



COMMONWEALTH CASINO COMMISSION
Commonwealth of the Northern Mariana Islands
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Juan M. Sablan, Chairman
Joseph C. Reyes, Vice Chairman
Justin S. Manglona, Secretary
Alvaro A. Santos, Treasurer
Martin DLG San Nicolas, Public Affairs

COMMISSION ORDER NO: 2017-005

Order to Create Policy Regarding Conflicts of Interest

For good cause determined at the December 21st, 2017 public meeting of the Commonwealth Casino Commission, which was duly publicly noticed, and based on the authority granted by the laws of the Commonwealth (including but not limited to Public Laws 18-56 and 19-24) and the Regulations of the Commonwealth Casino Commission, NMIAC Chapter 175-10.1, the Commonwealth Casino Commission hereby finds and **ORDERS AS FOLLOWS:**

1. WHEREAS, Section 2314(b)(2) of Title Four of the Commonwealth Code requires the Commission to supervise, monitor and investigate to ensure the suitability of owners, operators, and employees of casinos; and
2. WHEREAS, Section 2314(b)(2) of Title Four of the Commonwealth Code requires the Commission to supervise, monitor and investigate to ensure the compliance with the legal, statutory and contractual obligations of owners, operators, and employees of casinos; and
3. WHEREAS, Section 2314(b)(3) of Title Four of the Commonwealth Code requires the Commission to examine, supervise and monitor the continuing fiscal and financial capability of casino owners, operators, concessionaires and other parties with any direct relation to the sole casino and to protect the public in the event that such capability is significantly diminished; and
4. WHEREAS, Section 2314(b)(10) of Title Four of the Commonwealth Code requires the Commission to ensure that the relationship of the licensed gaming operators with the government and the public is in compliance with the Commission's regulations and provides the highest interest to Commonwealth; **NOW THEREFORE,**
5. **IT IS HEREBY ORDERED** that the casino licensee shall, within 90 days of this Order, adopt a compliance plan with accompanying internal controls; and
6. **IT IS HEREBY FURTHER ORDERED** that the plan and internal controls shall address, at a minimum, casino key employees, casino employees and directors, officers and shareholders of the company or any affiliate company who: Have a significant

interest in a firm that does business with the casino licensee; Borrow or accept money or gifts or other favors from a person or firm doing business with the casino licensee; Engage in a private business relationship with a person or firm doing business with the casino licensee, particularly if the company's employee supervises the relationship with that person or firm; Engages in a private business relationship with a supervisor or another team member who the team member supervises; Engages in a competing business or owns stock or other securities of a competitor other than insignificant interest in public companies; Engages in a private business venture with an officer or other employee of a firm that competes with the casino licensee; Uses the casino licensee resources for personal benefit, such as extension of complimentary items or services, to further personal rather than a company business purpose; Uses the casino licensee's staff or assets for personal business; Has an interest in or speculating in products or real estate whose value may be affected by the casino licensee's business; and Improperly divulges or uses confidential information such as plans, operating or financial data or computer programs;

7. IT IS HEREBY FURTHER ORDERED that the plan and internal controls shall also include and Indirect conflicts of interest such as transactions involving a spouse, children or other close relative (dependent or independent) or business associate.

8. IT IS HEREBY FURTHER ORDERED that the plan and internal controls shall require procedures enabling employees to report these conflicts, and a review process to determine whether the reported conflict requires intervention or can exist without detriment to the company. The plan and internal controls shall include mandatory transmittal of all information obtained by the casino relative to a purported conflict of interest to the Commission within seven days of its receipt by the casino.

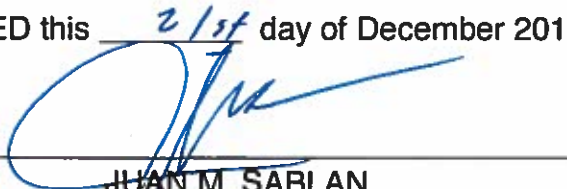
9. IT IS HEREBY FURTHER ORDERED that any action taken by or inaction of the casino in relation to any information received by the casino regarding a purported conflict of interest be reported to the Commission within seven (7) calendar days of the action or decision not to act; and

10. IT IS HEREBY FURTHER ORDERED that the information provided pursuant to this Order shall be provided by the licensee in a hard copy as well as an electronic form acceptable to the Executive Director.

11. IT IS HEREBY FURTHER ORDERED that this Order shall be effective forty-five (45) calendar days from date of the order. It shall remain in effect until it is repealed or replaced by subsequent Order of the Commission.

SO ORDERED this 21st day of December 2017.

Signature: _____



JUAN M. SABLAN
CHAIRMAN