

**REPUBLIC OF PANAMA MINISTRY OF
ECONOMY AND FINANCE GAME CONTROL
BOARD**



Resolution N° //

Panama, __ k __ of 2020.

**THE PLENARY SESSION OF THE GAME CONTROL
BOARD, IN USE OF ITS LEGAL POWERS; AND**

CONSIDERING:

That it corresponds to the Board of Control of Games the control, inspection, supervision and regulation of gambling and the activities that originate bets, in accordance with the provisions of article 9 of Decree Law No. 2 of February 10 from 1998.

That the Gaming Control Board, in representation of the State, assumes the exploitation of gambling and the activities that generate bets, for the exclusive benefit of the State, being that such exploitation may be carried out directly or through third parties, of in accordance with the provisions of article 2 of Decree Law No. 2 of February 1, 1998.

That by Resolution No. 65 of October 25, 2002, the Plenary of the Gaming Control Board, in use of its legal powers, approved the Regulations for the Operation of Gambling and the Activities that Originate Gambling carried out through Electronic Communication Game Systems.

That Gambling through the Internet to be operated from the territory of the Republic of Panama, will strengthen the country's gaming offer, which will result in the development of the gaming industry, better collection for the State and combat the illegal game of chance in the Republic of Panama, protecting the betting public, for which reason a modification to the regulation that dates from the year 2003 is imposed.

That as provided in article 12, numeral 9 of Decree Law No. 2 of February 1, 1998, it corresponds to the Plenary of the Gaming Control Board to dictate, repeal, modify, complement and update the regulations concerning the operation of games of chance and activities that generate bets.

In consequence,

RESOLVED:

FIRST: To approve the amendment to Resolution No. 65 of October 25, 2002, this will be worded as follows:

**TITLE 1
GENERAL PROVISIONS**

**CHAPTER 1
INTERPRETATION AND RESTRICTIONS**

Article 1. Interpretation.

The provisions contained in these Regulations will not be interpreted in a way that conflicts with the laws of the Republic of Panama. If any provision of this Regulation is declared null or unconstitutional, it will not be interpreted to invalidate the other provisions of this Regulation.

Article 2. Conditions, restrictions and prohibitions.

1. The acquisition of bets on gambling and gambling through the Internet in physical establishments (Jbego Rooms or similar) is prohibited. The operation of Gambling through the Internet must be carried out on a website.
2. The provisions contained in these Regulations do not apply to horse racing, lottery games or games of a similar nature.
3. The operations of the Games of Chance through the Internet must comply with Law No. 23 of April 27, 2015, which adopts measures to prevent money laundering, the Financing of Terrorism and the Financing of the Proliferation of Arms of Mass Destruction, its modifications and regulations, through which measures are adopted to prevent money laundering, the financing of terrorism and the financing of the proliferation of weapons of mass destruction.
4. The collection of bets on sports events at an amateur level is prohibited in the Republic of Panama.
5. The raising of bets on elections for public office is prohibited, both inside and outside of Panama.
6. Any other event that the Director, at his discretion, considers to prohibit, by means of a motivated Resolution.
7. No natural or legal person, may advertise or operate Gambling or activities that generate bets through the Internet in the Republic of Panama, without being duly authorized, through an Administration and Operation Contract, for the Gaming Control Board.
8. No person who has a Contract or License issued in another jurisdiction to operate games of chance or activities that generate bets through the Internet, may advertise or operate said games or activities in the Republic of Panama.
9. The Director is empowered to request the corresponding state agency to block the website that is operating, exploiting or advertising games of chance and activities that generate bets, without having the authorization issued by the Gaming Control Board.

CHAPTER 11 DEFINITIONS

Article 3. The following terms shall have the meanings established below:

Administrator / Operator; It is any natural or legal person who has a contract issued by the Gaming Control Board to operate and manage a game of luck and chance or activity that generates bets through the Internet.

Player Account Opening; Account activation process that includes the collection of the legally required information from the player, an electronic identifier that will allow him to play on the website in question.

Compliance Certificate; Certificate issued by an Authorized Entity, through which it is stated that the Internet Games System and its components under evaluation comply with the provisions of these Regulations.

Director; It is the Executive Secretary of the Gaming Control Board.



DNS (Domain Name System): A naming method used to name the devices that connect to the network through the IP (Internet Protocol).

Web Domain: Exclusive name corresponding to a certain website, duly authorized by the respective government body, which contains the geographic superior domain (ccTLD), for Panama, currently ".pa", to which the Gaming Control Board grants a License of Gaming, under a Contract of Administration and Operation of Gambling through the Internet.

Authorized entity: national or foreign entity registered with the Gaming Control Board to issue Certificates of Compliance.

Team Game: For the purposes of this Regulation, any team, software or technological tool necessary for the functioning or operation of gambling via the Internet, based on a management contract and operation of games of chance via the Internet.

Electronic Identifier: Identification code assigned to a player who has a player account.

Gross Income: Total money collected from bets, less total money paid from prizes.

IP (Internet Protocol): It is an identifying license plate that defines the user within an internal or external network.

Game of Luck and Chance through the Internet: It is understood that gambling are carried out through the Internet in or from the Republic of Panama, when they are performed by players who are inside or outside of Panama.

Incomplete Games: That game whose result remains unresolved or the result is not seen correctly by the player.

Individual Games: That game where only one player participates.

Gaming License: For the purposes of these Regulations, it will be understood as that Resolution by which the Director authorizes an Administrator / Operator to collect bets in the following modalities: On Sports Events (Sports Events, Car Racing and Greyhounds); and, On Internet Casino Games (Poker, Black Jack, Roulette, Slots), expressly excepting the games and events contained in article 2 of these Regulations, through the exploitation of a web domain previously authorized by the entity corresponding government.

Mapping: Pairing a pair of identities from a program.

Designated Operator: Person with whom the Administrator / Operator has signed a Gaming License Use and Exploitation Agreement, duly authorized by the Plenary of the Gaming Control Board.

Game Platform: It is the hardware and software of the Luck and Chance Games System through the Internet that manages the characteristics common to all the Games offered, and forms the primary interface of the game system for both the player and the operator. The gaming platform provides the player with the

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account information, deposit and withdraw funds to / from your account, request means to register an account, log in / out of your account, modify

Reports of your account activities and closing your account. Likewise, all the web pages shown to the player that are related to the gaming experience offered by the Luck and Chance Gaming System through the Internet, but that are not a game screen, are considered part of the Gaming Platform. The Gaming Platform provides the operator with the means to review player accounts, enable / disable games, generate various game / financial transaction and account reports, enter game results at sports betting events, enable / disable player accounts and set custom parameters.

Grand Prizes: Ten thousand Balboas grand prizes, (B / .10, 000.00).

Control Program: Constitutes the game settings, the libraries, the operating system files, the components that control the system reports and the elements of the database that affect the result of the game or the necessary operations of the system.

Registered Provider: Natural or legal person duly registered before the Gaming Control Board to provide the system of gambling through the Internet.

Game Session: A game session consists of all the activities and communications carried out by a registered player and the Internet gambling system, comprised between the moments the registered player enters the lucky games system and online gambling up to the moment the registered player exits the internet gambling and luck system.

TITLE 11

APPLICATIONS FOR ADMINISTRATION AND OPERATION CONTRACTS

CHAPTER 1

GENERAL

Article 4. Criteria for the granting of Contracts for the Administration and Operation of Luck and Chance Games through the Internet and Certificates of Suitability.

The Contracts for the Administration and Operation of Luck and Chance Games through the Internet and Certificates of Suitability will only be awarded to persons who have provided sufficient evidence to demonstrate the following:

1. That he is an honest person, of high integrity, of great competence and experience.
2. That he is a person whose activities and background do not represent a threat to the public interest of the Republic of Panama or violate the Regulations; and that their participation in the gaming industry does not represent a danger of illegal practices being introduced or increased in the handling or management of games or activities that generate bets; and, that it has not been engaged in commercial or financial mismanagement.
3. That the proposed financing for the entire operation is adequate and comes from a lawful and acceptable source.



CHAPTER 11 APPLICANT INVESTIGATION AND QUALIFICATION

Article 5. Duty to Investigate.

The Director will have the obligation to investigate the qualifications and competence of each applicant for an Administration and Operation Contract or a Certificate of Suitability. Said investigation will be carried out through the State security agencies or, at the Director's discretion, private agencies will be hired to provide the services required, at the applicant's expense.

When the applicant for an Administration and Operation Contract is a legal person, the investigation will cover its board of directors, and the shareholders until reaching the final beneficiary.

Article 6. Qualification of the Applicant.

Any person wishing to request authorization to operate Luck and Chance Games through the Internet, must have at least five (5) years of experience in the gaming industry.

In the event that the applicant is a legal entity, the majority shareholder or the President of the company must have the experience established in this article.

CHAPTER 111

APPLICATION FOR CONTRACT FOR ADMINISTRATION AND OPERATION OF LUCK AND GAMBLING GAMES THROUGH THE INTERNET

Article 7. Requirements for the application of the Administration and Operation Contract for Gambling through the Internet.

Any person who wishes to request a Contract for the Administration and Operation of Luck and Chance Games via the Internet must:

1. Comply with the laws and regulations applicable to the matter.
2. Have a legal representative in the Republic of Panama.
3. Successfully complete the investigation of probity and history: as well as pay the costs.
4. In case of a legal person, it must be properly constituted and organized in Panama or registered as a foreign corporation in the Public Registry.

The memorial request, through legal guardian, must contain the information detailed below; as well as providing the documentation indicated:

- a) Applicant's name.
- b) Indication of how many licenses you want play to operate.
- c) Submit a business plan, indicating the initial investment and economic projections for the short, medium and long term.
- d) Names of the people, directly or indirectly involved in the proposed operation and nature of such interest, (Such information includes shareholders, final beneficiary, director, dignitaries, legal representative of the company, being a legal person).
- e) Complete and detailed information on the personal, criminal, commercial and financial background of each director, dignitary, trusted employee of each shareholder of the requesting company, and of any person who, in the judgment of the Director of Game Rooms, has a relationship

significant with the proposed operation, covering the ten (10) previous years, / to the date of presentation of the corresponding application.

- f) Prove the source of funding for the proposed operation.
- g) Present duly authenticated or apostilled documents that prove the constitution and validity of the legal person or that prove the identity of the natural person, if applicable. In the case of a legal entity, the company deed of incorporation must contain the following:
- Clause concerning the social order must contain the following; "Operate Gambling Y Azar via the Internet in accordance with the standards issued by the Gaming Control Board of the Republic of Panama".
 - Regarding the shares, the deed of incorporation must include a text that mainly indicates the following: "The corporation will not issue any share or value, with the exception of cases in which said issue is made in accordance with the provisions adopted by the Gaming Control Board The issuance of any action or value that violates the provisions of the Gaming Control Board will be invalid and said actions or values will be considered as issued and pending until the corporation is no longer subject to the jurisdiction of the Gaming Control Board, or the Gaming Control Board, by reasoned resolution, makes said issue valid. No action or value will be issued by the corporation and no interest, encumbrance or action will be transferred, unless it is done in accordance with the provisions adopted by the Gaming Control Board Any transfer that violates the provisions of the Gaming Board Games Control will not be valid until the corporation is no longer subject to the Games Control Board; or, the Gaming Control Board, by reasoned resolution, validate the transfer. "

If the Gaming Control Board determines at any time that a shareholder or other shareholder of the corporation is not eligible to hold such securities then, until such securities are owned by persons that the Gaming Control Board deems fit for Possess them: the company will not be required or authorized to pay any dividend or interest in relation to said securities; the holder of such securities will not have the right to vote in any matter, as holder of the securities, and such securities will not be included, for any purpose, in the securities of the corporation with the right to vote; the corporation will not pay remuneration in any form of said values.

- h) Provide information on the financial structure of the legal person, including a list of all outstanding shares, in which I know make a declaration the rights of each shareholder.
- i) Submit notarized certification issued by the company secretary stating the names of each shareholder.
- j) Present notarized certification from the company secretary listing all the loans, mortgages, trusts, encumbrances and outstanding obligations. In case the applicant company does not keep loans. mortgages, trusts, encumbrances or obligations pending payment, must provide a notarized certification signed by the secretary stating such situation.
- k) Present notarized certification signed by the secretary of the society listing the names of the people whose benefits, wages or fees correspond to the ten (10) highest amounts of the returns



- of payment, whether or not they are directors, officers or trusted employees of the applicant. In the event that it has not yet been determined who will be the people covered by this literal, they must provide notarized certification signed by the secretary stating that such situation.
- L) Indicate the procedures used or to be used to grant bonuses and profit sharing. In the event that the applicant company has not defined the procedures covered by this literal, it must provide notarized certification signed by the secretary where such situation is recorded.
 - m) Contracts and subcontracts related to the proposed operation. In the event that the applicant company has not signed contracts or subcontracts, it must provide a notarized certification stating such situation.
 - n) Present a profit and loss balance sheet, duly certified by a certified public accountant, covering the three (3) fiscal years prior to the date of the request. In the event that the applicant company has not operated during the three (3) previous fiscal years, it must provide a notarized certification signed by the secretary stating such situation.
 - o) Copy of the income statements of the last three (3) years or estimated income statement. In the event that the requesting company has not submitted tax returns during the previous three (3) years, it must present a notarized certification signed by the secretary stating such situation.
 - p) Present the Internal Control Procedures Manual.

Article 8. Citation of the applicant.

The Director may cite any person whose name appears in an application for the Contract for the Administration and Operation of Luck and Chance Games through the Internet, in order to appear and clarify or report any matter that, in their opinion of the Director, is of relevance.

Article 9. Recommendation of the Director.

Once the investigation is concluded and after evaluating the viability of the application for the Contract for the Administration and Operation of Luck and Chance Games through the Internet, the Director will recommend to the Plenary of the Gaming Control Board the approval or rejection of this, through an explanatory report based on law.

Article 10. Withdrawal of the application.

As long as the Director has not issued his recommendation to the Plenary of the Gaming Control Board, the applicant may withdraw, in writing, his request.

