
First published in the *Government Gazette*, Electronic Edition, on 22nd March 2012 at 5.00 pm.

No. S 106

CASINO CONTROL ACT
(CHAPTER 33A)

CASINO CONTROL (JUNKETS) (AMENDMENT)
REGULATIONS 2012

In exercise of the powers conferred by section 110 of the Casino Control Act, the Casino Regulatory Authority of Singapore, with the approval of the Minister for Home Affairs, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Casino Control (Junkets) (Amendment) Regulations 2012 and shall come into operation on 22nd March 2012.

Amendment of regulation 2

2. Regulation 2 of the Casino Control (Junkets) Regulations 2009 (G.N. No. S 663/2009) (referred to in these Regulations as the principal Regulations) is amended —

- (a) by inserting, immediately before the definition of “junket agreement” in paragraph (1), the following definitions:
- “ “application” means an application for a junket promoter licence or a junket representative licence, and “applicant” shall be construed accordingly;
 - “endorsement”, in relation to a junket promoter, means an endorsement by a casino operator of the junket promoter, in accordance with the requirements in regulation 6(1)(d);”;
- (b) by deleting the word “or” at the end of paragraph (a) of the definition of “relevant financial interest” in paragraph (1);
- (c) by inserting, at the end of paragraph (b) of the definition of “relevant financial interest” in paragraph (1), the word “or”;

(d) by inserting, immediately after paragraph (b) of the definition of “relevant financial interest” in paragraph (1), the following paragraph:

“(c) any contribution to the capital of the business, whether by a loan or otherwise;” and

(e) by deleting paragraph (2) and substituting the following paragraphs:

“(2) In these Regulations, a person is an “associate” of a licensed junket promoter or an applicant for a junket promoter licence if the person is, in the opinion of the Authority, able or will be able to exercise a significant influence over or with respect to the management or operation of the junket business of the licensed junket promoter or applicant.

(3) In determining whether a person is able or will be able to exercise the significant influence referred to in paragraph (2), the Authority may consider all or any of the following:

- (a) whether the person holds or will hold any relevant financial interest in the junket business of the licensed junket promoter or applicant;
- (b) whether the person is or will be entitled to exercise any relevant power (whether in right of the person or on behalf of any other person) in the junket business of the licensed junket promoter or applicant;
- (c) whether the person holds or will hold any relevant position (whether in right of the person or on behalf of any other person) in the junket business of the licensed junket promoter or applicant;
- (d) the degree of direct or indirect influence that the person has in the management or operation of the junket business of the licensed junket promoter or applicant;
- (e) any other matter that the Authority considers relevant.”.

Amendment of regulation 3

3. Regulation 3 of the principal Regulations is amended —
- (a) by deleting the words “unless it holds a junket promoter licence from the Authority” in paragraph (1)(a) and substituting the words “in or with respect to any casino unless it holds a junket promoter licence from the Authority authorising it to do so in or with respect to that casino”;
 - (b) by inserting, immediately after the words “conduct a junket” in paragraph (1)(b), the words “in or with respect to any casino”;
 - (c) by deleting the words “, if he is employed to do so by a junket promoter” in paragraph (1)(b)(i) and substituting the words “authorising him to do so in or with respect to that casino, if he is employed to do so by a licensed junket promoter”;
 - (d) by inserting, immediately after the word “Authority” in paragraph (1)(b)(ii), the words “authorising him to do so in or with respect to that casino”; and
 - (e) by deleting the words “referred to in paragraph (2)(b) or (c)” in paragraph (3)(a) and (b).

Amendment of regulation 5

4. Regulation 5 of the principal Regulations is amended —
- (a) by deleting paragraph (a) and substituting the following paragraph:
 - “(a) who is not a licensed junket promoter endorsed by it or a licensed junket representative employed by a licensed junket promoter endorsed by it;”;
 - (b) by deleting paragraph (c) and substituting the following paragraph:
 - “(c) who is suspended under regulation 34A or 37.”.

