

Part 3 Chapter 5: CHIPS AND TOKENS

Rule 5.2 Approval Of Chips And Tokens; Applications And Procedures.

(a) A licensee shall not issue any chips or tokens for use in its gaming establishment, or sell or redeem any such chips or tokens, unless the chips or tokens have been approved in writing by the Executive Director. A licensee shall not issue any chips or tokens for use in its gaming establishment, or sell or redeem any such chips or tokens that are modifications of chips or tokens previously approved by the Executive Director unless the modifications have been approved in writing by the Executive Director.

(b) Applications for approval of chips, tokens, and modifications to previously-approved chips or tokens must be made, processed, and determined in such manner and using such forms as the Executive Director may prescribe. Each application must include, in addition to such other items or information as the Executive Director may require:

1. An exact drawing, in color of each side and the edge of the proposed chip or token, drawn to actual size or drawn to larger than actual size and in scale, and showing the measurements of the proposed chip or token in each dimension;
2. Written specifications for the proposed chips or tokens;
3. The name and address of the manufacturer; and
4. The licensee's intended use for the proposed chips or tokens.

(c) If, after receiving and reviewing the items and information described in subsection (b), the Executive Director is satisfied that the proposed chips or tokens conform with the requirements of this regulation, the Executive Director shall notify the licensee in writing and shall request, and the licensee shall thereupon submit, a sample of the proposed chips or tokens in final, manufactured form. If the Executive Director is satisfied that the sample conforms with the requirements of this regulation and with the information submitted with the licensee's application, he shall approve the proposed chips or tokens and notify the licensee in writing. As a condition of approval of chips or tokens issued for use at a specific table or counter game, the Executive Director may prohibit the licensee from using the chips or tokens other than at the specified game. The Commission may retain the sample chips and tokens submitted pursuant to this subsection.

(Adopted: 09/25/1991.)

Source: *Miss. Code Ann. § 75-76-33*

Rule 5.3 Specifications For Chips And Tokens.

(a) Chips and tokens must be designed, manufactured, and constructed in compliance with all applicable statutes, regulations, and policies of the United States, this state, and other states, and so as to prevent counterfeiting of the chips and tokens to the extent reasonably possible. Chips and tokens must not deceptively resemble any current or past coinage of the United States or any other nation.

(b) In addition to such other specifications as the Executive Director may approve:

1. The name of the issuing gaming establishment must be inscribed on one side of each chip and token;

2. The value of the chip or token must be inscribed on one side of each chip and token, other than chips used exclusively at roulette;
 3. The manufacturer's name or a distinctive logo or other mark identifying the manufacturer must be inscribed on at least one side of each chip and token; and
 4. Each chip must be designed so that when stacked with chips and tokens of other denominations and viewed on closed-circuit, black-and-white television, the denominations of the chip can be distinguished from that of the other chips and tokens in the stack.
- (c) The names of the city or other locality and the state where the establishment is located must be inscribed on at least one side of each chip and token unless the Executive Director finds, after application by a licensee, that such an inscription is not necessary because:
1. The name of the issuing establishment is unique to one readily identifiable establishment in all gaming jurisdictions; and
 2. The inclusion of the city or other locality and the state is not necessary or beneficial for any regulatory purpose relating to the applicant.
- (d) Any application submitted pursuant to subsection (c) must be signed by the chief executive officer of the applicant and be on a form prescribed by the Executive Director.
- (e) Any approval for the deletion of such an inscription shall be in writing and be limited to that period of time in which the name of the licensee is limited to one establishment and conditioned so that it may be withdrawn in the future if the Executive Director determines that the deletion results in confusion with the chips or tokens of another establishment or if such inclusion is deemed necessary or beneficial for any regulatory purpose. (Adopted: 09/25/1991; Amended: 06/20/1996.)

Source: *Miss. Code Ann. § 75-76-33*

Rule 5.6 Redemption And Disposal Of Discontinued Chips And Tokens.

- (a) A licensee that permanently removes from use or replaces approved chips or tokens at its gaming establishment, or that ceases operating its gaming establishment whether because of closure or sale of the establishment or any other reason, must prepare a plan for redeeming discontinued chips and tokens that remain outstanding at the time of discontinuance. The licensee must submit the plan in writing to the Executive Director not later than thirty (30) days before the proposed removal, replacement, sale, or closure, unless the closure or other cause for discontinuance of the chips or tokens cannot reasonably be anticipated, in which event the licensee must submit the plan as soon as reasonably practicable. The Executive Director may approve the plan or require reasonable modifications as a condition of approval. Upon approval of the plan, the licensee shall implement the plan as approved. Any discontinued chips or tokens must be destroyed within 3 years of being removed from the gaming floor unless otherwise approved by the Executive Director.
- (b) In addition to such other reasonable provision as the Executive Director may approve or require, the plan must provide for:
1. Redemption of outstanding, discontinued chips and tokens in accordance with this regulation for at least 120 days after the removal or replacement of the chips or tokens or for at least 120 days after operations cease as the case may be, or for such longer or shorter period as the Executive Director may for good cause approve or require;

2. Redemption of the chips and tokens at the premises of the gaming establishment or at such other location as the Executive Director may approve;
3. Publication of notice of the discontinuance of the chips and tokens and of the redemption and the pertinent times and locations in at least two newspapers of general circulation in this state at least twice during each week of the redemption period, subject to the Executive Director's approval of the form of the notice, the newspapers selected for publication and the specific days of publication;
4. Conspicuous posting of the notice described in paragraph (3) at the gaming establishment or other redemption location; and
5. Destruction or such other disposition of the discontinued chips and tokens as the Executive Director may approve or require.