Once the Director has issued the corresponding Resolution, admitting the withdrawal of the request and ordering the breakdown and it has been notified, the applicant may not formalize another request until one (1) year has elapsed, counted from the date of notification of the respective Resolution.

Article 11. Consideration of the Plenum of the Gaming Control Board.

The Plenum of the Gaming Control Board will evaluate the Director's recommendation and will issue a reasoned Resolution authorizing or rejecting the application for the Contract for the Administration and Operation of Luck and Chance Games through the Internet.



CHAPTER IV

COMPLIANCE DEPOSIT, PRIZE PAYMENT DEPOSIT, KEY RIGHT AND PARTICIPATION IN REVENUE

Article 12. Right of Key.

Every Administrator / Operator, once the Comptroller General of the Republic has endorsed the respective Administration and Operation Contract, must make a payment in favor of the National Treasury for the sum of Fifty Thousand Balboas (B / .50,000.00), as a Law of Key for each Game License.

It is important to note that said payment will be effective for the first License to the endorsement of the Contract, and in case of requests for several Gaming Licenses, the Right of Key will be paid with the approval of the Gaming Licenses, by the Executive Secretary of the Games Control Board.

Article 13. Compliance Bond.

Each person who has been awarded a Contract for the Administration and Operation of Gambling through the Internet must record, as a performance bond, the sum of Five Hundred Thousand Balboas (B / .500,000.00), in favor of the Games Control Board.

Article 14. Prize Payment Bond.

The Administrator / Operator, once the Administration and Operation Contract has been endorsed by the Comptroller General of the Republic, and before starting operations, must maintain and present each year, before the Gaming Control Board, a bond issued by a company insurer for the sum of One Hundred Thousand Balboas (B / .100,000.00) to guarantee the payment of prizes to the players.

Failure to comply with this provision will lead to the imposition of the corresponding sanctions.

Article 15. Share of Income.

Every Administrator / Operator must pay the Gaming Control Board ten percent (10%) of their gross income.

The payment referred to in this article must be made within the first ten (10) calendar days of each month.

Failure to pay within the term established in this article, will cause a surcharge of one percent (1%) per month of the total amount to be paid.

The delay, regardless of the monthly surcharge for non-payment, for three (3) months, will be caused by the filing of an Emergency Order and / or the termination of the Contract.

CHAPTER V LICENSING OF GAME

Article 16. Gaming Licenses.

With each Administration and Operation Contract, one or more Gaming Licenses will be issued for each web domain held by the Administrator / Operator, previously authorized by the corresponding government entity, which will never be more than five (5) for each Administration Contract. And Operation.

Each Gaming License will allow the collection of bets in the following modalities: On Sports Events (Sports Events, Car Racing and



Greyhounds); and, On Internet Casino Games (Poker, Black, Routes, Slots). The games and events contained in article 2 of these Regulations are expressly excepted.

Every Administrator / Operator shall inform the Director in writing of the start date of operations of each Gaming License, in order for the latter to order the respective inspection, before granting prior written authorization for the start of operations.

The Gaming Licenses will be issued by the Director through a motivated Resolution.

Once the Gaming Licenses have been issued, each Internet site corresponding to each Gaming License must start operations within a term of three (3) months; since otherwise, the Director may cancel the Gaming License.

Article 17. Gaming License Use and Exploitation Contract.

The Administrator / Operator may sign Contracts for the Use and Exploitation of Gaming Licenses with a Designated Operator, with prior authorization issued by the Director, by reasoned Resolution.

The application must be sent to the Director of Game Rooms, attaching the following documents:

1. Constitution authenticated documents or certified, as applicable, of the designated operator.
2. Public Registration Certificate of the designated operator.
3. Accredited source of financing for the designated operator.
4. Gaming License Use and Exploitation Agreement.

The Designated Operator must satisfactorily comply with the provisions of articles 5 and 6 of these Regulations.

CHAPTER VI CERTIFICATES OF SUITABILITY AND WORK CREDENTIALS

Article 18. Certificates of Suitability.

Any person who aspires to occupy the position of dignitary, director, trusted employee or shareholder; or, that at the discretion of the Director maintains a significant relationship with the activities of an Administrator / Operator of Luck and Chance Games through the Internet, he must request, through a legal representative and obtain a Certificate of Suitability issued by the Director.

This Certificate of Suitability to participate in the activities of an Administrator / Operator of Luck and Chance Games through the Internet must be requested and obtained, even if the applicant already has a Certificate of Suitability to participate in the activities of any other operation. of gambling or activities that generate bets.

Article 19. Requirements to request Certificate of Suitability.

The request for Certificate of Suitability must be addressed to the Director, through a special attorney and accompanied by the following documentation:

- a) Document signed by the Administrator / Operator of Luck and Chance Games through the Internet stating the relationship he has with the applicant.
- b) Current Police Record or Investigation Form duly completed and notarized.
- c) Copy of the applicant's personal identity card or passport.



- d) Any other documentation which, in the opinion of the (the) director (a), either necessary.

Article 20. Evaluation of the suitability certificate applications.

Once the request in question has been formalized, the Director will carry out the pertinent investigations, through the State security agencies; and, based on the result of the investigation, it will issue or deny the Certificate of Suitability, as the case may be, through a reasoned Resolution.

Article 21. Notifications of cessation of functions.

When an Administrator / Operator terminates his duties to an officer, director, dignitary or trusted employee, he must immediately notify, in writing, the Director.

Article 22. New designation.

When the Administrator / Operator designates a person to replace the dismissed, in accordance with the provisions of the preceding article, he must notify the Director in writing and formalize the request.

Article 23. Obligation to terminate the employment relationship.

If the Director denies or revokes a Certificate of Suitability, the Administrator / Operator must immediately end the working relationship that he maintains with said person.

Article 24. Work Credentials.

Any person working for an Administrator / Operator must have a Work Credential issued by the Director.

Article 25. Requirements to request a Work Credential.

Any person working for an Administrator / Operator must request in writing to the Director a Work Credential, providing the following documentation:

- a) Personal and family information of the applicant.
- b) Police record of the applicant.
- c) Two (2) photographs that date, at most, from three (3) months before formalizing the request.
- d) Printing of the applicant's fingerprints.
- e) Payment for the right to process for the sum of Fifty Balboas (B / .50.00).

Article 26. Grounds for denial or revocation of Certificate of Suitability and Work credential.

The following will be considered grounds for denial or revocation of Certificates of Suitability and Work Credential:

- a) Any person who has been convicted of an offense established in the Penal Code, and at the date of the request, it is shown that he has not fulfilled the corresponding sentence.
- b) Any person who, in a proven manner, has contravened these Regulations.
- e) Any person who has committed fraudulent acts, according to the established in Decree Law No. 2 of February 1, 1998.
- d) Any person who does not comply with the immigration and labor provisions in force in the Republic of Panama.

Article 27. Procedure for Revocation of Work Credentials.

- a) Once the Administrator / Operator notices that the gaming employee, supposedly, has incurred any cause for revocation, he must withdraw his Work Credential and send it to the Gaming Control Board with a

Explanatory report of the reasons why it considers that the gaming employer should have his Work Credential revoked.

b) Once the report referred to in the previous numeral has been received, the Games Control / Board will proceed to carry out the pertinent investigations, guaranteeing the principle of contradiction.

c) After the investigation, the Director will issue his decision through a reasoned Resolution.

Article 28. Grounds for Suspension of Certificates of Suitability and Job credentials.

In the event that the bearer of a Certificate of Suitability or Work Credential is being investigated for the commission of an offense established in the Penal Code, the Director will proceed to issue the temporary suspension of the Work Credential and / or the Certificate of Suitability, by means of a motivated Resolution, until the courts issue a sentence. In case of being innocent of the charges, the suspension will be null and void; In the event that the person is convicted, the Certificate of Suitability or the Work Credential will be revoked, as the case may be.

TITLE 111

OPERATION OF LUCK AND GAMBLING GAMES THROUGH THE INTERNET

**CHAPTER 1
OPERATING CONDITIONS**

Article 29. Operation of Gambling through the Internet.

The operation of games of chance via the Internet must meet the following criteria:

1. It can bet between players.
2. Manager / Operator compulsorily must have offices and call center in the Republic of Panama, where documentation and must contain the information required by this Regulation.
3. The Administrator / Operator shall report if the servers used to operate games of chance via the Internet are physically in the Republic of Panama. If found outside the Republic of Panama, the Administrator / Operator shall indicate the exact location of it. In both cases, you must provide the Certificate of Compliance issued by an appropriate authorized body.
4. In any case the system Games of chance via the Internet include betting on horse racing, lotteries or games of a similar nature, not regulated by the Gaming Control Board.
5. The game of chance via the Internet that will use the Administrator / Operator must be properly registered and should be purchased from a supplier registered according to the provisions of Article 32 of this Regulation.
6. The operation of the games of chance via the Internet, must comply with the provisions of Law No. 23 of April 27, 2015, its amendments and regulations.
7. Prizes will be paid to players either. through deposits in bank accounts, credit cards, any means of payment allowed by the banking system or through the change of proof of payment in boxes of Administrators / Operators of Full Casinos, Rooms of Slot Machine Type "A" or Rooms of Type C Machines, with whom the Administrator / Operator of Luck and Random Games through the Internet maintains a Service Contract, duly approved in advance and in writing, by the Director.



**Article 30. Service Contract.**

The Administrator / Operator must request authorization from the Director, to receive a Service Contract for the redemption of payment vouchers' with Administrators / Operators of Full Casinos, Type "A" Slot Machine Rooms or Type C Machine Rooms, Bingos, Agencies Betting of physical Sports Events.

The Administrator / Operator must accompany his request for a copy of the contract, so that it can be evaluated by the Director and he will issue his decision through a reasoned Resolution.

Article 31. Website. Characteristics.

The Administrator / Operator must guarantee that the web page has the following information:

- a. Information, address and telephone numbers of the Administrator / Operator and the location of the central offices in the Republic of Panama.
- b. It must contain the logo approved by the Gaming Control Board corresponding to the Responsible Gaming Program and the Administrator / Operator will have the obligation to promote, at all times, the Responsible Gaming Program approved by the Gaming Control Board.
- c. The domain name must contain the top geographic domain (ccTLD), for Panama, currently ".pa".
- d. It should contain a complaints icon that will be linked to an email address provided by the Gaming Control Board where players can submit their complaints to this entity.

**CHAPTER 11
INTERNAL CONTROL PROCEDURES****Article 32. Obligation to present the Internal Control Procedures Manual.**

All Administrator / Operator shall submit to the Director's consideration and approval an Internal Control Procedures Manual.

Said Manual shall govern all the operations and activities of the Administrator / Operator and shall reasonably guarantee the following:

- a) That the assets are safeguarded;
- b) That the financial records are accurate and reliable;
- e) That the transactions are carried out in accordance with the general or specific authorization of the Administrator / Operator;
- d) That the transactions are properly recorded, so that the gross income is duly reported;
- e) That the assets can only be accessed when you have the express authorization of the Administrator / Operator's management;
- f) That recorded assets be compared with actual assets at reasonable intervals and that appropriate measures be taken, should any discrepancy occur;
- g) That the functions, duties and responsibilities are duly separated and that they are carried out by suitable personnel.

Article 33. Contents of the Internal Control Procedures Manual.

The Internal Control Procedures Manual for all Administrators / Operators must describe their administrative and accounting procedures, in accordance with the



Internationally Accepted accounting weapons, including in detail the following aspects:

- a) An organizational chart that describes the separation of functions and responsibilities;
- b) A description of the tasks and responsibilities of each position that is shown in the organization chart;
- c) A detailed and narrative description of the administrative and accounting procedures designed;
- d) A statement signed by the legal representative of the Administrator / Operator attesting that the Applicant's Internal Control Procedures Manual has been reviewed by the auditor and meets the requirements established in these Regulations;
- e) Any other information that the Director may require.

Article 34. Report on Compliance with the Internal Control Procedures Manual.

All Administrator / Operator shall submit, no later than ninety (90) calendar days after the end of the fiscal year, two (2) copies of a report prepared by an external auditor, which shall contain the analysis of the financial reports and the evaluation of the procedures performed by the Administrator / Operator, in light of the Internal Control Procedures Manual approved by the Director and these Regulations, with their corresponding modifications and regulations.

The report referred to in the preceding paragraph must be accompanied by a Declaration rendered by the Administrator / Operator, in which it sets forth its considerations on each observation or noncompliance indicated by the external auditor and the corrective measures adopted.

Article 35. Modifications to the Internal Control Procedures Manual.

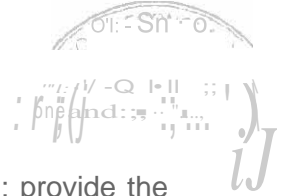
When the Administrator / Operator wishes to modify the content of the Internal Control Procedures Manual approved by the Director, they must submit the proposed modifications to the Director, so that he / she can evaluate.

The Administrator / Operator may not execute the modifications to the Internal Control Procedures Manual, until the Director has issued a reasoned Resolution approving the proposed modifications.

**CHAPTER 111
PLAYER ACCOUNT AND PAYMENT OF
PRIZES**

Article 36. Account Opening from Player.

- a. Each player may open a single player account and in no case will he be allowed to keep more than one account, constituting the breach of this provision in an offense subject to sanction, in accordance with the provisions of these Regulations.
- b. The Administrator / Operator must verify and guarantee that the person who wishes to open his player account is not included in the Exclusion List maintained by the Gaming Control Board. If this is the case, the Administrator / Operator will inform the person that it is not possible to open their account and must make the respective report to the Gaming Control Board.
- c. The Administrator / Operator must obtain and verify that the information of the player who wishes to open a player account complies with the provisions of Law No. 23 of April 27, 2015 and other regulations related to the prevention of money laundering, financing terrorism and financing of proliferation weapons of mass destruction.
- d. The player account can be opened with a minimum of Twenty Balboas (B / .20.00) and, in no case, will it be greater than Ten Thousand Balboas (8 / .10,000.00).