Amendment of regulation 6

5. Regulation 6 of the principal Regulations is amended —
- (a) by deleting sub-paragraph (d) of paragraph (1) and substituting the following sub-paragraph:
 - “(d) an endorsement of the applicant in such form as the Authority may require, by each casino operator

(or applicant for a casino licence) with which the applicant intends to enter into a junket agreement —

- (i) stating that, having regard to the suitability of the applicant for the junket promoter licence, the casino operator (or applicant for a casino licence) is satisfied that entering into a junket agreement with the applicant will not affect the credibility, integrity and stability of its casino operations; and
 - (ii) accompanied by a due diligence report on the applicant by the casino operator (or applicant for a casino licence); and”;
- (b) by inserting, immediately after paragraph (2), the following paragraph:

“(3) Where any application for a junket promoter licence, received and considered by the Authority before the date of publication of the notice referred to in regulation 13(1B)(a), is refused on the ground stated in regulation 13(1A), the Authority shall refund the costs of investigation paid in respect of the application under paragraph (1), and any application made under regulation 7(1), without interest to the applicant.”.

Amendment of regulation 9

6. Regulation 9(2) of the principal Regulations is amended —
- (a) by deleting sub-paragraph (a) and substituting the following sub-paragraph:
 - “(a) investigate all or any of the following persons:
 - (i) the applicant, in relation to the person’s suitability to be a licensed junket promoter or licensed junket representative, as the case may be;
 - (ii) any person who may be an associate of the applicant, in relation to the person’s suitability to be associated with a licensed junket promoter or licensed junket representative;
 - (iii) any person who has a business association with the applicant or an associate of the applicant,

which is, in the opinion of the Authority, relevant to the application;

(iv) any other person who is associated or connected with the ownership, administration or management of the operations or business of the applicant;”; and

(b) by deleting the word “necessary” in sub-paragraph (b)(i) and substituting the words “specified by a notice in writing issued by the Authority, and permit the Authority or an authorised person to examine the records, take extracts from them and make copies of them”.

Deletion of regulation 10

7. Regulation 10 of the principal Regulations is deleted.

Amendment of regulation 11

8. Regulation 11(2) of the principal Regulations is amended by deleting the words “or 10”.

Amendment of regulation 12

9. Regulation 12 of the principal Regulations is amended by inserting, immediately after paragraph (3), the following paragraph:

“(4) The certificate of the Authority stating the actual costs of the investigation under paragraph (3) shall be conclusive evidence of such amount.”.

Amendment of regulation 13

10. Regulation 13 of the principal Regulations is amended by inserting, immediately after paragraph (1), the following paragraphs:

“(1A) For the purposes of section 110(2) of the Act, the Authority shall not grant a junket promoter licence to an applicant with respect to a casino unless the Authority is satisfied that the grant of such a licence does not result in the total number of junket promoter licences in force exceeding such maximum number of junket promoter licences as the Authority has, in the public interest, determined for that casino.

(1B) If the Authority determines that the maximum number of junket promoter licences with respect to any casino is attained, the Authority shall —

- (a) publish a notice on the official website of the Authority at <http://www.cra.gov.sg> to that effect, which notice shall remain on the website until it is cancelled; and
- (b) notify the affected casino operator of its determination.”.

Amendment of regulation 15

11. Regulation 15 of the principal Regulations is amended by inserting, immediately after paragraph (1), the following paragraphs:

“(1A) A junket promoter licence or junket representative licence granted under paragraph (1) shall only be valid in and with respect to any casino of which the casino operator has given its endorsement of the junket promoter, or the junket promoter employing the junket representative, as the case may be.

(1B) Without prejudice to the generality of paragraph (1), the Authority may impose conditions for the purposes of —

- (a) restricting the classes of persons —
 - (i) to whom a licensed junket promoter or licensed junket representative may promote a junket; or
 - (ii) whom a licensed junket promoter or licensed junket representative may allow to participate in a junket; or
- (b) containing and controlling the potential of a junket business to cause harm to minors, vulnerable persons and society at large.”.

