

Good Lions Poker Training Procedure

Training - All Personnel

All personnel (whether volunteers or employees) of the Good Lions as well as any approved and contracted operator involved in the management, operation, conduct, or administration of a poker tournament must be trained in accordance with applicable law and the following outline. The training will be conducted either in person, via written modules or video, or a combination.

Training includes the following 4 Parts: (1) Managing the Game - Physical Aspects; (2) Game Rules and House Procedures; (3) Laws and Regulations; and (4) Consumer Protection

Table Test - Dealers

In addition to the training, before any person who will serve as a dealer is allowed to deal at a poker tournament, the prospective dealer must pass a table test. The table test will be live and consist of the dealer demonstrating proficiency prior to the poker tournament to the satisfaction of the game manager or tournament manager. Upon successful completion of the table test, the dealer should follow up with the Good Lions to receive his or her certificate of completion from the Good Lions. The Good Lions will retain records of dealer table test completion in accordance with applicable law.



Part 1: Managing the Game - Physical Aspects

- Use of equipment
- Procedures for
 - opening and closing tables for the poker tournament
 - proper security procedures regarding poker chip inventories
 - distributing and removing gaming chips
 - distributing and removing plaques from the poker tournament table
 - accepting cash at the poker tournament table



Part 2: Game Rules and House Procedures

- Poker game
 - Review 'Tournament Play' Rules set forth in 11VAC20-30-100.B-U.
 - Review House Rules.
- Policies and procedures relevant to the person's function,
- Person's responsibilities,
- Procedure for shift changes at the poker tournament table
- Procedure for the proper placement of wagers by players
- Procedure for the proper collection of losing wagers
- Procedure for payment of winning wagers



Part 3(a)(1): Charitable Gaming Law

Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 of the Code of Virginia

- Generally
 - Charitable gaming is a privilege authorized by the Commonwealth of VA
 - Must be conducted only in strict compliance with the law and regulations
 - In addition to poker, the Charitable Gaming Law contains a lot about bingo, electronic gaming, and instants
- Key Definitions for Poker
 - *"Texas Hold'em poker game"* means a variation of poker in which (i) players receive two cards facedown that may be used individually, (ii) five cards shown face up are shared among all players in the game, (iii) players combine any number of their individual cards with the shared cards to make the highest five-card hand to win the value wagered during the game, and (iv) the ranking of hands and the rules of the game are governed by the official rules of the Poker Tournament Directors Association.
 - *"Texas Hold'em poker tournament"* or *"tournament"* means an organized competition of players (i) who pay a fixed fee for entry into the competition and for a certain amount of poker chips for use in the competition; (ii) who may be allowed to pay an additional fee, during set preannounced times of the competition, to receive additional poker chips for use in the competition; (iii) who may be seated at one or more tables simultaneously playing Texas Hold'em poker games; (iv) who upon running out of poker chips are eliminated from the competition; and (v) a pre-set number of whom are awarded prizes of value according to how long such players remain in the competition.



Part 3(a)(2): Charitable Gaming Law

Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 of the Code of Virginia

- VDCAS (the “Department”) holds regulatory oversight authority over charitable gaming and has the power to revoke the gaming license if the organization is found not to be in strict compliance with the Charitable Gaming Law and the Regulations. Any procedure for deny, suspend or deny a permit is subject to the Administrative Process Act. In certain instances, a prior hearing may occur.
- The Department has wide access and production rights to enable it to properly exercise its powers and duties (See Va. Code § 18.2-340.18.1-13).
- The Department adopts Regulations that govern charitable gaming in general and poker in particular.
- With respect to poker 10% of the gross receipts must be used for the organization’s charitable purpose.
- The organization must be the Department fees in accordance with the Charitable Gaming Law and Regulations.
- An organization is permitted to contract with an operator to administer poker tournaments.
- Cash or checks only may be accepted by entrants into a poker tournament. No postdated checks accepted. No credit may be extended.
- No player may be younger than age 18.



Part 3(a)(3): Charitable Gaming Law

Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 of the Code of Virginia

- Records must be kept in accordance with the requirements of the Charitable Gaming Law and Regulations of inventory, receipts, disbursements, money on hand, and anything else required by the Department.
- Late fees apply to late filings with the Department. Revocation of a permit may occur if reports are late by more than 30 days; no organization shall conduct bingo or raffles until the report is properly filed and a new permit is obtained.
- The following records must be kept for 3 years:
 - all charitable gaming sessions using Department prescribed forms or reasonable facsimiles thereof approved by the Department;
 - the name and address of each individual to whom is awarded any charitable gaming prize or jackpot that meets or exceeds the requirements of Internal Revenue Service Publication 3079, as well as the amount of the award; and \
 - an itemized record of all receipts and disbursements, including operating costs and use of proceeds incurred in operating bingo games.
- The requirement to file a report also includes the payment of any applicable fees required to accompany such report.
- All reports are subject to audit by the Department in accordance with the Regulations.