- e. The player account will be valid for two (2) years.
- f. Once the requirements listed above have been met, we will proceed; provide the player with the electronic identifier that will allow the player, to access the Administrator / Operator website via the Internet and start the game session.
- g. The Player Account will be credited for the amounts paid as a player award

Article 37. Player account controls

Session player. A session consists player of all activities and communications carried out by an authorized player and the system Games of chance via the Internet between the time the authorized player enters the system until the moment when the player authorized sale or disconnected. A game that requires a monetary payment can only happen during a game session. When a system provides access to several games from a lounge, players can play more than one game during the session.

Player login. Player session starts when a player logs into the system Luck Games Y Azar via the Internet.

- a) The player must be assigned (or have created) an electronic identifier such as a digital certificate or account description and a password to start a session.
- b) The Internet Luck and Chance Games System must allow players to change their passwords, and must remind them periodically.
- c) e) In the event that a player has forgotten their password or PIN, the Gaming Platform must provide a secure process to re-authenticate the player and recover or reset the password or PIN. Any process to handle the loss of player ID or password must be clearly described to the player and be secure enough.
- d) When a player logs in to the Luck and Chance Gaming System over the Internet, it should be displayed the last time they logged in.
- e) Each player session must have a unique identifier assigned by the Luck and Gambling System through the Internet that distinguishes the current session from previous or future sessions.

Session inactivity imposed by the player. During a game between bettors, the software must allow users to set the "Away" status. This could be used if the player has to be away for a moment. This function must be fully explained in the help screens or in the terms and applicable conditions.

- a) The "Away" state must reject all games, and must also result in the player's turn being automatically omitted during any game round that takes place while this state is active.
- b) If a player posts "Away" status in the middle of a game round, he will automatically lose his game for that round, the software must automatically double the player's hand during the next betting round assuming additional bets are required or decisions by the player to complete the game.
- c) If a player performs any action sensitive to the game within the game window while in the "Away" state (ie select a bet amount, etc.), the state will be removed and the player will be included in the next round of play. Non-game sensitive actions, such as accessing the help menu from the game window, do not require removing this state.





- d) If the player has not taken any action within the time period specified in the help screens and / or in the terms and conditions "Away" status will be automatically set.
- e) e) If a player has been "Absent" for more than thirty (30) minutes, the player must be automatically removed from the table in which he is registered.

Player session inactivity automatically detected. The Internet Luck and Chance Gaming System should employ a mechanism to detect session inactivity and end player sessions when appropriate.

- a) If the Gaming Platform does not receive a response from the player device within thirty (30) minutes, it must deactivate the user due to inactivity and end the session.
- b) If a session is interrupted due to user inactivity. the player device must show the player the end of the session on the server (that is, the deactivation due to inactivity of the user) in the next attempt of action on the Game Platform.
- c) It is not allowed to continue playing until the Game Platform and the Player Device establish a new session.

End of player session. Player session ends when:

- a) The player notifies the Game Platform that the session has ended (eg "disconnects").
- b) It reaches a shutdown downtime Session.
- c) Platform game session ends.
 - i) When the Gaming Platform ends a session, a written record must be made in an audit file indicating the reason for termination; Y
 - ii) The Gaming Platform must attempt to send a session termination message to the player device each time a session is terminated by the Gaming Platform.

Self-limitation. Players must be provided with a mechanism to impose limitations on game parameters, including but not limited to deposits, bets, losses, and lengths of player sessions. The self-limiting mechanism must offer the following functions:

- a) Upon receiving the self-limitation orders, the Luck and Gambling System through the Internet must guarantee that all the specified limits are implemented correctly immediately or at the moment (that is, at the next login, the day next, etc.) indicated by the player
- b) The self-limitations established by a player must not prevail over the limitations imposed by the system nor must they contradict the information within the rules of the game.
- c) Once established by a player and implemented by the Luck and Chance Games System through the Internet, it should only be possible to reduce the severity of the self-limitation by giving notice four (24) hours in advance.

Self-limitations should not be compromised by internal events. such as self-exclusion.

Limits imposed by the system. The Internet Luck and Chance Games System must be able to apply limits to the players at the request of the Director. Players must be notified in advance of any limits imposed by the system and the effective dates. Once updated, the



limits imposed by the system must be consistent with the players

- a) Upon receiving the limitation orders imposed by the system, the Luck and Gambling System through the Internet must guarantee that all specified limits are implemented immediately or at the time indicated to the player.
- b) In cases where the values of the limitations imposed by the system (for example, deposit, bet, loss, session length of the player) are greater than the values of the limits imposed by the player, the self-imposed limitations should prevail.
- c) The limitations imposed by the system should not be compromised by internal events, such as self-exclusion.

Self-exclusion. Players must be provided with a mechanism to exclude themselves from the game, and this mechanism must provide the following functions:

- a) Y The option to self-exclude must be provided to the Player. The self-exclusion will have a minimum validity of two (2) years indefinitely, as selected by the Player.
- b) In the case of self-exclusion, the Luck and Chance Games System through the Internet must ensure that:
 - i) Immediately after receiving the self-exclusion order, no new bets or deposits will be accepted from that player, until the self-exclusion has expired, and
 - ii) During the period of self-exclusion, the player will not be prohibited from withdrawing all or part of the balance of his account through the account management console, provided that the System of Luck and Chance Games through the Internet acknowledge that the funds have been approved.
- c) In the case of indefinite self-exclusion, the Luck and Chance Games System through the Internet must ensure that:
 - i) Immediately after receiving the self-exclusion order, no new bets or deposits will be accepted from that player,
 - ii) The player has collected the entirety of his account balance, provided that the System of Luck and Chance Games through the Internet recognizes that the funds have been withdrawn;
 - iii) If you have wagered on real pending events, the Internet Luck and Chance Games System must have the ability to return all bets of the players; Y

Exclusion imposed by the system. The Internet Luck and Chance Games System must provide a mechanism to exclude a player from the game, in accordance with the terms and conditions agreed upon by the player when registering. This mechanism must:

- a) Give the player a notification of the exclusion status and general instructions for its resolution;
- b) Ensure that immediately after activating the exclusion, no new bets or deposits are accepted from that player until the exclusion has been revoked;
- c) If you have bet on real pending events, the terms and conditions must clearly define what will happen with the bets if the exclusion continues and the corresponding real event is carried out, and the Luck and Chance Games System through The Internet must have the ability to return all bets on players, or to settle all bets, as appropriate; Y
- d) During the exclusion period, the player should not be prevented from withdrawing all or part of the balance from his account, provided that the Internet Luck and Chance Games System recognizes that the funds have been approved, and that the reason (s) of exclusion does not prohibit such withdrawal.



Inactive accounts. An account is considered inactive if the player has not logged into the account for a period of one (1) year and in the terms and conditions documented and published for the Luck and Chance Games System through the Internet.

- a) The Internet Luck and Chance Gaming System must employ a mechanism to protect inactive game accounts with funds from any unauthorized changes or withdrawals.

Article 38. Updating of Records and Protection.

The Administrator / Operator will be obliged to keep updated all the records of the information and documentation of due diligence that is carried out for the identification and verification of the natural person who has a Player Account, in accordance with the provisions of the Law No.23 of 2015 and some current regulations.

Likewise, it will safeguard the information and documentation of the client's due diligence, as well as the records of the operations carried out, for a minimum period of five (5) years.

CHAPTER IV

REPORTS SUBMITTED TO THE GAME CONTROL BOARD

Article 39. Reports of Gross Income.

The Administrator / Operator shall submit to the Gaming Control Board a gross income report generated by the Luck and Chance Gaming System through the Internet in PDF format monthly, within the first ten (10) days of the month following the corresponding report. This report should comply with the following:

- a) Total amount of deposits to the Players Account (s) maintained by the Administrator / Operator website.
- b) Total amount of money played or wagered on Player Accounts maintained by the Administrator / Operator website.
- c) Total amount of funds available in Player Accounts maintained by the Administrator / Operator website.

Article 40. Report of Major Won Prizes.

The Administrator / Operator, as the case may be, must submit to the Gaming Control Board a report of the major prizes won generated by the Luck and Chance Games System via the Internet in PDF format monthly, within the first ten (10) days of the month following the corresponding report. This report must contain the following information:

- a) Unique identifier of the game pay table.
- b) Unique identification of the player session.
- e) Unique identification of the player.
- d) Identification of the game cycle.
- e) Date and time of the award ceremony.
- f) Level of the highest prize reached.
- g) Amount of the grand prize.

Article 41. Report of Significant Events.

The Administrator / Operator shall submit to the Gaming Control Board a Significant Event Report generated by the Luck and Chance Gaming System through the Internet in PDF format monthly, within the first ten (10) days of the month following which the report rendered corresponds and must contain the following:

- a) Failed attempts to log in to the Luck and Chance Games System over the Internet.
- b) Significant periods in which the Luck and Gambling System through the Internet was not available or any critical event of the System, for example when a transaction could not be carried out.
- c) Cancellations, corrections or collations of the Luck and Chance Games System through the Internet.
- d) Mandatory deactivation of an authorized player.
- e) Any other activity that requires the intervention of employees and that occurs outside the normal scope of operation of the Luck and Chance Games System through the Internet.
- f) Other unusual significant events.

Article 42. Report of notification of changes.

The Administrator / Operator shall submit to the Gaming Control Board a comparative report of the previous adjustments and the new values related to the game or event. The report should contain the following:

- a) Evidence of verification of the information modified by administrator accounts.
- b) Date and time changes in the master time server.
- c) Changes made in game parameters.
- d) Identification of the Administrator / Operator employee who made the changes to the game parameters.

**CHAPTER V
PARTICIPATION IN REVENUE**

Article 43. Share of Income.

The Administrator / Operator will pay the Games Control Board monthly, ten percent (10%) of the gross income corresponding to the operation of the Luck and Chance Games System through the Internet. This Income Share must be made within the first ten (10) calendar days of each month, in accordance with the provisions of article 15 of these regulations.

Article 44. Surcharge.

If it is subsequently determined that the amount corresponding to Income Participation is greater than the amount reported and paid by the Administrator / Operator, the Games Control Board shall collect the additional amounts that correspond, with the corresponding interest until it is canceled. Interest will accrue on the additional amount owed and will be calculated, until paid, at a rate of one percent (1%) per month prorated from the date of the debt.

The delay, regardless of the monthly surcharge for non-payment, for three (3) months, will be causal of the interposition of an Emergency Order and / or the termination of the Contract.

**TITLE IV
ACCOUNTING RULES**

**CHAPTER 1
AUDIT PROCEDURES**

Article 45. Functions of the Game Room Audit Department of the Gaming Control Board.

The Gaming Room Audit Department of the Gaming Control Board will have the following functions:







- a) Carry out audits and periodic reviews of books, record supporting documentation of Administrators / Operators.
- b) Review the accounting methods and procedures used by the Administrators / Operators.
- c) Review and supervise the methods and procedures used by Administrators / Operators to count and manage cash, negotiable documents and credit documents.
- d) Examine and review the internal control procedures of the Administrators / Operators.
- e) Examine all accounting records and Administrator / Operator accounting, when necessary.
- f) Examine the books and records of any Administrator / Operator when circumstances indicate the need to carry out said measure, by virtue of the request of the Director.
- g) Confirm compliance with the regulations by the Administrator / Operator Audit Department.

The Games Room Audit Department will carry out the audits, in accordance with Generally Accepted Accounting Standards. At the end of the audit, a report will be issued that will be submitted to the consideration of the Director.

At the conclusion of each audit, the Game Room Audit Department will review its results together with the Administrator / Operator. The Administrator / Operator, within a term of ten (10) business days, counted from the date the report was rendered, may submit in writing to the Director(a) the reasons why it believes that the findings of the audit report should not be accepted. The Director will take into consideration the statements made by the Administrator / Operator before issuing his decision.

When the Audit Department, after performing an audit, finds that the Administrator / Operator is required to pay additional amounts. as a share of income; Or, if the Administrator / Operator is entitled to a credit, he / she must submit an additional report to the Director and the Administrator / Operator, with sufficient information, so that it allows the Director to determine if a credit in favor of the Administrator / Operator or an additional revenue share payment.

Article 46. Accounting Records.

1. Each Administrator / Operator will keep accurate, complete, legible and permanent records of all transactions related to gross income in the manner required by the Director.
2. The Administrator / Operator shall keep general accounting records in a double entry accounting system, keeping detailed records of subsidiary support, which include:
 - a) Detailed records that identify income, expenses, assets, liabilities and equity.
 - b) Individual and statistical game records, reflecting the statistical bag. and the percentage of statistical profit, in relation to the statistical bag for each type of game, for each accounting period approved by the Director and the individual and statistical records of the Game that reflect similar information for all other games. .
 - c) Daily book entries prepared by the Administrator / Operator and their independent accountant.
 - d) d) Any other record that the Director requires to be specifically kept



3. Si un Administrador/Operador dejara de llevar los registros utilizados por él para calcular el Ingreso Bruto, el (la) Director (a) determinará el ingreso bruto con base en el auditorio llevado a cabo por el Departamento de Auditoría de Salas de Juegos, en virtud de la información que posea el (la) Director (a) o en virtud de un análisis estadístico.

CHAPTER 11 FINANCIAL REPORTS

Article 47. Regular Financial Reports.

Every Administrator / Operator must prepare a financial report that covers all the financial activities of the Administrator / Operator for each fiscal year, in the manner required by the Director.

Financial reports must be submitted to the Director no later than March 31st following the fiscal year that was covered by the financial report.

Each financial report must be signed by the Administrator / Operator, who certifies by that act that the reports are complete and that they are accurate.

In the event of termination of the Contract, or of a change in the ownership percentage of equal to or greater than ten percent (10%) of the shares, the Administrator / Operator or the one who has been the Administrator / Operator will submit to the consideration of (a) Director, no later than ninety (90) days after the termination or change of ownership, a financial report covering the period that has elapsed since the last day covered by the previous financial report.

The Director will determine the formats of presentation of the financial reports. The Administrator / Operator shall prepare their financial reports in accordance with what is determined by the Director.

The Administrator / Operator shall supply the Director, upon request, with the necessary statistical and financial data, in order to evaluate the financial information to establish trends in the gaming industry.

Article 48. Audited Reports.

