paid to a junket representative for each service provided to the gaming operator;
 3. The number of preferred guests attributed to each junket;
 4. The arrival time and date of each junket;
 5. The departure time and date of the junket; and
 6. Such other information as may be required by order of the Gaming Commission.
- B. The gaming operator shall retain in its files for a five-year period and make available for inspection by the Gaming Commission, and upon request, the following information:
1. The origin and dates of stays by preferred guests arranged by a junket representative.
 2. The total amount of gaming credit extended to such preferred guests which remains unpaid following their departure;
 3. The name and address of each preferred guest;
 4. Complimentary services, items, accommodations or promotions provided to each preferred guest;
 5. The amount of gaming credit owed by such preferred guest prior to arrival; and
 6. Such other information as may be required by order of the Gaming Commission regarding any business arrangement between the gaming operator and the junket representative.
- C. If an entity is not a junket representative within the meaning of this Chapter but contracts with a gaming operator to provide services consisting of arranging transportation or lodging for guests at the licensed premises, then the gaming operator shall provide to the Gaming Commission, within one month following each calendar quarter, a report which includes the following:

1. A list of those entities;
2. The amount of compensation in that quarter paid to each entity by the gaming operator; and
3. The total amount of complimentary services, items or accommodations provided to guests by each entity.

SECTION 4 MANDATORY REQUIREMENTS

- A. Every agreement entered into by a gaming operator and a junket representative shall be conditioned as follows:
1. If the Gaming Commission determines the junket representative's license is suspended or revoked, the agreement shall thereupon be suspended or be terminated, respectively, unless otherwise ordered by the Gaming Commission.
 2. The agreement is not effective, and the junket representative is not entitled to and may not be paid any compensation until the gaming operator receives notice that the Gaming Commission has approved the license application of the junket representative.
- B. Annually, on or before December 31, each junket representative shall file a list of all secondary representatives on a form furnished or approved by the Gaming Commission. Each licensee shall send a notice annually, on or before December 1, to each junket representative under contract with it, advising the junket representative of the requirements of this Section.
- C. Any changes in the junket representative's address, telephone number, officers, directors, shareholders or partners and any changes, additions, or deletions to the list of secondary representatives contained within the annual report of the initial submission required under Section 2 of this Chapter shall be reported by the junket representative to the Gaming Commission within thirty (30) days thereof.