



COMMONWEALTH CASINO COMMISSION
Commonwealth of the Northern Mariana Islands
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COMMISSION ORDER NO: 2020-002

Order Requiring Casino Licensee to Appoint a Chief Executive Officer

For good cause determined at the June 25, 2020 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 4 of the Commonwealth Code requires the Commission to promulgate regulations as may be necessary to properly supervise, monitor and investigate to ensure the suitability and compliance with the legal, statutory and contractual obligations of owners, operators, and employees of casinos; and
2. WHEREAS, Section 2314(b)(3) of Title 4 of the Commonwealth Code requires the Commission to promulgate regulations which provide for "[t]he examination, supervision and monitoring of 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
3. WHEREAS, the Commission has, pursuant to the above statutory mandate, promulgated regulations found at NMIAC Chapter 175-10.1 et. seq. which address the financial suitability of the casino licensee for the protection of the gaming industry and the residents of the Commonwealth of the Northern Mariana Islands; and
4. WHEREAS, Regulation §175-10.1-1805(a) states: "The Commission deems any activity on the part of the casino gaming licensee, its agents, or employees, that is inimical to the public health, safety, morals, good order, and general welfare of the people of the Commonwealth, or that would reflect or tend to reflect discredit upon the Commonwealth of the Northern Mariana Islands or the gaming industry, to be an unsuitable method of operation and shall be grounds for disciplinary action by the Commission in accordance with the Act and the regulations." and
5. WHEREAS, it has come to the attention of the Commission that the casino licensee has been operating without an appointed Chief Executive Officer; and
6. WHEREAS, The Commission believes that the failure to appoint a Chief Executive Officer has led to grave mismanagement of the casino in the Third Senatorial District resulting in

the Commission's belief that, as presently constituted, the casino licensee is unable to comply with its contractual, regulatory and statutory obligations; and

7. WHEREAS, the Commission deems any licensee's unwillingness or inability to comply with contractual, regulatory, and statutory obligations an unsuitable method of operation and indicia of unsuitability to hold a license, and further specifically deems that the casino licensee's present and continuing failure to appoint and seek licensure of a Chief Executive Officer is an unsuitable method of operation and is inimical to the public health, safety, morals, good order, and general welfare of the people of the Commonwealth and further reflects discredit upon the gaming industry; and

8. WHEREAS, the Commission deems it necessary and proper to ensure the casino licensee is financially suitable and operating suitably by requiring the casino licensee to settle any outstanding obligations owed to the United States of America, the Commonwealth of the Northern Mariana, and the political agencies of either, make any contribution required by an agreement with a public entity, and immediately pay any outstanding obligation to any private entity if so ordered by a court of competent jurisdiction; **NOW, THEREFORE,**

9. **IT IS HEREBY ORDERED** that no later than fifteen (15) calendar days from the effective date of this Order, the casino licensee shall appoint a Chief Executive Officer and submit the appointee for licensure by the Commission. The appointee must meet the minimum standards for the Chief Executive Officer position required by the Regulations.

10. **IT IS HEREBY FURTHER ORDERED** that the Chief Executive Officer must be responsible for the casino licensee's compliance with all Federal and CNMI laws and regulations, all provisions of the Casino License Agreement (gaming and non-gaming), and all Commission Orders, Directives, and related mandates. The Chief Executive Officer must have the authority to bind and otherwise act on behalf of the casino licensee in all gaming and non-gaming matters including, but not limited to: gaming operations, finance, marketing, and the construction and operation of the integrated resort; and

11. **IT IS HEREBY FURTHER ORDERED** that the Commission Chairman or the Executive Director shall take steps necessary to ensure that this Order is published in the Commonwealth Register without reasonable delay; and

12. **IT IS HEREBY FURTHER ORDERED** that this Order is to take effect immediately or at the earliest time allowed by law, and shall remain in effect until it is repealed or replaced by subsequent Order of the Commission.

SO ORDERED this 25th day of June 2020.

Signature: _____


EDWARD DELEON GUERRERO
CHAIRMAN