1. Every Administrator / Operator must prepare financial reports that cover all financial activities during each fiscal year.
2. Every Administrator / Operator must hire an Authorized Public Accountant, who must audit the Administrator / Operator's financial reports, in accordance with Generally Accepted Accounting Standards.
3. Unless the Director provides otherwise, all financial reports must be presented on a comparative basis.
4. Every Administrator / Operator shall submit to the Director's consideration two (2) copies of their audited financial reports no later than ninety (90) days after the last day of the fiscal year.
5. In the event of termination of the Contract or in the event of a change equal to or greater than ten percent (10%) in the percentage of ownership of the shares, no later than ninety (90) days after the change or termination, the Managers / Operator or the one that has been the Administrator / Operator shall submit to the Director's consideration two (2) copies of the audited financial reports, covering the period that has elapsed since the last day covered by the state previous financial. In the event that the termination of the Contract or the change of ten percent (10%) or more in the percentage of ownership of the shares occurs within ninety (90) days following the date of completion of a fiscal year



for which the corresponding financial report has not yet been submitted to the consideration of the director, the Administrator / Operator PGId will present the financial reports that cover both the fiscal year and the final period of the business.

6. Reports from the Certified Public Accountant that include letters of notices or management activities that are not related to Gambling operation. They must be presented to the Director within ninety (90) days after the end of the fiscal year.
7. In addition to the information required by this article, the Director may request the Administrator / Operator or the Certified Public Accountant, the presentation of documentation or additional information. Failure to comply with the requirement of the Director is considered an inconvenient method of operation.

TITLE V TRANSFER OF SHARES, PROPERTY REGISTRY AND LIENS

CHAPTER 1 TRANSFER OF SHARES AND OWNERSHIP

Article 49. Transfer of interests or shares between the Administrators / Operators.

When a natural or legal person, owner of an interest or action of an Administrator / Operator, intends to transfer any portion of his interests or actions to another person who is also at that time the owner of an interest or action of said Administrator / Operator, Both parties will communicate in writing to the Plenum of the Gaming Control Board, of the proposed transfer, indicating their names and addresses, the scope of the interest they intend to transfer and the corresponding benefit.

In addition, the proposed assignee must provide an affidavit. expressing the source of funds that will be used for the acquisition of said interest.

Article 50. Transfer of interests, securities or shares to third parties.

Any Administrator / Operator who wishes to carry out the transfer of interests, securities or shares must request authorization from the Plenary of the Gaming Control Board. Said request must be accompanied by the following documentation:

- a) Document evidencing the agreement made with the transferor to transfer the interest, securities or the requested action. The assignee's authorization shall be deemed to constitute their approval of the transfer.
- b) Certification issued by the secretary of the company, to be a legal person, or sworn statement made before a Notary Public, by the Administrator / Operator, to be a natural person, by which it is indicated that the documents, titles and / or or share certificates that demonstrate the transaction remain within the territory of the Republic of Panama.

No transfer will be effective until the Plenum of the Gaming Control Board has granted its authorization to said transfer.

CHAPTER 11 LIEN

Article 51. Liens constituted on interests, securities or shares of the Administrator / Operator.

No person who owns an interest, security or action of an Administrator / Operator may constitute a lien on said interest. value o

action, without first having the authorization of the Plenary of the Board of Control of Games. The request must contain the following:

- a) Detail of the facts related to the transaction, the nature of these terms and conditions of the lien.
- b) Documentation that supports the detail of the transaction.
- c) Certification issued by the secretary of the company, to be a legal person, or statement made before a Notary Public, in case of being a natural person, where it is stated that the documents, securities or certificates of shares involved in the transaction, they will remain within the Republic of Panama.

CHAPTER 111 EMERGENCY ORDERS

Article 52. Emergency Orders.

The Director may issue an emergency order to suspend, limit or condition an Administration and Operation Contract, Certificate of Suitability, Supplier Registration, require the Administrator / Operator to refrain from making any type of payment to a trusted shareholder, director, officer or employee.

Article 53. Grounds for the issuance of Emergency Orders.

The Director may issue an emergency order in the following cases:

- a) When an Administrator / Operator has breached his obligation to report his gross income or pay the Income Share in the pre-established term.
- b) When an Administrator / Operator has cheated in any game.
- c) When the emergency order is necessary, at the discretion of the Director for the immediate preservation of the public interest, legality, peace, health, safety, morality, order, and the general welfare of the inhabitants or the interests of the Panamanian State.

Article 54. Procedure for the issuance of Emergency Orders.

The Emergency Order will be issued through a reasoned Resolution, which must include in detail the facts that support the measure.

The Emergency Order will take effect immediately after notification to the Administrator / Operator.

Within a term of three (3) business days after the issuance of the Emergency Order, the Director will present an executive report to the Plenary of the Gaming Control Board.

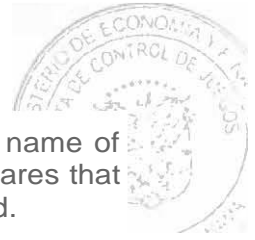
CHAPTER IV RECORDS OF PROPERTY

Article 55. Property Records.

All Administrators / Operators must maintain their Property Registry in the administrative offices and must supply the Director or their agents, upon request, the following documents belonging to the company:

It is a public limited company:

- a) Authenticated copy of the articles of incorporation and its amendments.
- b) Authenticated copy of the statutes of the company and its amendments.
- c) Operation notice.
- d) List of all current and former directors of the company.
- e) Minutes of all shareholders' meetings.
- f) Minutes of all Board of Directors meetings.



- g) List of all the shareholders of the company that includes the name of each of the shareholders, their address and the number of shares that it owns; as well as the date on which the shares were acquired.
- h) Share Certificate Book.
- i) Registration of all transfers of capital stock of the corporation.
- j) Registration of the amounts paid to the corporation for the issue of shares and other capital contributions.

If it is a limited liability company:

- a) Authenticated copy of the articles of incorporation.
- b) Certificate of incorporation of the limited liability company.
- c) List of the partners that includes their names, addresses and the percentage of interest that each of them maintains, the amount and the date of each capital contribution of each partner, the date on which the participation was acquired and the salary paid by society.
- d) A record of all capital or asset withdrawals from the company.

Article 56. Retention of the Registry.

Every Administrator / Operator shall supply, at the request of the Game Room Audit Department, the records referred to in this chapter. Each Administrator / Operator must keep the corresponding records, at least five (5) years after their issuance. Failure to comply with this requirement is considered an inconvenient method of operation.

**TITLE VI
TECHNICAL REQUIREMENTS, SYSTEM REGISTRATION AND
SUPPLIER REGISTRATION**

**CHAPTER 1
TECHNICAL REQUIREMENTS**

Article 57. Technical and Technological Requirements of the Luck and Chance Games System through the Internet in General.

The System of Gambling through the Internet that will be installed by the Administrator / Operator, as the case may be, must comply minimally with the requirements contained in this Chapter.

Article 58. General characteristics of the Luck and Chance Games System through the Internet.

The System of Luck and Chance Games over the Internet must comply with the following:

1. You must have the ability to maintain information on the activity of the players, from the moment of closing the account until five (5) years later.
2. Information on the status of player accounts must be available to the Director when required.
3. The system must ensure that each active player has an electronic identifier that allows their identification and the details of the player account.
4. The System of Luck and Chance Games over the Internet will not allow the modification of accounting data, reports or significant event data without supervised access control. In the case of modification of any data, the following information must be documented or recorded:
 - Modified data element
 - Value of the data element before modification.
 - Value of the data item after modification.



- Date and time of the modification.
The personnel who made the modification (user login).
5. The Internet Luck and Chance Gaming System shall maintain an internal clock that reflects the current date and time that will be used to provide the following:
 - Time recording of significant events. Reference clock for reporting.
 - There must be a clearly visible clock for use by the player at all times.
 6. The System of Luck and Chance Games through the Internet must guarantee that only players older than eighteen (18) years of age can register.
 7. The Luck and Chance Games System through the Internet must verify the legal name, physical address, age and nationality of the player using the necessary tools. Player verification details should be kept securely online.
 8. Information obtained through the registration of players must be kept confidential unless requested by the Gaming Control Board and other duly empowered state agencies.
 9. The Luck and Gambling System through the Internet must contain information related to the Responsible Gaming Program implemented by the Gaming Control Board and make available to the player the address and telephone number of the Gaming Service Centers. Pathological. Likewise, it must include the slogan and the illustrative material provided by the Gaming Control Board.
 10. Responsible Gaming Program. A page with responsible gaming information must be accessible from any screen where a game occurs. The responsible gaming page must contain at least:
 - a) Information about the possible risks associated with gambling and where to get help for gambling problems.
 - b) A list of responsible gaming measures that may be invoked by the player, such as session time limits and bet limits, and an option to allow the Player to invoke such measures;
 - c) The established mechanisms that detect the unauthorized use of your account, such as observing the time of the last login, the IP address of the last login, and comparing the credit card statements with known deposits;
 - d) A link to the terms and conditions accepted by the player when entering and playing on the site;
 - e) A link to the applicable privacy policy; Y
 - f) A link linked to an email from the Gaming Control Board to obtain the information on the Responsible Gaming Program approved by the entity.

Article 59. Characteristics of Deposits in the Player Account.

1. Player accounts will have a minimum amount of Twenty Balboas (B / .20.00) and a maximum of Ten Thousand Balboas (B / .10, 000.00), and during the deposit procedure to the player account, the prerequisites must be met established by Law No. 23 of April 27, 2015, which adopts measures to prevent money laundering, the Financing of Terrorism and the Financing of the Proliferation of Weapons of Mass Destruction, and dictates other provisions, their modifications and regulations.
2. The System of Gambling through the Internet must show each player their account statement, discounting the payment of the corresponding taxes legally established or those established in the future

3. The information of the player's account statement must be available for review, at any time that the Gaming Control Board or the Superintendence of Supervision and Regulation of Non-Financial Subjects requires it.
4. The player must be in the permanent capacity, while his account is current, that the funds used to play or bet come from a legal source. and in accordance with the provisions of these Regulations.

Article 60. Characteristics of the Control Program.

1. Internet Luck and Chance Gaming Systems shall have the ability to automatically verify that all components of the control program listed in the Internet Luck and Chance Gaming System are authentic copies of components approved in the time of installation and at least every twenty-four (24) hours
2. A system record or report must be kept and it must be accessible for a period of ninety (90) days, detailing the verification results of each authentication of the control components.
3. Control program authentication must include all components of the program that may affect the outcome of the game or the necessary operations of the system. Control program components include, but are not limited to, executables, libraries, game or system configurations, operating system files, components that control system reports, and database elements that affect the output. of the game and the necessary operations of the system.
4. If any of the components of the control program is determined to be invalid, the Internet Luck and Chance Gaming System must prevent the program from disabling the control program component and automatically stop any function related to the game associated with that component of the program.
5. Each of the components of the control system of the Luck and Gambling System through the Internet must also have a method to be verified through an independent verification procedure by third parties. The third-party verification process will not include any security process or software within the Luck and Chance Games System. The Authorized Entity must approve the integrity check method before approving the system.

Article 61. Characteristics of the Client Software.

The client software and the player device must have the following characteristics:

1. You must not have the logic used to generate the result of any game.
2. You must not have the ability to carry out the game activity if you disconnect from the Luck and Chance Gaming System through the Internet.
3. They must not be used to store confidential data or information required by the Luck and Chance Games System through the Internet.

Article 62. Characteristics of Client-Server Interactions.

The following requirements apply to client software and client-server interactions during games:

1. The client software should not automatically modify any of the firewall (antivirus) rules specified by the server to open ports that are blocked by a hardware or software firewall (antivirus).



1. The client software must not access the ports (either automatically or requesting the user to access it manually) that are not necessary for communication between the client and the server.
2. If the client software includes any additional functions that are not related to the game, this additional function must not alter the integrity of the game in any way.

Article 63. Software Verification.

Luck and Gambling Systems over the Internet must employ a system that guarantees the verification of the critical components contained in the client software present in the player's device that is used in conjunction with a Luck and Gambling System at via the Internet at the login of any player.

Article 64. Activation and Deactivation of the Game.

- a. The following requirements apply for the deactivation and reactivation of games in Gambling games over the Internet:
 1. The System of Gambling through the Internet must have the possibility of deactivating or activating all the games when giving the order.
 2. The System of Luck and Chance Games over the Internet must have the possibility of deactivating and reactivating all the individual games when giving the order.
 3. The Internet Luck and Chance Games System must have the possibility of deactivating or reactivating the individual sessions of players when giving the order.
 4. When gambling is activated or deactivated in the Luck and Gambling System via the Internet, an entry should be made in the audit log indicating the reason for activation or deactivation.
- b. When a game or game activity is disabled:
 1. The game must not be accessible to the player once the game is over.
 2. The player must be allowed to conclude the game in play (ie all bonus rounds, doubling bets and other game functions related to the initial game bet must be completed).
 3. If bets have been placed on pending events.

Article 65. Incomplete Games.

a. Incomplete Game Features. A game is incomplete when the result of the game remains unsolved or the result cannot be seen correctly by the player.

Incomplete games can be the result of:

Loss of communication between the gaming platform and the player's device.

The restart of the gaming platform.

Restarting or malfunctioning of the player's device. An abnormal termination of the player's client software.

The command to disable the game issued by the game platform during the game.

b. Completion of incomplete games. An incomplete game must be resolved before allowing the player to participate in another instance of the same game.

The Luck and Chance Games System through the Internet must provide mechanisms for the player to finish an incomplete game, according to the following modalities:



If the player has an incomplete game, the Suerff and Gaming System via Internet must submit the incomplete game to. End it upon reconnection or when the player establishes a new session.

In the event that no data is required to complete the game, the game must display the final result as determined by the Luck and Gambling System via the Internet and the rules of the game, and the account of the player accordingly.

For single player games where the player is required to enter some data to end the game, the game must bring the player to the game state immediately prior to the interruption and allow the player to end the game.

Adding a bonus or additional feature, such as doubling bets, does not mean that a game has multiple stages.

For multiplayer games, the game must display the end result, based on game rules and / or terms and conditions, and the player account must be updated accordingly.

