

SUBCHAPTER 2. PERSONS REQUIRED TO BE LICENSED OR QUALIFIED

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19:43-2.1 Persons required to be licensed

No person shall own or operate a casino unless a casino license shall have first been issued to every person eligible and required to apply for a casino license pursuant to the provisions of N.J.S.A. 5:12-82.

Effective: 12/21/92

19:43-2.2 Persons required to be qualified

(a) Except as otherwise provided in N.J.A.C. 19:43-2.7, no casino license shall be issued or renewed by the Commission unless the individual qualifications of every person required by the Act and the Commission to qualify as part of the application for the issuance or renewal of the casino

license shall have first been established in accordance with all relevant standards set forth in the Act and the rules of the Commission.

(b) The following persons shall be required to qualify as part of the application for the issuance or renewal of a casino license:

1. All persons eligible and required to apply for a casino license pursuant to the provisions of N.J.S.A. 5:12-82;

2. All financial sources required to qualify pursuant to the provisions of N.J.S.A. 5:12-84b.; and

3. All persons required to qualify pursuant to the provisions of N.J.S.A. 5:12-85c, d, e and f.

(c) The Commission may at any time require a casino licensee or applicant to establish the qualification of any person that the Commission may deem appropriate for qualification pursuant to N.J.S.A. 5:12-84, 85 and 105. Any person deemed appropriate for qualification shall promptly file the required application form.

(d) It shall be the affirmative responsibility of each casino licensee or applicant to ensure that all persons required by the Act and the rules of the Commission to establish their qualifications in connection with an initial or renewal application for a casino license have filed any required application forms in accordance with this subchapter.

Effective: 12/21/92

As amended, effective: 05/02/94

19:43-2.3 Notification of anticipated or actual changes in directors, officers or equivalent qualifiers of casino licensees and holding companies

Each casino licensee or applicant or holding company shall immediately notify the Commission and Division, in writing, as soon as is practicable, of the proposed appointment, appointment, proposed nomination, nomination,

election, intended resignation, resignation, incapacitation or death of any member of, or partner in, its board of directors or partnership, as applicable, or of any officer or other person required to qualify pursuant to N.J.S.A. 5:12-85c, d or e. Such notice shall be addressed to the Document Control Unit of the Commission at the address indicated in N.J.A.C. 19:40-3.1(a) and to the Casino Licensing Section of the Division at the address indicated in N.J.A.C. 19:40-3.1(d).

Effective: 12/21/92

As amended, effective: 05/02/94

19:43-2.4 Notification of new financial sources

Each casino licensee or applicant shall immediately notify the Commission and the Division, in writing, as soon as it becomes aware that it intends to enter into a transaction bearing any relation to its casino project which may result in any new financial backers, investors, mortgagees, bondholders, or holders of indentures, notes, or other evidences of indebtedness who may be subject to the provisions of N.J.S.A. 5:12-84b and Article 6B of the Act. Such notice shall be addressed to the Document Control Unit of the Commission at the address indicated in N.J.A.C. 19:40-3.1(a) and to the Casino Licensing Section of the Division at the address indicated in N.J.A.C. 19:40-3.1(d).

Effective: 12/21/92

As amended, effective: 05/02/94

19:43-2.5 Notification concerning certain new qualifiers of publicly traded holding companies

(a) A casino licensee or applicant shall immediately notify the Commission and Division if the casino licensee or applicant becomes aware that, with regard to any publicly traded holding company of the casino licensee

or applicant, any person has acquired:

1. Five percent or more of any class of equity securities;
2. The ability to control the holding company; or
3. The ability to elect one or more directors of the holding

company.

(b) If any publicly traded holding company of a casino licensee or applicant either files or is served with any Schedule 13D, Schedule 13G or Section 13f filing under the Securities Exchange Act of 1934, copies of any such filing shall be immediately submitted to the Commission and Division by the casino licensee or applicant or the publicly traded holding company.

(c) Notice pursuant to (a) and (b) above shall be addressed to the Document Control Unit of the Commission at the address indicated in N.J.A.C. 19:40-3.1(a) and to the Licensing Section of the Division at the address indicated in N.J.A.C. 19:40-3.1(d).

Effective: 12/21/92

As amended, effective: 05/02/94

19:43-2.6 Qualification of new directors, officers or other qualifiers of a casino licensee

(a) Any natural person required to qualify pursuant to N.J.S.A. 5:12-85c or e by virtue of his or her position with a casino licensee shall not perform any duties or exercise any powers relating to such position until qualified by the Commission or, where appropriate, until he or she is temporarily licensed by the Commission as a casino key employee pursuant to N.J.S.A. 5:12-89e.

(b) Each person subject to (a) above shall file a Multi-Jurisdictional Personal History Disclosure Form (PHD-MJ), as set forth in N.J.A.C 19:41-5.2, and a New Jersey Supplemental Form, as set forth in N.J.A.C. 19:41-5.2A, with the Commission upon application for qualification or for a temporary casino key employee license.