Part 3(a)(4): Charitable Gaming Law

Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 of the Code of Virginia

Prohibited practices:

- Gross receipts must be used only for: (i) gaming expenses; (ii) reasonable and proper business expenses; and (iii) those lawful religious, charitable, community, or educational purposes for which the organization is specifically chartered or organized, each as defined in the Charitable Gaming Law. Unless otherwise permitted, charitable gaming gross receipts may not be used for an organization's social or recreational activities.
- Other than with an operator for poker, an organization may not enter into a contract or otherwise employ for compensation any person for the purpose of organizing, managing, or conducting any charitable games.
- Rent shall be fair market value, and not as a percentage of proceeds or the number of entrants.
- For member organizations, only members may participate in the management or operation of a charitable game. For non-member organizations, volunteers must be directly supervised by an official member of the organization.
- Other than a handful of exceptions set forth in Va. Code § 18.2-340.33.5, no person shall receive any remuneration for participating in the management, operation, or conduct of any charitable game.
- A landlord may not participate in the conduct, management or operation of bingo games, sell bingo supplies, or require specific equipment to be used on its premises.
- Bingo supplies or equipment may not be acquired by contract from an organization's member.
- Statutory maximums on bingo and raffle prizes must be observed.
- No person ever convicted of a felony or a misdemeanor involving fraud, theft or financial crimes within the preceding 5 years may manage or operate any charitable game. A person found to have operated charitable gaming in violation of state law, local ordinance or Department regulations may participate in the management, operation or conduct of charitable gaming.
- Supplies must be purchased from registered suppliers.
- Poker tournaments must have a predetermined end-time and entrants may not wager actual money or chips that have cash value.



Part 3(a)(5): Charitable Gaming Law

Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 of the Code of Virginia

Penalties:

- Suspension of Permit: (A) Upon a finding by a judge, magistrate, or person to whom an enforcement officer made application for a criminal warrant is satisfied that probable cause exists to suspend the permit or registration based on reasonable cause to believe that charitable gaming is being conducted in violation of the law, he shall suspend the permit or registration. Immediately upon such suspension, the officer shall notify the organization in writing of such suspension. (B) Written notice specifying the particular basis for the immediate suspension shall be provided by the officer to the organization within one business day of the suspension and a hearing held thereon by the Department or its designated hearing officer within 10 days of the suspension unless the organization consents to a later date. No charitable gaming shall be conducted by the organization until the suspension has been lifted by the Department or a court of competent jurisdiction.
- Civil penalty: (A) Any person or organization that (i) conducts charitable gaming without first obtaining a permit to do so, (ii) continues to conduct such games after revocation or suspension of such permit, or (iii) otherwise violates any provision of this article shall, in addition to any other penalties provided, be subject to a civil penalty of not less than \$25,000 and not more than \$50,000 per incident. (B) Any electronic gaming manufacturer shall, in addition to any other penalties provided, be subject to the penalty identified in subsection A for any violation of any provision of the law.
- Criminal penalties: (A) Any person who violates the provisions of the law or who willfully and knowingly files, or causes to be filed, a false application, report or other document or who willfully and knowingly makes a false statement, or causes a false statement to be made, on any application, report or other document required to be filed with or made to the Department shall be guilty of a Class 1 misdemeanor. (B) Each day in violation shall constitute a separate offense. (C). Any person who converts funds derived from any charitable gaming to his own or another's use, when the amount of funds is less than \$1,000, shall be guilty of petit larceny and, when the amount of funds is \$1,000 or more, shall be guilty of grand larceny. The provisions of this section shall not preclude the applicability of any other provision of the criminal law of the Commonwealth that may apply to any course of conduct that violates this section.