Bets associated with incomplete games that may continue must be held by the Luck and Chance Games System via the Internet until the game is finished. Player accounts must reflect funds held in incomplete games.

c. Cancellation of Incomplete Games. Bets associated with incomplete games that can continue, but have been pending for 48 hours can be void and bets returned to the player, provided that:

The game rules and / or the terms and conditions clearly define how the bets will be handled, when they are pending for a time longer than the specified time and the Luck and Chance Games System must have the possibility of returning the bets.

In the event that a game cannot continue due to an action of the Luck and Chance Games System via the Internet, all bets must be returned to the players of that game.

Article 66. Shutdown and Recovery.

The Internet Luck and Chance Gaming System must have the following shutdown and recovery capabilities:

1. The gaming platform must have the ability to perform a soft shutdown. and allow an automatic restart after power-up only after performing the following minimum procedures:
2. Program resume routine (s), including self-diagnostics, successfully completed:
 - a. All critical components of the gaming platform control program have been authenticated using an approved method.
 - b. Communication with all the components necessary for the operation of the gaming platform has been established and authenticated.

The System of Luck and Chance Games through the Internet should have the possibility to identify and properly handle the situation in which general restarts of the factory configuration of other remote components that affect the game result have occurred, the amount won or reporting.

1. The System of Luck and Chance Games over the Internet must have the ability to restore the system from the last backup

2. The Luck and Chance Gaming System shall have the possibility to recover all the critical information from the last backup up to the moment when the Luck and Gaming System failed and they restored the default values.

Article 67 Malfunction.

The game platform:

- a) should not be affected by the malfunction of devices players beyond institute proceedings for incomplete games according to these requirements; Y,
- b) It must include a mechanism to void all bets and payments in the event of a malfunction of the same gaming platform if it is not possible to achieve full recovery.

Article 68. Geographic Location.

The game of chance via the Internet and / or Player System should detect the physical location of an authorized player trying to access the service.

Article 69. Technical Requirements Game of chance.

a) interface to the player.

Any changes or overlay interface the player must be mapped to accurately reflect the modified screen and touch points (click).

The functions of all the touch points (click) represented in the player interface they must be clearly indicated in the area of the touch point (click) and the Rules of the play. there should not be any point touch (click) or keyboard input hidden or undocumented in any part of the player interface.

Game cycles.

A game cycle consists of all activities and communication during the game. When several games are accessible from a (virtual) room, players can play more than one game cycle while playing in different windows.

1. Start of the game cycle.
2. When the balance of the player's account has sufficient funds.
3. When the player has designated credit bet on that game; Y,
4. When the player presses the "Play" button.
5. The following game elements are considered part of a single game cycle:
 - 5.1 Games that start a free game round and subsequent free games.
 - 5.2 "Second Screen" for bonus round.
 - 5.3 Game with player options, eg card games.
 - 5.4 Games in which the rules allow additional credit bets.
 - 5.5 Additional rounds of the game, for example doubling bets.
6. A cycle is considered complete game to making the final transfer to the credit meter player or when all credits wagered are lost.

b) General Requirements of the Game of Luck and Chance.

Game information.

The following requirements apply to game information, graphic illustrations, pay tables, and help screens, and include all written, graphic, and auditory information provided to the player directly from the game interface



or from a page accessible to the player from the game interface through a hyperlink located in a visible place.

1. The game and the instructions for using the device must be clear and specific and not mislead the player.
2. All statements and graphics included in the game information, illustrations, pay tables and help screen must be clear, specific and not misleading the player.
3. All game rules and pay table information must be available to the player directly on the player interface or accessible from the player interface via a hyperlink, without the need for funds deposits or bets.
4. All the rules of the game and the information in the pay table must be sufficient to explain all the applicable regulations and the way to participate in all phases of the game.
5. The information in the pay table must include all possible winning results, models, classifications and combinations and their corresponding payments in denominations of the current currency in the Republic of Panama. All payments shown should be possible in theory.
6. There must be sufficient information regarding any adjustments to the prize payment, for example applicable national taxes.
7. If the illustrations contain game instructions specifying a maximum win, it should be possible to win this amount in a single game (including bonus features or other game options).
8. Illustrations must contain the theoretical percentage of return, which shall not be less than eighty percent (80%).
9. If mysterious prizes are offered, the maximum value that can be obtained must be indicated. It should also be indicated if the value of the mystery prize depends on the number of credits wagered or other factors.
10. **Multiple Awards.** The illustrations must clearly indicate the rules for the payment of prizes, in the event that there are multiple prizes.
11. A description of the rankings to be paid when a payline can be interpreted as having more than a single winning pattern.
12. If the game includes multiple paylines, the illustrations must show a message indicating that earnings have been added on different payment lines or their equivalent.
13. If the game includes distribution symbols, the artwork should show a message that the distributed winnings are added to the winnings of pay lines or their equivalent, if applicable.
14. Illustrations should clearly indicate how matching distributed earnings will be handled relative to other potential distributed earnings. For example, illustrations should indicate whether the combinations of distribution symbols pay all possible prizes or only the jackpot.
15. Illustrations must clearly indicate how matching game results will be handled.
16. Additional lines. If it is possible to bet on multiple lines and it is clear which positions on the reel is part of each of the possible lines, the additional lines should be clearly shown in the illustrations and should be properly labeled. Additional lines must be shown in the displayed illustrations or must be available on a help screen or permanently displayed on all game screens at a location separate from the reels.
17. Multipliers. When multiplier instructions are shown in the illustrations, it must be clear that they do not induce error regarding whether or not to apply the multiplier.



18. **Symbols / Objects.** In-game Symbols / Objects must be clearly displayed to the player and must not be misleading. Game Symbols / Objects must retain their shape in all illustrations except while animation is in progress.
19. **Substitutes / Wildcards.** Illustrations must clearly indicate which Symbols / Objects can replace or serve as a wildcard and in which winning combinations the substitute / wildcard can be applied.
20. **Scattered Symbols.** Illustrations should clearly indicate which symbol / item can serve as a scattered symbol and in which winning combinations the scattered symbol can be applied.
21. **Indication of "Next Earnings".** A game should not announce "next winnings" for example but not limited to "triple pay soon".
22. **Card Games.** The following requirements apply to card games drawn from a deck:
 - Any game that uses multiple decks of cards must clearly indicate the number of cards and the number of decks in play.
 - Once a card is removed from the deck, it must not be returned unless it is provided in the rules of the game.
 - Cards must not be re-shuffled unless otherwise provided the rules of the game.
23. **Multi-bet games.** The following requirements will apply to multiple betting games:
 - Each individual bet must be clearly indicated so that the player has no doubts as to the bets placed and the credits bet on each bet.
 - Each prize won will be displayed to the player so that he can clearly associate the prize with the corresponding bet. When there are winnings associated with multiple bets, each winning bet must be indicated in turn.
24. Game information, illustrations, pay tables, and help screens must not include offensive content of any nature, at the discretion of the Director.

Visible information.

The following game information must be visible or easily accessible by the player at all times during a player session:

1. The name of the game being played.
2. Restrictions on gambling or betting, such as duration limit or maximum bet or maximum win values.
3. The current balance of the player session.
4. The current amount of the bet.
5. The current placement of all bets.
6. The denomination of the bet.
7. The amount won for the last completed game.
8. The options selected by the player (bet amount, lines played) for the last completed game.
9. Initial player selection options must be described.
10. The screen should show the winning amount for each bet separately and the total amount won.

Fairness of the Game.

The games must have characteristics that are perceived as solely and exclusively dependent on random elements and in no case will create false expectations of control for the player.

Return to the player

The theoretical percentage of return will be not less than eighty (80%), which will be calculated on the total of possible bets.

Game Result.

All functions, including the generation of the result of any game, the return of the player, must be generated by the Game Platform and be independent of the player's device:

1. The game result should not be affected by the effective bandwidth, link usage, bit error rate or other characteristic of the communication channel between the Game Platform and the Player's Device.
2. The determination of luck and chance events that result in prizes should not be influenced or affected or controlled but by the numerical values derived in a manner approved by the Random Number Generator duly certified and in conjunction with the rules of the game.
3. Every possible combination of game elements that produces winning or losing results should be available for random selection at the start of each game.
4. As game symbols are selected or game results are determined, they must be used in the manner indicated in the game rules.
5. If the game requires establishing a sequence or mapping of symbols in advance, they must not be reordered or remapped.
6. After the selection of the result of the game, the latter cannot make a secondary decision that affects the result shown to the player.
7. Events of luck and chance in games must be independent and not correlated with other in-game events or previous game events.
8. For game types (such as spinning roller games), unless otherwise specified by the player, the mathematical probability that a symbol appears in a position for any game result must be constant.

Simulation of Physical Devices.

When a game includes the simulation of a physical device (roulette wheels, dice, dealing cards, etc.) the behavior of the simulation must be in accordance with the expected behavior of the physical device. (eg spinning the wheel, rolling the dice, tossing coins, dealing cards, etc.), the behavior of the simulation must be in accordance with the expected behavior of the physical device, unless the rules of the game specify otherwise. That is to say:

- a) In games that aim for an authentic physical simulation, the visual representation of the simulation must correspond to the characteristics of the real physical device.
- b) The probability of any event in the simulation affecting the outcome of the game must be equivalent to the actual physical device. For example, the odds of getting a particular number in Roulette where there is a zero (0) and a double zero (00) on the wheel will be 1 in 38; the odds of drawing a specific card or cards in Poker must be the same as in a live game.
- c) If the game simulates multiple real physical devices that would normally be independent of each other, each simulation must be independent of the others.
- d) If the game simulates real physical devices that have no memory of previous events, the behavior of the simulations must be independent of (not correlated with) the previous behavior, and therefore non-adaptive and not predictable in practice.



Game / Bonus Rounds. Refers to games where one or more player bonus bonuses can be paid. Generally, bonus prizes are awarded as a result of a secondary {or subsequent} screen animation and unless the player is otherwise announced, the bonus game should be part of the theoretical return percentage of the general pay table. For games that support bonus rounds, illustrations should highlight the following themes:

- a) The game will clearly show the player the game rules that apply to the current state of the game. These rules must be made available to the player before the bonus game starts and not during the bonus game.
- b) The game will clearly show the player the ranges of the winnings. multiplier ranges etc. that can be obtained in the bonus game.
- c) In the case of bonus rounds that do not occur during a base game, sufficient information will be displayed to the player to indicate the current status regarding the activation of the next bonus round.
- d) If the game requires obtaining multiple events / symbols towards a bonus round, the number of events / symbols needed to activate the bonus must be indicated along with the number of events / symbols gathered at any time.
- e) If applicable, the game must display the rules for when the additional events / symbols needed to trigger the bonus round do not accumulate during the special sequence for events that would normally qualify to win the events / symbols required to trigger the bonus (such as when the maximum limit of chips is reached).
- f) If the accumulation of chips can result in free games, the number of lines and possible credits per line to be wagered during the free games must be indicated.
- g) If the bonus sequence consists of more than one game, the number of games remaining in the bonus sequence must be displayed.
- h) The game will not adjust the probability of a bonus occurring, based on the history of rewards obtained in previous games (that is, the games will not adapt their theoretical return percentage to the player based on past payouts).
- i) If the bonus of a game is triggered after accumulating a certain number of events / symbols or a combination of events / symbols of a different class during multiple games, the probability of obtaining similar events / symbols will not decrease as the game progresses (for example, for identical events / symbols, the last required events / symbols are not allowed to be more difficult to obtain than previous events / symbols of that class).
- j) If a game allows the player to retain one or more cards / symbols / reels for one or more additional spins / deals, the retained and discarded cards / symbols / reels must be clearly marked on the screen and the player must be clearly shown the method to change them.
- k) If a bonus round is offered in which the player must wager additional credits, the player must have the option to enter the additional round or not. The player who decides not to enter the additional function will be positioned at the conclusion of the base game that led to the additional round. The player who chooses to enter the additional function but does not have enough credit balance to continue can:
 - i) Use the temporary earnings from the base game or from previous stages to complete the round, if allowed by the rules of the game;
 - ii) Authorize the transfer of more funds to your player account; Y
 - iii) Combine the two previous options, if allowed by the rules of the game.



Bet round. The following requirements apply to games that offer some form of bet round (these games may also use the terms, Double the bet, Triple the bet, or Risk). The player must have the option to participate or not. Unless otherwise announced to the player, the betting round must have a theoretical return percentage of one hundred percent (100%) and this should not affect the theoretical return percentage of the general pay table.

For these games, the illustrations should highlight the following:

- a) The prize limit and the maximum number of bets available;
- b) If the betting round is automatically discontinued before the maximum number of bets available is reached, the reason must be clearly stated;
- c) Any unusual conditions during which the betting round will not be available must be indicated;
- d) If the betting round offers multiplier options, the player must be clear about the range of options and payouts; Y
- e) Once the player has selected a multiplier, it must be clearly indicated on the screen.

Games between bettors. Virtual game rooms between bettors are those environments where players are offered the opportunity to bet with and against other players. In these environments, the operator is usually not involved in betting as one of the parties (eg bank games), but usually provides the betting service or environment for players to use, charging a commission, a payment, or a percentage for the service. Systems that offer games between bettors must do the following, unless otherwise specified, in addition to the applicable game rules:

- a) Provide a mechanism to reasonably detect and avoid player collusion, artificial player software, unfair advantages and the ability to influence the outcome of a game or tournament;
- b) Provide alerts on how computer programs can affect the game, so that players can make an informed decision regarding whether or not to participate, and indicate the steps to report the suspicion of the use of computer programs;
- c) Prevent authorized players from occupying more than one seat at any individual table;
- d) Give authorized players the option to join a table where all authorized players have been randomly selected;
- e) Inform authorized players how long each player has been sitting at a particular table;
- f) Clearly indicate to all authorized players at the table if there are players playing with house money or if they are intentional players (an employee who joins the game with his own money when players are missing, or in order to open a game); Y
- g) Artificial player software must not be used to serve as an authorized player, except in free play or training modes.

Computerized players. The following requirements apply to the use of computerized players in free or training game mode:

- a) The software may employ the use of Artificial Intelligence (AI) to facilitate the game for demo, free game or training modes.
- b) The use of artificial intelligence software must be clearly explained in the help menus.
- c) All computerized players must be clearly marked on the tables so that the players are aware that the players are not human.