Effective: 12/21/92

As amended, effective: 05/02/94

As amended, effective: 06/04/01

19:43-2.7 Qualification of new directors, officers or other qualifiers of a holding company

(a) Any proposed new director, partner, officer or other natural person required to qualify pursuant to N.J.S.A. 5:12-85c, d or e by virtue of his or her position with a holding company of a casino licensee, shall not perform any duties or exercise any powers related to such position until he or she has been found qualified by the Commission to the standards, except for residency, of a casino key employee.

(b) Each person subject to (a) above shall file a Multi-Jurisdictional Personal History Disclosure Form (PHD-MJ), as set forth in N.J.A.C. 19:41-5.2, and a New Jersey Supplemental Form, as set forth in N.J.A.C. 19:41-5.2A, with the Commission prior to or immediately upon being elected or appointed to such position, except that persons required to qualify by virtue of the following positions may alternatively file a Personal History Disclosure Form 1B (PHD-1B), as set forth in N.J.A.C. 19:41-5.3:

1. An outside director of a holding company or any business entity required to qualify with respect to a casino licensee;
2. A trustee pursuant to N.J.S.A. 5:12-95.12;
3. A trustee required to be qualified; and
4. A beneficiary of a trust required to be qualified.

(c) The Commission may, upon the written petition of the casino licensee, permit a person otherwise subject to (a) above to perform any duties or exercise any powers relating to his or her position pending qualification, provided that:

1. Such person files a Personal History Disclosure Form 4A (PHD-4A), as set forth in N.J.A.C. 19:41-5.5;

2. At least 30 days have elapsed from the date on which the PHD-4A was filed; and

3. Such person files a PHD-MJ or PHD-1B, in accordance with (b) above, within 15 days of the date on which the Commission's permission is granted.

(d) Notwithstanding the provisions of (a) above, any person permitted to perform duties or exercise powers pursuant to (c) above shall:

1. Be immediately removed from his or her position if at any time the Division provides information which the Commission determines to indicate reasonable cause to believe that such person may not be qualified;

2. Only be permitted to perform duties or exercise powers without having been qualified for a maximum period of nine months from the date on which permission to assume duties was first granted unless the Commission determines, upon written petition and a showing of good cause by the casino licensee, to extend the nine month period; and

3. At the time of the next renewal hearing of the casino licensee, be required to establish his or her qualifications unless the requirement that he or she be qualified is, temporarily or otherwise, waived by the Commission pursuant to N.J.S.A. 5:12-85d(1).

Effective: 12/21/92

As amended, effective: 05/02/94

As amended, effective: 06/04/01

19:43-2.7A Application for renewal of qualification

(a) All persons who have been found qualified by the Commission pursuant to N.J.S.A. 5:12-85c, d or e shall file a renewal application as follows:

1. Any person whose position requires both qualification and a key employee license shall file an application for renewal when required to file for renewal of his or her casino key employee license pursuant to N.J.A.C. 19:41-14.2.

2. Any other person required to qualify shall file an application for renewal when the casino licensee for which he or she is a qualifier files a casino license renewal application.

(b) An application for renewal of qualification shall consist of the following:

1. A complete Key Standard Qualifier Renewal Form;
2. A signed, dated and notarized Certification of Truth;
3. A signed, dated and notarized Release Authorization which shall direct all courts, probation departments, selective service boards, employers, educational institutions, financial and other institutions and all governmental agencies to release any and all information pertaining to the applicant as requested by the Commission or the Division; and

4. Either a certification by the Division that the applicant has been fingerprinted or fingerprint impression cards in accordance with N.J.A.C.

19:41-7.7.

As adopted, effective: 05/02/94

As amended, effective: 12/05/94

As amended, effective: 12/04/95

19:43-2.8 Issuance or transfer of interests; approval

No person shall issue or transfer any security or ownership interest in a casino licensee or any nonpublicly traded subsidiary or holding company thereof without the express, prior written approval of the Commission. The Commission shall not grant any such approval without considering the provisions of N.J.S.A. 5:12-39, 44, 47.2, 82d(7) through (10), 85c and e, 95.12 through 95.16 and 105.

Effective: 12/21/92

As amended, effective: 12/06/99

19:43-2.9 Subsidiaries

(a) Each casino licensee or applicant or holding company thereof shall report immediately, in writing, to the Commission and the Division the formation or dissolution of, or any transfer of a nonpublicly traded interest in, any subsidiary of the casino licensee or applicant or any subsidiary of any holding company of the casino licensee or applicant which bears any relationship to the casino project.

(b) Each casino licensee or applicant shall file with the Commission and the Division adopted charter provisions that comply with the requirements of N.J.S.A. 5:12-82d(7) through (10) for each subsidiary of the casino licensee or applicant.

Effective: 12/21/92