Part 3(b)(1): Texas Hold'em Poker Tournament Regulations

Chapter 30 of Title 11 of the Virginia Administrative Code

11VAC20-30-60. Requirements for administering, conducting, managing, or operating a poker tournament. (1 of 5)

- A. A person who has managed, operated, conducted, or administered charitable gaming without a valid license, permit, certificate, registration, or other similar authority related to gambling in any state, territory, or possession of the United States; the District of Columbia; or any political subdivision thereof shall not manage, operate, conduct, or administer a poker tournament.
- B. A person who manages, operates, conducts, or administers a poker tournament shall not use or continue to use a poker product that has been recalled by the manufacturer.
- C. A person shall not administer a poker tournament for a person who is not permitted to conduct a poker tournament or is not authorized to conduct business in the Commonwealth.
- D. A person who administers or conducts a poker tournament must notify the department within 20 days of the occurrence, knowledge, or receipt of the filing of any administrative or legal action against the person relating to gambling or the administration of poker tournaments.
- E. A person shall not breach any provision of the contract prescribed in 11VAC20-30-180 between an operator and a qualified organization.
- F. A person who has been found to have violated any provision of the Charitable Gaming Law or a regulation adopted pursuant thereto shall not manage, operate, conduct, or administer a poker tournament.



Part 3(b)(2): Texas Hold'em Poker Tournament Regulations

Chapter 30 of Title 11 of the Virginia Administrative Code

11VAC20-30-60. Requirements for administering, conducting, managing, or operating a poker tournament.

(2 of 5)

- G. A qualified organization shall ensure that all persons, including those employed by the operator, involved in the management, operation, conduct, or administration of a poker tournament are trained in the use of any equipment, on the policies and procedures relevant to the person's function, on the person's responsibilities, on the poker game, and on the Charitable Gaming Law and this chapter. The qualified organization shall ensure the completion of the training required by this subsection, and such completion shall be documented, maintained, and available for inspection by the department, at the department's request.
- H. No person other than the charitable organization shall submit a permit application or financial report on behalf of a charitable organization.
- I. If the department identifies through inspection, audit, or other means that a person is not in compliance with statutory or regulatory requirements or has ineffective internal controls, the department may impose restrictions consistent with the provisions of this chapter.
- J. Any records the department deems necessary to complete an inspection, audit, or investigation may be collected by the department from the premises of any location where a poker tournament is conducted or any location where the records are located or stored. The department shall provide a written receipt of such records at the time of collection.



Part 3(b)(3): Texas Hold'em Poker Tournament Regulations

Chapter 30 of Title 11 of the Virginia Administrative Code

11VAC20-30-60. Requirements for administering, conducting, managing, or operating a poker tournament.

(3 of 5)

- K. A person who administers a poker tournament shall provide the charitable organization a detailed invoice for each tournament the person administers. The invoice shall reflect the following:
 - 1. Name, address, and the organization number of the qualified organization;
 - 2. Date and location of the poker tournament; and
 - 3. Gross receipts, net receipts, and prize disbursement.
- L. A person providing security for an organization's charitable gaming activity shall not participate in the charitable gaming activity and shall not be compensated with charitable gaming supplies, including poker chips.
- M. A member of a qualified organization; a person affiliated or associated with the qualified organization; or an immediate family member or person residing in the household of a director, officer, owner, partner, employee, independent contractor, or member of the qualified organization, or a person affiliated or associated with the qualified organization shall not receive compensation from an operator with whom the qualified organization contracts to administer a poker tournament.



Part 3(b)(4): Texas Hold'em Poker Tournament Regulations

Chapter 30 of Title 11 of the Virginia Administrative Code

11VAC20-30-60. Requirements for administering, conducting, managing, or operating a poker tournament. **(4 of 5)**

- N. A qualified organization shall prohibit an operator and the operator's directors, officers, owners, partners, tournament managers, employees, independent contractors, volunteers, and agents or the immediate family members or persons residing in the household of an operator's directors, officers, owners, partners, tournament managers, employees, independent contractors, volunteers, or agents from playing in a poker tournament that the operator administers for the qualified organization.
- O. A qualified organization shall ensure that any poker tournament that the qualified organization conducts or contracts with an operator to administer has internal control policies and procedures that include segregation of duties, cash security, and cash controls based on generally accepted standards.
- P. No qualified organization shall pay a gross aggregate compensation to the operator based on a percentage of the revenue the qualified organization collects for that tournament. The qualified organization shall not pay any other fees, charges, or assessments to an operator for administering a poker tournament except a fixed fee.



Part 3(b)(5): Texas Hold'em Poker Tournament Regulations

Chapter 30 of Title 11 of the Virginia Administrative Code

11VAC20-30-60. Requirements for administering, conducting, managing, or operating a poker tournament.