Competitions / Tournaments. An organized event that allows a player to buy or win the opportunity to participate in competitive play against other players can be allowed as long as the following rules are met.

- a) As is enabled for tournament play, no game can accept real money from any source, nor can pay real money in any way, but use credits, points or tokens specific to the tournament without monetary value.
- b) The rules for competitions and tournaments of Luck and Chance Games on the Internet are available to registered players on the website where the competitions and tournaments of Luck and Chance Games are held on the Internet. The rules must include as a minimum:
 - i) All the conditions that the players must meet to qualify at the entrance and participate in the competition or tournament.
 - ii) Any conditions regarding late arrivals or lack of full tournament attendance and how automatic bets (auto-post) and / or initial entry purchase are handled.
 - iii) Specific information relevant to any particular competition / tournament, including the amount of money placed in the prize fund.
 - iv) The distribution of funds based on specific results.
 - v) The name of the organization (or persons) conducting the competition or tournament on behalf of or in conjunction with the operator, if applicable.
- c) The results of each competition / tournament will to available on the website of games of chance via the Internet for review by participants. After its publication on the website, the results of each competition / tournament are available upon request. Registration includes the following:

Name of the event;

 - i. Name of the event;
 - ii. Date (s) of the event;
 - iii. Total number of participants;
 - iv. Amount of registration fees;
 - v. Total prize fund; Y
 - vi. Amount paid in each winning category.

In the case of free competitions / tournaments (i.e. the registered player does not pay an entry fee), the information above must be entered minus the number of participants, the amount of entry fees and the total prize fund.

Game History and Replay.

The system must have the ability to play the latest game, either as a reconstruction or a description of it. The replay shall clearly indicate that it is a replay of the previous game cycle and shall provide the following information:

1. The date and time the game started and ended.
2. The screen associated with the final result of the game.
3. The player's total money / credits at the start and / or end of the game.
4. Total mantle of the bet.
5. Total money / credits won for prizes (including jackpots).
6. The results of any choice of player involved in the outcome of the game.
7. The results of intermediate phases of play, such as bets or additional games.

History stored on the server.

The Internet Luck and Chance Games System shall record, maintain and document, for each individual game completed the following:

1. Electronic identifier of the player.
2. The state of the game.
3. The table number or what game was played.
4. The payment table used.
5. Game and version identifier.

Informs presentation

General reporting requirements. The documentation generated by the Luck and Gambling System through the Internet must be available upon request during the defined interval. All reports must be generated by the system, so that the specific period does not have any data to present. The generated report must contain all the necessary information and a "No activity" message or another similar one if no data appears for that specific period. The Internet Luck and Chance System must provide a mechanism to export the data generated for the reports to a PDF format for data analysis, audit and verification purposes. The system must have the ability to retain the data in the reports for five (5) years. Gambling System Luck and Gambling Clock over the Internet must be used for all time stamps

Player session report. The Luck and Gambling System via the Internet must be able to supply a Player Session Report, upon request. The report must contain the following information as a minimum:

- a. Unique player session identification;
- b. Unique identification of the player;
- c. Session start time;
- d. Session end time;
- e. Relevant geolocation information; if available;
- f. The amount wagered during the session (total and for each transaction);
- g. The amount earned during the session (total and for each transaction);
- h. The promotional credits received during the session (total and for each transaction);
- i. The promotional credits wagered during the session (total and for each transaction);
- j. The funds deposited in the player's authorized account during the session (total and for each transaction);
- k. The funds withdrawn from the player's authorized account during the session (total and for each transaction);
- l. Reason for ending the session;
- m. Player's account balance at the beginning of the session;
- n. Balance of the player's account at the end of the session; Y
- o. The remaining funds from incomplete games (total and per transaction).

Games performance report. The System of Luck and Chance Games through the Internet, must be able to render a Performance Report of Gambling upon request for the specific period of the report and, at a minimum, for the specific intervals of the month up to date, year to date, and accumulated to date for each particular game (eg pay table). The report must contain the following information as a minimum:

- a) Selected interval;
- b) Unique identifier of the game;
- c) Total wagered;
- d) Total amount earned;



- d) Total amount contributed to the progressive fund, if applicable.
- e) Total amount refunded; Y
- f) Total remaining funds in incomplete games.

Games revenue report. The Internet Luck and Chance Gaming System must be able to render an Income Report for gambling through the Internet. Upon request for the specific period of the report and, at least, for the specific intervals of the month to date, year to date and accumulated to date. The report must contain the following information as a minimum:

- a) Total amount of non-promotional deposits to player accounts maintained by the site;
- b) Total amount of non-promotional withdrawals to player accounts maintained by the site;
- c) Total amount of all non-promotional funds available in player accounts maintained by the site.

Progressive jackpot setup report. The Internet Luck and Chance Gaming System must be able to provide a Progressive Jackpot Configuration Report, upon request for each progressive fund on site for the time specified in the report. The report must contain the following information as a minimum:

- a) Name of the progressive fund;
- b) Date and time that the progressive fund started to play;
- c) Contribution parameters (amount per day, stake percentage, etc.) of all primary and secondary funds (includes any amount deviated);
- d) Unique identifier of the pay table of each game that participates;
- e) Total amount of bets eligible for progressive jackpot (s);
- f) Total amount of progressive jackpots won;
- g) Total contributions of major prizes won;
- h) Initial value of the jackpot or other seeds that are not financed by contributions;
- i) Current amount for each jackpot offered in this jackpot fund;
- j) Present value of diverted jackpot contributions;
- k) Date and time of withdrawal of the jackpot;
- l) Limit value of the progressive jackpot, if applicable; Y
- m) Amount that exceeds the limit, if applicable.

Report of progressive jackpots won. The Internet Luck and Chance Gaming System must be able to provide a Progressive Jackpot Report won on request for each progressive fund on site for the time specified in the report. The report must contain the following information as a minimum:

- a) Name of the progressive fund;
- b) Unique identifier of the game pay table;
- c) Unique player session identification;
- d) Unique identification of the player;
- e) Identification of the game cycle;
- f) Date and time of delivery of the grand prize;
- g) Level of progressive jackpot achieved;
- h) Amount of progressive jackpot;
- i) User identification and the name of the employee who processes the award, if applicable; Y
- j) User identification and the name of the supervisor confirming the award, if applicable.



Significant events report. The System of Gambling through the Internet must be able to provide a Report of significant events. The report must contain the following information as a minimum:

- a) Failed system login attempts;
- b) Significant periods of unavailability of the Luck and Chance Games System through the Internet or any critical component of the Interactive Games System;
- c) Large prizes in excess of the value specified by the Gaming Control Board that grants the licenses;
- d) Large transfers of funds (simple and added during a defined period) in excess of the value specified by the Gaming Control Board that grants the licenses,
- e) Cancellations, intercalations and corrections of the system;
- f) Mandatory deactivation of an authorized player;
- g) Any other activity that requires the intervention of employees and that occurs outside the normal scope of operation of the system; Y
- h) Other significant or unusual events.

Change notification report. The Internet Luck and Chance Gaming System must be able to provide a Change Notification Report; for any changes to the system, games or configurations or event parameters. Licensees must provide a comparative report of past events and new values related to the game or event. The report must contain the following information as a minimum:

- a) Track verification of the information changed or modified by administrator accounts;
- b) Changes of date / time on the master time server;
- c) Changes made in game parameters; Y
- d) Identification of the employee who made the changes to the game parameters (eg game rules, payment plans, commission percentage, etc.)

Exclusions report. The Internet Luck and Chance Gaming System must be able to provide an Exclusion Report of all players excluded from the game and / or registration by themselves, by the Administrator / Operator or by the Gaming Control Board. The report must contain the following minimum information:

- a) Unique identification of the player;
- b) Type of exclusion (permanent, self-excluded, etc.);
- e) Start date of the exclusion;
- d) End date of exclusion, if applicable;
- e) Reason for exclusion; Y
- f) Number of times the player has been excluded (at the time of the report).

Account balance adjustment report. The Internet Luck and Chance Gaming System must be able to supply an adjustment report to the balance of Gambling account via Internet, on request, of the daily adjustments authorized by the player identifier . The report must contain the following information as a minimum:

- a) Name and account number of the authorized player;
- b) Date and time of the adjustment to the account balance;
- e) Unique transaction number;
- d) User identification and name of the employee who performs the account balance adjustment transaction, if applicable;
- e) User identification and supervisor name that authorizes the adjustment to the account balance;
- f) Amount of the adjustment to the account balance;



- d) Account balance before adjustment;
- e) Balance of the account after adjustment;
- f) Setting type of the account; Y
- g) Reason / description matches the account balance.

Report Summary promotional accounts. The Luck and Gambling System via the Internet must be able to provide a summary report of promotional accounts, upon request for all promotions and / or loyalty bonuses that can be exchanged for cash, monetary credits to play or merchandise. The report must contain the following information as a minimum:

- a) beginning balance for the type of promotion;
- b) total amount of awards for such promotion;
- e) Total amount used by such promotion;
- d) Total amount due for such promotion;
- e) Total amount of the adjustment for such promotion; Y
- f) Ending balance by type of promotion.

Policy Information Security.

There must be a policy document information security in force to describe the approach of the operator as to the handling of information security Y its implementation. Security policy information shall:

- a) Have a provision that requires a review when changes occur to the Luck and Gambling System through the Internet or the operator's processes that alter the System's risk profile;
- b) Be approved by the Director;
- c) Be communicated to all employees and any relevant third party;
- d) Undergo revision at planned intervals; Y
- e) Outline the responsibilities of the operator's personnel and third-party personnel for the operation, service and maintenance of the Luck and Chance Games System through the Internet and / or its components.

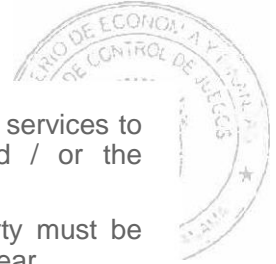
Administrative controls

Safety of human resources. The functions Y security responsibilities of employees must be defined Y documented in accordance with the policy of information security.

- a) All employees of the organization must receive awareness training and regular updates on organizational policies and procedures relevant to their role.
- b) An access control policy must be established, documented and reviewed based on business and security requirements for physical and logical access to the Luck and Chance Games System through the Internet and / or its components.
- c) Employees will only have access to specifically authorized facilities or services.
- d) The administration will review users' access rights regularly using a formal process.
- e) The access rights of all employees to the Games System
- f) The access rights of all employees to the Luck and Chance Games System through the Internet and / or its components will be revoked upon termination of employment. contract or agreement, or adjusted in the event of a change.

Thirdparty services. The security roles and responsibilities of third party service providers should be defined and documented in accordance with the information security policy.

- a) Agreements with third parties involving access, processing, communication or management of the Luck and Chance Games System through



- Internet and / or its components or the addition of products or services to the Luck and Gambling System through the Internet and / or the components must cover all relevant security requirements
- b) The services, reports and records provided by the third party must be monitored and reviewed by the administration at least once a year.
 - c) Changes in service provision, including the maintenance and improvement of existing information security policies, procedures and controls, must be managed, taking into account the business systems and processes involved, as well as a reassessment of risks.
 - d) The rights of access of third party service providers to the Luck and Chance Games System through the Internet and / or its components will be revoked at the end of your contract or agreement, or adjusted in the event of a change.

Asset Management. All assets that store, process or communicate controlled information, including those that make up the operating environment of the Luck and Gambling System through the Internet and / or its components, must be accounted for and must have an owner named in accordance with the information security policy.

- a. An inventory of all assets that have controlled elements must be prepared and maintained.
- b. Assets must be classified according to their critical condition, sensitivity and value.
- c. Each asset will have a designated " owner " responsible for ensuring that information and assets are appropriately classified and defining and periodically review your access restrictions and ratings.
- d. A policy on the acceptable use of assets associated with the Luck and Gambling System through the Internet and its operating environment must be included.
- e. There should be a procedure to withdraw assets from service and add new assets.
- f. Storage media must be removed from decommissioned equipment and these media must be disposed of safely in accordance with documented procedures.
- g. Removable storage media should be disposed of safely when no longer needed, according to documented procedures for this purpose.

Encryption key management. Encryption key management must comply with the processes defined in accordance with the information security policy.

- a. There must be a documented process to obtain or generate the encryption keys.
- b. If the encryption keys expire, there should be a documented process to manage their expiration.
- c. There must be a documented process to revoke the encryption keys.
- d. There should be a documented process to safely change the current encryption keyboard.
- e. There must be a documented and established process for storing any encryption key.
- f. There must be a method to retrieve encrypted data with an encrypted key revoked or expired for a defined time when the encryption key is invalidated.

Software development life cycle. The acquisition and development of new software must comply with the processes defined in accordance with the information security policy.



- a) The production environment must be logically and physically separated from the development and test environments.
- b) Development personnel should be prevented from having access to code changes in the production environment.
- c) There must be a documented method to verify that the test software is not deployed to the production environment.
- d) To prevent leakage of personally identifiable information, there must be a documented method to ensure that raw production data is not used in testing.
- e) All documentation related to software and application development must be available and retained throughout its life cycle.

Change control. The implementation of changes to the hardware and software of the Luck and Gambling System through the Internet will be managed based on the use of formal change control procedures in accordance with the information security policy.

- a) Procedures change control programs must be adequate to ensure that only properly authorized and tested in the game platform production versions are implemented. Exchange controls in production should include:
 - i) A version control software or mechanism for all software components;
 - ii) Details of the reason for the change;
 - iii) Details of the person making the change;
 - iv) Full backups of previous versions of the software;
 - v) A política que indique procedimientos de emergencia de cambio;
 - vi) Procedimientos para pruebas y migración de cambios;
 - vii) Separación de funciones entre los desarrolladores, el equipo de garantía de calidad, el equipo de migración y los usuarios; Y
 - viii) Procedimientos para asegurar que la documentación del usuario se actualice como resultado de un cambio.
- b) All patches should be tested whenever possible on a Game Platform configured identically to the target Game Platform. In circumstances where patches cannot be fully tested in time to meet the deadline due to the severity level of the alarm, patch testing should be handled as a risk, either by isolating or removing the untested gaming platform from the network or applying the patch and testing it after the fact.