(Adopted: 09/25/1991.)

Source: *Miss. Code Ann. § 75-76-33*

Rule 5.7 Destruction Of Counterfeit Chips And Tokens.

(a) As used in this section, "counterfeit chips or tokens" mean any chip-or token-like objects that have not been approved pursuant to this regulation, including objects commonly referred to as "slugs," but not including coins of the United States or any other nation.

(b) Unless a peace officer instructs or a court of competent jurisdiction orders otherwise in a particular case, licensees shall destroy or otherwise dispose of counterfeit chips and tokens discovered at their establishments in such manner as the Executive Director may approve or require.

(c) Unless a peace officer instructs or a court of competent jurisdiction orders otherwise in a particular case, licensees may dispose of coins of the United States or any other nation discovered to have been unlawfully used at their establishments by including them in their coin inventories or, in the case of foreign coins, by exchanging them for United States currency or coins and including same in their currency or coin inventories, or by disposing of them in any other lawful manner.

(d) Each licensee shall record, in addition to such other information as the Executive Director may require:

1. The number and denominations, actual and purported, of the coins and counterfeit chips and tokens destroyed or otherwise disposed of pursuant to this section;
2. The month during which they were discovered;
3. The date, place, and method of destruction or other disposition, including, in the case of foreign coin exchanges, the exchange rate and the identity of the bank, exchange company, or other business or person at which or with whom the coins are exchanged; and
4. The names of the persons carrying out the destruction or other disposition on behalf of the licensee.

(e) Each licensee shall maintain each record required by this subsection for at least three (3) years, unless the Executive Director approves or requires otherwise.

(Adopted: 09/25/1991.)

Source: *Miss. Code Ann. § 75-76-33*

Rule 5.8 Promotional And Tournament Chips And Tokens.

(a) As used in this section, "promotional chip" means a chip- or token-like object issued by a licensee for use in promotions or tournaments at the licensee's gaming establishment.

(b) Promotional chips must be designed, manufactured, approved, and used in accordance with the provisions of this regulation applicable to chips and tokens, except as follows:

1. Promotional chips must be of such shape and size and have such other specifications so as to be distinguishable from other chips and tokens as determined by the Executive Director;
2. Each side of each promotional chip must conspicuously bear the inscription "No Cash Value";
3. Promotional chips must not be used, and licensees shall not permit their use, in transactions other than the promotions or tournaments for which they are issued; and
4. The provisions of Rule 5.7 of this regulation shall not apply to promotional chips.

(Adopted: 09/25/1991.)

Source: *Miss. Code Ann. § 75-76-33*

Rule 5.10 Receipt Of Gaming Chips Or Tokens From Manufacturer Or Distributor.

(a) When chips or tokens are received from the manufacturer or distributor thereof, they shall be opened and checked by at least two (2) employees of the licensee from different departments. Any deviation between the invoice accompanying the chips or tokens and the actual chips or tokens received or any defects found in such chips or tokens shall be reported promptly to the Executive Director.

(b) After checking the chips received, the licensee shall record in a chip inventory ledger the denomination of the chips received, the number of each denomination of chip received, the description of all chips received, the date of such receipt, and the signature of the individuals who checked such chips.

(c) If any of the chips received are to be held in reserve and not utilized either at the gaming tables or at a cashier's cage, they shall be stored in a separate locked compartment either in the vault or in a cashier's cage and shall be recorded in the chip inventory ledger as reserve chips.

(Adopted: 09/25/1991.)

Source: *Miss. Code Ann. § 75-76-33*

Rule 5.11 Inventory Of Chips.

(a) Chips shall be taken from or returned to the reserve chip inventory in the presence of at least two (2) individuals. The denominations, number and amount of chips so taken or returned shall be recorded in the chip inventory ledger together with the date and signatures of the individuals carrying out this process.

(b) Each licensee shall, on a monthly basis, compute and record the unredeemed liability for each denomination of chips. The result of such inventory must be recorded in the chip inventory ledger. On a monthly basis, each licensee shall conduct an inventory of chips in reserve and the result of such inventory must be recorded in the chip inventory ledger. If the reserve chips are stored in a locked compartment that is sealed and tamper resistant, a physical inventory must be conducted annually, unless the compartment is opened, at which time an inventory must be conducted. (Amended: 03/15/2007.)

(c) During nongaming hours all chips in the possession of the licensee shall be stored in the chip bank, in the vault, or in a locked compartment in a cashier's cage, except that chips may be locked in a transparent compartment on gaming tables provided that there is adequate security as approved by the Executive Director.

(Adopted: 09/25/1991.)

Source: *Miss. Code Ann.* § 75-76-33