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- Q. During a poker tournament, all game managers, tournament managers, charitable host representatives, dealers, and all other game workers shall wear a badge that is visible to players and to the department throughout the duration of the poker tournament. The badge shall include: 1. A recent photo of the person; 2. The first name of the person; 3. The name of the qualified organization or operator; and 4. The date the badge was issued to the person.
- Each game manager, tournament manager, charitable host representative, dealer, or other game worker shall also possess a current photo identification, such as a driver's license or other government-issued identification. A game manager, tournament manager, charitable host representative, dealer, or other game worker shall provide the game manager's, tournament manager's, charitable host representative's, dealer's, or other game worker's badge, current photo identification, or both upon request by the department.
- R. A qualified organization shall only contract with an operator that (i) purchases or receives its charitable gaming supplies from a permitted charitable gaming supplier pursuant to § 18.2-340.34 of the Code of Virginia or (ii) is permitted as a charitable gaming supplier.
- S. Any house rules that shall govern the poker tournament shall be prominently displayed during each poker tournament.
- T. A qualified organization shall not rent, lease, or otherwise use any premises for the purposes of holding a poker tournament from a person who is not registered with the department as a landlord in accordance with 11VAC20-30-130.



Part 3(b)(6): Texas Hold'em Poker Tournament Regulations

Chapter 30 of Title 11 of the Virginia Administrative Code

- An organization may not utilize an operator not registered with the Department.
- If an operator's registration application that is found to be inaccurate, the operator must notify the Department and provide updated information within 3 business days of the change or discovery of the inaccuracy.
- In general, loans may not be made between parties involved in managing poker. Consult counsel if this arises.
- All poker tournaments must meet the requirements of the Charitable Gaming Law and Regulations; if it doesn't it's not considered a poker tournament and is prohibited.
- The following people in an organization may not play in a poker tournament: (A) game managers, volunteer game workers, dealers, and charitable host representatives; (B) directors, officers, owners, partners, tournament managers, employees, independent contractors, volunteers, and agents; (C) any of their immediate family members or persons residing in their households. This only applies to the tournament in which such person or person's connection is administering, except that for dealers, the restriction extends to concurrent tournaments to the one in which the dealer is dealing or within 48 hours of any shift.
- All house rules must be followed.
- A game manager (if no operator) or a charitable host representative (if there is an operator) must be [physically present for the entire duration of the tournament. Such person must complete and sign a poker tournament reconciliation form within 48 hours of the tournament, and if there's an operator, ensure the tournament manager signs as well.



Part 3(b)(7): Texas Hold'em Poker Tournament Regulations

Chapter 30 of Title 11 of the Virginia Administrative Code

- All persons involved in managing, operating, conducting, administering or playing a poker tournament must be 18 years of age or older.
- No other forms of gambling or gaming may take place during a poker tournament in the rooms used to manage, operate, conduct, or administer the poker tournament.
- All dealers must be human dealers and be in the same physical location as all of the entrants.
- All entrants must be physically present and seated at the poker table to play.
- All charitable gaming supplies, including cards, chips and mechanical equipment must be purchased from or provided by a charitable gaming supplier with a permit.
- Mechanical equipment used must be pre-approved by the Department.
- All persons conducting, managing, operating, or administering a poker tournament shall adhere to the official rules of the Poker Tournament Directors Association.



Part 3(b)(8): Texas Hold'em Poker Tournament Regulations

Chapter 30 of Title 11 of the Virginia Administrative Code

- Landlords shall obtain a landlord's registration from the Department.
- Landlords must follow the restrictions set forth in 11VAC20-30-130.C-M.
- An organization hiring an operator must have a written contract that meets the requirements set forth in 11VAC20-30-180.B.

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Part 3(c): Charitable Gaming Regulations

Chapter 20 of Title 11 of the Virginia Administrative Code

- The Charitable Gaming Regulations contain certain provisions related to particular types of charitable gaming other than poker (e.g. bingo, electronic pull tabs), and also rules applicable to all forms of charitable gaming.
- This training focuses on regulations applicable to charitable poker. Chapter 30 adapts the bulk of the general rules for poker (e.g. banking, recordkeeping, etc.).
- For training on bingo, electronic gaming, raffles, pull tabs, social organizations, use of proceeds, banking requirements, or for more specific questions related to permitting, eligibility and processes related to permitting, contact your local council.



Consumer Protection

- Recognizing problem and compulsive gamblers is essential to a healthy poker room and for poker tournaments. The Good Lions and its operator is committed to proper procedures for informing supervisory personnel.
- If at any time you suspect an entrant may have a problem, immediately notify the floor manager.