Incident Management. A process for reporting information security incidents and management response must be documented in accordance with the information security policy.

- a. The incident management process should include a definition of what constitutes an information security incident.
- b. The incident management process should document how information security incidents are reported through the appropriate channels.
- c. The incident management process should address management responsibilities and procedures to ensure a prompt, effective and orderly response to information security incidents, including:
 - i) Procedimientos para manejar diferentes tipos de incidentes de seguridad de la información;
 - ii) Procedimientos para el análisis e identificación de la causa del incidente;
 - iii) Comunicación con las partes afectadas por el incidente;
 - iv) Reportar el incidente a la autoridad apropiada;



- v) Collection of forensic evidence; Y
- vi) Controlled recovery of information security incidents.

Business continuity and disaster recovery. There must be an established plan to recover gaming operations in the event that the production gaming system becomes inoperable.

- a. The disaster recovery plan should indicate the method for storing player account information and game data to minimize losses in the event the production game system becomes inoperable. If asynchronous replication is used, the method to recover the data or document the possible loss of data should be described.
- b. The disaster recovery plan must outline the circumstances under which it will be invoked.
- c. The disaster recovery plan should address the establishment of a recovery site physically separate from the production site.
- d. The disaster recovery plan should contain recovery guides detailing the technical steps necessary to restore game functionality at the recovery site / recovery site.
- e. The business continuity plan should indicate the processes necessary to resume administrative operations of gaming activities after activating the recovered platform for a variety of scenarios appropriate to the operational context of the Luck and Gambling System through Internet.

Technical controls

Self-monitoring

- a. The Internet Luck and Chance System must implement self-monitoring of critical components.
- b. A critical component that fails the self-monitoring tests should be removed from service immediately. The component should not be activated again until there is reasonable evidence that the fault has been remedied.

Requirements for the Domain Name System (DNS)

- a. The primary server used to resolve the DNS requests used in association with the Luck and Gambling System over the Internet must be physically located in a secure data center;
- b. Logical and physical access to the primary DNS server must be restricted to authorized personnel;
- c. There must be at least one secondary server that is capable of resolving DNS requests. Secondary servers must be located in separate facilities from the primary server;
- d. Zone transfers between the primary server and secondary servers must occur at least once every 24 hours; Y
- e. Zone transfers to inappropriate servers should not be allowed.

Monitoring

- a. The clocks of all the components of the Luck and Gambling System through the Internet must be synchronized with an agreed and precise source of time to ensure consistent registration. The mismatch in the hours should be reviewed periodically.
- b. Audit records with user activities will be created, /. Exceptions and information security events will be kept for an appropriate period to assist in future investigations and access control monitoring.



- c) The activities of the System Administrator and the System / Operator will be recorded.
- d) Registration devices and registration information will be protected from manipulation and unauthorized access.
- e) Any modification, attempted modification, read access or other change or access to the entries, audit or records of the gaming platform must be detectable by the Luck and Chance Gaming System through the Internet. It should be possible to see who has viewed or altered a record and when.
- f) The records generated by the monitoring activities will be reviewed periodically based on a documented process. A record should be kept of each review.
- g) Failures of the Luck and Gambling System via the Internet must be recorded and analyzed to take appropriate action.
- h) Network devices with limited storage should disable all communication if the audit log is populated or the logs are downloaded to a dedicated server for these logs.

Cryptographic controls. A policy for the use of cryptographic controls for the protection of information should be developed and implemented.

- a. Sensitive or personally identifiable information must be encrypted if they pass through a network with a lower level of trust.
- b. Data that does not need to be hidden must be authenticated using some form of message authentication technique.
- c. Authentication must use a security certificate from an approved organization.
- d. The degree of encryption used must be appropriate for the sensitivity of the data.
- e. The use of encryption algorithms should be periodically reviewed by qualified Administration personnel to verify that the current encryption algorithms are secure.
- f. Changes to encryption algorithms to correct weaknesses should be implemented as soon as possible. If none of these changes is available, the algorithm should be replaced.
- g. Encryption keys that are not encrypted through a different encryption method and / or using a different encryption key should not be stored.

Access controls. The assignment of access privileges should be restricted and controlled based on business requirements and the principle of least privilege.

- a. A formal user registration or removal procedure must be established to grant and revoke access to all information systems and services.
- b. All users must have a unique identifier (user ID) for personal use, and a suitable authentication technique must be chosen to verify the identity of the user.
- c. The use of generic accounts should be limited, and when they are used, the reasons for their use should be formally documented.
- d. The delivery of passwords must be controlled through a formal management process.
- e. Passwords must meet business requirements for length, complexity, and lifespan.
- f. Access to the applications and operating systems of the Luck and Chance Games System over the Internet must be controlled by a secure connection procedure.
- g. Appropriate authentication methods and passwords should be used to control access by remote users.



- h) Any physical access to the areas that store the components of the Game of Luck and Chance through the Internet, and any logical access to the applications or the operating system of the Game of Luck and Chance system through Internet.
- i) The use of automated identification equipment to authenticate connections to specific places and equipment should be formally documented and included in the regular review of access rights by the Administration.
- j) Restrictions on connection times should be used as an additional security measure in high risk applications.
- k) The use of utility programs that may bypass system and application controls should be strictly restricted and controlled.
- l) A formal policy must be established and appropriate security measures must be taken to protect against the risks of communication and mobile computing.
- m) Teleworking should not be allowed, except under circumstances in which the safety of the terminal equipment can be guaranteed.

Managing network security. Networks should be logically separated so that there is no network traffic in a network link that cannot be handled by servers that link.

- a) The failure of a particular element should not result in denial of service.
- b) Must be installed detection system / intrusion prevention network for:
 - i) Listen to internal and external communications.
 - ii) Detect or prevent attacks distributed denial of service.
 - iii) Detect or prevent the *sheflcode* through the net.
 - iv) Detect or prevent deception of the Address Resolution Protocol.
 - v) Detect other indicators attacks Y communications server style of "man in the middle" immediately.
- c) Each server instance in cloud and virtualized environments must perform a single function. The equivalently safe alternative mechanisms will be considered as technology advances.
- d) In virtualized environments, instances of redundant servers cannot run on the same hypervisor.
- e) Do not use protocols without status display. Although technically HTTP is stateless, it is permitted if the transmission control protocol runs because it has status indication.
- f) It should be a record of any changes to the network infrastructure.
- g) Analyzers must be installed and / or virus detection programs in all relevant information systems. These programs must be updated periodically to look for new strains of virus.
- h) Network security should be evaluated by a qualified and experienced person regularly.
- i) This assessment should include tests to external intertaces (public) and the internal network.
- j) The evaluation of each security domain in the internal network should be performed separately.

Firewall.

- a. A firewall must be located on the boundary between two different security domains.
- b. All connections to Gambling System via Internet hosted in the secure data center must pass through at least one firewall at the application level. this includes connections



with any server that is not from the Luck and Chance Games System through the Internet used by the Administrator / Operator.

- c) The firewall must be a separate hardware device with the following characteristics:
 - i) Only applications related to the firewall can reside within it; Y
 - ii) Only a limited number of accounts may be present on the firewall.
- d) The firewall must reject all connections except those that have been specifically approved.
- e) The firewall must reject all connections from destinations that cannot reside on the network from which the message originated.
- f) The firewall must maintain an audit trail for all parameter changes that affect which connections are allowed through the firewall.
- g) The firewall must maintain an audit log for all successful and failed connection attempts through it. Records should be kept for 90 days and a sample should be checked every month for unexpected traffic.
- h) The firewall must disable all communications if the audit log is full.

Remote access. Remote access is defined as any access to the system from outside the system or system network, including access from other networks within the same establishment. Remote access should only be allowed, with prior permission from the Director, and should have the option to disable. Where allowed, remote access should accept only the remote connections allowed by the firewall application and the configuration of the Luck and Gambling System over the Internet. Remote access security will be reviewed on a case-by-case basis, in conjunction with current technology and the authorization of the Director. The following are additional requirements:

- a. The functionality of managing unauthorized remote users (adding users, changing permissions, etc.);
- b. Unauthorized access to databases other than access to information using existing functions; Y
- c. Unauthorized access to the operating system: and
- d. The System of Luck and Chance Games over the Internet must keep a record of activities that is automatically updated, representing all the remote access information.

Backup. Information and software should be backed up and tested periodically in accordance with the backup policy.

Physical and environmental controls

Security areas. Gaming platforms and associated communication systems must be located in facilities that provide physical protection against damage from fire, flood, hurricanes, earthquakes and other forms of natural or man-made disasters.

- a. Security perimeters (barriers such as walls, automatic gates or reception desks) must be used to protect areas that contain components of the Luck and Gambling System through the Internet.
- b. Safe areas should be protected by appropriate entry controls to ensure that access is restricted only to authorized personnel.
- c. All access must be registered in a security registry.



- d) Safety Areas should include system intrusion detection and unauthorized access attempts should be recorded.

Safety of play equipment

- a) The servers of Gambling games over the Internet must be located in server rooms that restrict unauthorized access.
- b) The servers of the Luck and Gambling System through the Internet must be housed in supports located within a secure area.

Support services

- a) All components of the Luck and Gambling System via the Internet must have an adequate main power source.
- b) All components of the Internet Luck and Chance Gaming System must have an uninterruptible power supply (UPS) to support operations in the event of a power failure.
- c) There must be adequate cooling for the equipment housed in the server room.
- d) Power and telecommunications cables that transmit data or support information services must be protected from interception or damage.
- e) There must be adequate fire protection for the components of the Luck and Gambling System through the Internet housed in the server room.

Betting for Events.

Betting information. The following sections describe the information that must be made available to the player regarding the events / markets (and associated bet types) available in the Luck and Chance Gaming System via the Internet, and the methods for making a bet on the System of Gambling through the Internet:

- a. A list, or equivalent representation, of all available bet types must be made available to the player.
- b. The player must be able to see descriptions of those types of bets before making a bet.
- c. The description of each type of bet must include all the options available for that type of bet.
- d. A list, or equivalent representation, of all active events / markets must be made available to the player.

Betting.

- a. No bet amount can be greater than the current balance of the player's account.
- b. The method of placing a bet must not be complicated, and all selections (including their order, if applicable) must be clearly obvious to a typical player.
- c. When the bet involves the combination of events / markets.
- d. There must be a clear notification that the bet has been accepted by the system and the details of the accepted bet must be provided to the player once the bet is accepted.
- e. If the gaming platform rejects the bet attempt (totally or partially), the player must be informed of the reason for the rejection.
- f. The amount of the bet must be charged to the player's account balance when the notification of acceptance of the bet is received by the system.
- g. The bet confirmation must include the amount of the bet actually accepted by the Luck and Chance Games System through the Internet.



Massive placing of bets. This section refers to bets that can be placed in bulk.

- a. The notification of acceptance or rejection of a bet can be given through a log file that can be read later by the player.
- b. If the flow of bets is interrupted for any reason, there must be a means available to the player to determine where the interruption in the flow occurred.
- c. The bet amount must be charged to the account balance when the acceptance notification is received for each bet by the system.
- d. No bet on the flow can be greater than the current (remaining) balance of the account. If the bet is attempted in any case, all flow must be stopped.

Cancellations.

- a. The ability to attempt to cancel any of the active bets must be provided.
- b. The method of cancellation should not be complicated
- c. Cancellation should be allowed through the search mechanism.
- d. Successful cancellations must immediately update the Player's account balance by the amount of the canceled bet.
- e. Cancellation should not be allowed once the first part of the event result is known.
- f. The player must be able to access any other rule regarding the cancellation ban.

Event / market closure.

- a. The system must implement an automatic closing of bets on an event or market when the scheduled time for the event or market arrives. The foregoing does not prevent the implementation of live betting.
- b. There may be a manual override for the automatic closing time.
- c. Players in a player session must be able to see when an event or market is closed (in the player's next interaction with the website, which updates the information on the screen).
- d. It should not be possible to place bets on the event or market once it has closed. This requirement does not prevent the implementation of live betting.
- e. A cancellation grace period may be offered to allow players to cancel misplaced bets. However, these periods must be short and must end before the outcome of the event is known or can be deduced.
- f. It is possible to reopen an event or market when circumstances allow. Players must be able to see when an event or market reopens (in the player's next interaction with the website, which updates the information on the screen).

Live betting. The help screen / rules or terms and conditions for the website should explain to the player that delays in the system are implemented to mitigate the impact of players who have more up-to-date information or faster internet connections.

Publication of results

- a. The Internet Luck and Chance Games System must inform the player how reliable official results are obtained and published for events / competitions / matches.
- b. The Internet Luck and Chance Games System must clearly inform the player of the means by which the winning bet will be defined.

- c) The rules available to the player must clearly indicate what will happen when there is the possibility that multiple events / markets share the same winning result.
- d) The rules available to the player must describe the situation of the entry of winning results for sports / competitions / matches that were not offered for betting.
- e) The rules available to the player must clearly indicate what will happen when only a portion of a sport / competition / match is withdrawn, covering topics such as:
 - i) Circumstances when all bets on that portion of the sport / competition / match are lost upon withdrawal,
 - ii) Circumstances when all bets on that portion of the sport / competition / match are returned with withdrawal, and
 - iii) Management of the withdrawn portion of the sport / competition / match for betting on multiple events / markets.
- f) If a sport / competition / market is abandoned for any reason, all bets on events / markets associated only with that sport / competition / market must be fully refunded.
- g) Bet types that include multiple events / markets must be treated as s1 all selections for that segment of the abandoned event / market is a winning bet (to allow the parlay bet to remain active) but with a payout of 1, 00 (ie no win for the player}, which, in turn, leads to the corresponding adjustment of the potential payout for the general parlay bet.

Income of results

- a. You cannot enter the results of an event / market unless the event / market is closed. This does not prevent the resolution of events / markets within a sport / competition / match before that sport / competition / match ends.
- b. The income of results must include the income of all the information that may affect the result of all types of bets offered for that event / market, whether or not such bets have actually been placed.
- c. The results may be altered until such time as they are confirmed, except in the case of a resolution change.

Viewing results

- a. It is recognized that the system will inevitably be subject to a certain degree of delay due to synchronization and confirmation of results for updates to the information displayed on the player's screen, and such information may not be updated until the player's next interaction with the website, which updates the information on the screen.
- b. Players in a player session must be able to see the results when an event / market closes.
- c. The player must be able to see the results of any event / market decided, once it has been confirmed.
- d. Players must be able to see any changes in results.
- e. When the amounts of the individual bets are collected in funds, the player must be able to see the dividends of all the bets decided, once they have been confirmed.

Profits

Payment of earnings. Winning bets must be credited directly to the player's account when the event / market results are entered, confirmed and resolved. If the player is not in an active session when

Enter and confirm the results, it is acceptable to transfer the earnings the next time the account is entered.

Rounding the calculation of payments requires rounding. Information about how the system handles the circumstances must be provided to the player through the help / rules screen, which must clearly specify what will happen:

- a. The rounding level must be indicated.
- b. Must cover rounding up, down (truncation), true rounding; Y
- c. You must treat the measurement of the rounded amounts.

Selections withdrawn. The rules available to the player must clearly indicate what will happen when only a portion of a sport / competition / match is withdrawn, covering topics such as.

- a. Circumstances when all bets on that portion of the sport / competition / match are lost upon withdrawal;
- b. Circumstances when all bets on that portion of the sport / competition / match are refunded upon withdrawal;
- c. The management of the portion withdrawn from the sport / competition / match for bets in multiple events / markets; Y
- d. Handling of reinstated selections - especially if 'Field' selections are offered.

Abandoned events.

- a. If a sport / competition / market is abandoned for any reason, all bets on events / markets associated with that sport / competition / market must be refunded in full.
- b. Bet types that include multiple events / markets should be treated as if all selections for that abandoned event / market segment were a winning bet (to allow the parlay bet to remain active).

Fixed Odds Betting

The specific requirements for bet types where the payout will be set at the time the bet is placed. Players must have access to all current odds / payouts for all available events / markets at all times. In addition to the general requirements, the following requirements apply:

Betting

- a. If the bet can involve more than one prize table, the system must store and the confirmation must indicate the prize table for which it applies.
- b. If the bet includes types of bets where the prize table can change dynamically, the system must store and the confirmation must indicate the payment of the prize table that will apply for this bet if it is a winner.

Liability limitation. The rules available to the player must clearly indicate the circumstances in which potential liability for future events / markets can be reduced by means such as:

- a) Proration - the decrease of grand prize winners in an event / market when the general payment obligation is large;
- b) Limits of liability - bets are rejected if the liability for an event / market would exceed a predefined limit; Y



- c) Partial acceptance / rejection of the bet - any circumstance where a bet is partially or completely rejected. This is commonly due to a change in odds / payouts.

Modifying the prize pool

- a) The rules made available to the player must clearly indicate the circumstances that allow dynamically modifying the odds / payouts in an event / market.
- b) Players must be able to see when odds / payouts are changed.
- c) Subsequent access to odds / payouts, for example: via an active link, should show current values.
- d) It is recognized that the system will inevitably be subject to a certain degree of synchronization delay for updates to the information displayed on the player's screen, and such information will only be updated in the player's next interaction with the website, which updates information on the screen. In order to ensure fairness to players, the system must identify situations where the player has placed a bet for which the associated odds / payouts have changed (but have not yet been updated on the player's screen), and notify the player accordingly and ask for confirmation of the bet given the new odds / payouts.

Adjustments to fixed prize payments. The rules made available to the player must clearly indicate the circumstances in which the odds / payouts must be adjusted, such as:

- a) Multiple winning results;
- b) The withdrawn selections for which the bets are reinstated;
- c) Abandoned segments of the parlays; Y
- d) Proration.

Cross Bets

The specific requirements for the types of bets where the individual bets are collected in funds. With the results of the event, each fund is divided into the total bet of the winning selections to form a unit payout amount for that type of bet.

Commission. The commission level for each type of bet must be fully shown in the illustrations.

Dividends. The rules for the calculation of dividends must be approved by the Gaming Control Board, taking into account the following:

- a) Dividend formula.
- b) Management of withdrawn teams.
- c) Management of multiple winners of a type of bet for technical ties, abandoned events, etc.
- d) Handling of deferred events.
- e) The management of circumstances where there are no winners of a fund must be approved by the Director, taking into account the following:
 - i) Countback levels (tiebreak criteria)
 - ii) Progressive jackpots
 - iii) Reimbursement of funds (with or without subtracting the commission)
- f) The management of minimum prize payments, the calculation of other dividends and possible fund subsidies.
- g) The management of field bets where changes may occur in the withdrawn status of the selections.



Betting

- a) The player must be able to see reasonably up-to-date information on the possible odds / payouts for single betting funds.
- b) The player must be able to see the reasonably updated values of the total investments for all betting funds.
- c) It is recognized that the system will inevitably be subject to a certain degree of synchronization delay for updates to the information displayed on the player's screen, and such information will only be updated in the player's next interaction with the website, which updates information on the screen. In order to guarantee equity with the players. The system should identify situations where the player has placed a bet for which the associated odds / payouts have changed (but have not yet been updated on the player's screen), and notify the player accordingly and request confirmation of the bet given the new odds / payouts, and
- d) In the case of complex betting funds. It is recognized that there may be reasonable limitations to the real-time accuracy of the background estimates shown to the Player.
- e) The player must be able to see the results of all decided events, including those that have not been confirmed.
- f) The player must be able to see the dividends of all bet types decided, including those that have not been confirmed.
- g) The player must be able to see the withdrawn selections for all events.

External betting systems

Requirements for types of events where bets placed through the Luck and Gambling System over the Internet are submitted to an external system that controls the bets, processes the results and defines the winning bets. An example of these can be the Luck and Chance Games System through the Internet in interface with a totalizing system.

Communications. Communications with external betting systems must comply with the requirements of technical controls.

- a) Anyone wishing to be an operator must justify the security associated with all communications through a formal risk analysis.
- b) All communications should be recorded in a log in accordance with the requirements of the transaction log.

information

- a) If the external betting system provides cross betting facilities for the Luck and Chance Games System via the Internet, you must transmit the current dividend calculations to the Luck and Chance Games System via the Internet periodically, together with the preventive notes of said calculations.
- b) If the external betting system provides progressive jackpot facilities for the Luck and Chance Games System via the Internet. You must transmit the current progressive jackpot amounts to the Luck and Gambling System via the Internet periodically, along with the preventive notes of such projections (especially if 'cancellations are allowed').
- c) If the external betting system provides fixed price betting facilities for the Luck and Chance Games System via the Internet where the odds / prize table can be changed dynamically, it must transmit the current odds to Gambling through the Internet every time the odds change

- d) The external betting system must transmit information on the change of event status to the Luck and Chance Games System through the Internet. each time a change occurs, including:
- i) Withdrawn / reinstated selections;
 - ii) Change in the start time of the event;
 - iii) closed / open event;
 - iv) Results entered / modified;
 - v) Confirmed results; Y
 - vi) Event abandoned.

Betting

- a) Bets placed in the Luck and Gambling System via the Internet must receive a clear confirmation of acceptance, partial acceptance (and details) or rejection by the external betting system.
- b) If the cost of the bet is determined by the external system, there must be an affirmative confirmation sequence established to allow the player to accept the cost of the bet and the Internet Luck and Chance Games System determine that there are sufficient funds in the player's account to cover the cost of the bet. This activity will be carried out by the Luck and Chance Games System through the Internet before submitting an offer from the external betting system.
- c) The account balance must be debited for an amount equal to the offer (and cost) submitted to the external betting system. The funds must remain as a pending transaction with details of the offer submitted to the registered external betting system (in accordance with the transaction registration requirements). Upon receipt of confirmation (which must be registered) from the external betting system, appropriate adjustments must be made to the "pending" account and the player's account (if a refund is required due to partial acceptance or rejection of the offer).
- d) Cancellation requests from the Luck and Gambling System via the Internet must receive a clear confirmation of acceptance or rejection by the external betting system.
- e) The account balance must not be credited by the Luck and Chance Games System over the Internet until the external confirmation system receives final confirmation, including the amount of the cancellation.

Results. When the results are entered and confirmed in the external betting system, each winning bet placed from the Luck and Chance Games System through the Internet must be transferred to the System with the amount won. Player accounts must be updated with the amounts earned.

Restart and recovery. The process of all betting activities between the two systems should not be adversely affected by the restart / recovery of either system.

Betting history and records

Betting history. For games involving bets on future events, such as sports betting, a "Betting History" must be provided. The history must clearly indicate that it is a history of the previous bet (s) and must provide the following information (at a minimum):

- a) The date and time that the bet was placed;
- b) The description of the final result of the game on which the bet was made, either graphically or through a clear text message;
- c) The player's total cash / credits when placing the bet;
- d) The player's total cash / credit total upon settlement of the bet;





- e) Amount wagered including any multiplier;
- f) The total money / credits won in the bet (including progressive jackpots)
- g) Any choice of the player involved in the bet; Y
- h) Results of the intermediate phases of the bet.

Records. All significant betting transactions on events must be recorded in the Luck and Gambling System via the Internet. The decision as to what constitutes a significant transaction will be made depending on each case and, at a minimum, must include:

- a) All communications, including offers to place, modify or cancel a bet submitted by the player before the offer is accepted;
- b) Acceptance (sale), rejections (including reasons) and cancellation of bets;
- c) Winnings added to player accounts;
- d) Change of probabilities / payments, commissions, percentages, or other payment selections (not including dynamic probabilities / payment fixes); Y
- e) Change in the status of the event / market:
 - i) Start / end of bets;
 - ii) Income / modification / confirmation of results;
 - iii) Withdrawal / refund of bet types within the event / market;
 - iv) Abandoned events / markets; Y
 - v) Alteration / invalidation of start times.

Article 70. Random Number Generator.

The system of Gambling through the Internet must have a cryptographically secure Random Number Generator.

CHAPTER 11 SUPPLIER REGISTRATION

Article 71. Register of Suppliers.

Any natural or legal person who wishes to register as an authorized provider to provide Luck and Gambling Systems through the Internet and its components, must submit a request to the Gaming Control Board, through a legal representative, complying with the following requirements:

- a. Attach a duly authenticated copy of the license as manufacturer, distributor or seller.
- b. Attach company incorporation documents.
- c. Name and address of directors and officers of the company.
- d. Declaration of the applicant stating that it will only provide gambling through the Internet that comply with the laws and regulations issued by the Republic of Panama that are applicable to the gaming industry.
- e. Check certified in favor of the Gaming Control Board for the sum of One Thousand Balboas (B / 1,000.00).

Article 72. Registration procedure.

Upon receipt of the request with the required documentation. the viability of it will be evaluated.

The Director may, according to his criteria, request the investigation to the state government agencies of the requesting company, its directors and dignitaries

Article 73. Cancellation of registration.

The Director may cancel, through a reasoned Resolution, the registration registered when said supplier has breached some provisions contained in these Regulations or when the Director has knowledge that the supplier is involved in activities that affect the good image, transparency and reliability of the gaming industry in Panama.

**CHAPTER 111****SYSTEM REGISTRATION FOR LUCK AND GAMBLING GAMES THROUGH THE INTERNET****Article 74. System Registry.**

All Gambling games over the Internet, before being implemented by an Administrator / Operator, must be registered in compliance with the following requirements:

1. High request before the Director through a legal representative.
2. Compliance Certificate issued by an Authorized Entity registered before the Gaming Control Board, stating that the Luck and Chance Gaming System through the Internet complies with the provisions of these Regulations.
3. Payment in favor of the Gaming Control Board in certified check for the sum of One Thousand Balboas (B / .1,000.00).
4. Copy of the Registry of the Provider of the Luck and Chance Games System through the Internet issued by the Gaming Control Board.

**TITLE VII
FINAL PROVISIONS****CHAPTER 1
INFRINGEMENTS AND SANCTIONS****Article 75. Infractions.**

Any violation of the provisions contained in these Regulations will be considered infractions.

Article 76. Sanctions.

The sanctions for infractions of these Regulations will be up to One Hundred Thousand Balboas (B / .100,000.00). In case of recidivism, the fine will be double the one originally imposed.

Article 77. Resources.

The sanctions will be imposed by Resolution motivated by the Director and will be subject to Appeal for Reconsideration; and, of Appeal before the Plenary of the Gaming Control Board, which will be granted in suspensive effect

**CHAPTER 11
POWERS OF THE GAME CONTROL BOARD**

Article 78. The Director, through the inspectors of the Department of Inspection of Game Rooms and the auditors of the Department of Audit of Game Rooms of the Game Control Board, may at its discretion carry out inspection procedures and the audits it deems convenient.

The Administrator / Operator is obliged to allow access to the inspectors and auditors of the Gaming Control Board, the administrative offices and the call center; as well as the information and documentation requested by them.

Article 79. The Director is empowered to request the corresponding state agency to block and cancel Internet pages, domain name, IP address, that is operating, exploiting or advertising gambling and activities that cause bets, without have the authorization issued by the Gaming Control Board.

Article 80. Empower the Executive Secretary of the Gaming Control Board, to sign the agreements and agreements with public bodies, which are necessary for the blocking and cancellation of Internet pages, which are operating, exploiting or advertising gambling and activities that originate bets, without the authorization issued by the Gaming Control Board.

CHAPTER 111 TRANSITIONAL PROVISIONS

Article 81. The Administrators / Operators who, as of the date of issuance of these Regulations, have a Contract for the Administration and Operation of Gambling through Electronic Communication Media, granted based on Resolution No. 65 of October 25, 2002, will have a period of six (6) non-extendable months to adjust their operations to this regulation.

People who have formalized a request for the Administration and Operation of Luck and Chance Games through the Electronic Communication Media, based on Resolution No. 65 of October 25, 2002, at the time of issuance of these Regulations, will have a term of six

(6) non-extendable months to adjust your request to this one.

SECOND: This Resolution subrogates Resolution No. 65 of October 25, 2002.

THIRD: This Resolution will take effect from its publication in the Official Gazette.

BASIS OF LAW: Decree No. 2 of February 10, 1998 PUBLISH AND ENFORCE IT,