Deletion and substitution of regulation 17

12. Regulation 17 of the principal Regulations is deleted and the following regulation substituted therefor:

“Validity period of junket promoter licence

17.—(1) A junket promoter licence shall be valid for such period as the Authority may specify in the licence (not being longer than 3 years), unless before that date —

- (a) the licence lapses under regulation 8(2);

- (b) the licence lapses under regulation 19(2)(a) or, after it lapses with respect to a casino under regulation 19(2)(b), there is no other casino in respect of which the licence is valid; or
- (c) the licence is cancelled under regulation 37.

(2) Where a junket promoter's licence expires or lapses under paragraph (1)(b), the junket promoter shall, within 14 days after the date on which the licence expires or lapses, return the licence to the Authority.”.

Amendment of regulation 18

13. Regulation 18 of the principal Regulations is amended —

(a) by deleting paragraph (1) and substituting the following paragraph:

“(1) A junket representative licence shall be valid for such period as the Authority may specify in the licence (not being longer than 3 years), unless before that date the licence lapses under regulation 8(2) or paragraph (2) or is cancelled under regulation 37.”;

(b) by deleting the words “ceases to be valid” in paragraph (2) and substituting the word “lapses”;

(c) by inserting, immediately after the word “expires” in paragraph (2)(b), the words “, lapses under regulation 17(1)(b)”;

(d) by inserting, immediately after paragraph (2), the following paragraph:

“(3) Where a junket representative's licence expires or lapses under paragraph (2), the junket representative shall, within 14 days after the date on which the licence expires or lapses, return the licence to the Authority.”.

Deletion and substitution of regulation 19

14. Regulation 19 of the principal Regulations is deleted and the following regulation substituted therefor:

“Withdrawal of endorsement by casino operator

19.—(1) A casino operator —

- (a) shall monitor the suitability of every junket promoter endorsed by it and shall withdraw its endorsement of

any junket promoter if the casino operator is no longer satisfied that being a party to a junket agreement with that junket promoter will not affect the credibility, integrity and stability of its casino operations; and

- (b) may withdraw its endorsement of any junket promoter if, for any other reason, the casino operator no longer wishes to enter into or be a party to a junket agreement with the junket promoter.

(2) Where a casino operator withdraws its endorsement of a junket promoter —

- (a) under paragraph (1)(a), the licence of that junket promoter, and every junket representative employed by that junket promoter, shall lapse with respect to the casino of the casino operator withdrawing its endorsement and any other casino in respect of which the junket promoter licence has been granted; and
- (b) under paragraph (1)(b), the licence of that junket promoter, and every junket representative employed by that junket promoter, shall lapse with respect to the casino of the casino operator withdrawing its endorsement.

(3) A withdrawal of endorsement by a casino operator under paragraph (1) shall —

- (a) be by a notice in writing (referred to in this regulation as a notice of withdrawal) given to the junket promoter, not less than 24 hours before the effective date of the withdrawal;
- (b) state the effective date of the withdrawal; and
- (c) contain the grounds for the withdrawal and such other information as the Authority may require.

(4) A casino operator shall, at the time the notice of withdrawal is given to the junket promoter or immediately thereafter, send a copy of the notice of withdrawal to the Authority.

(5) The Authority may, by notice in writing, request the casino operator to provide such information or produce such records relevant to its endorsement or withdrawal of endorsement of any junket promoter as the Authority may consider necessary, and the casino operator shall comply with such request.”.

New regulation 21A

15. The principal Regulations are amended by inserting, immediately after regulation 21, the following regulation:

“Surrender of junket licence

21A.—(1) Subject to paragraph (2), a junket licensee may surrender his or its junket licence by giving notice in writing to the Authority and returning the junket licence.

(2) A junket licensee against whom disciplinary proceedings are instituted under regulation 37 shall not, without the permission of the Authority, surrender his or its junket licence during the interval before the disciplinary proceedings are concluded.”.

Amendment of regulation 28

16. Regulation 28(1) of the principal Regulations is amended —

- (a) by inserting, immediately after the words “every junket”, the words “organised, promoted or conducted by it, in such form and manner as the Authority may require”;
- (b) by deleting the word “and” at the end of sub-paragraph (c); and
- (c) by deleting the full-stop at the end of sub-paragraph (d) and substituting the word “; and”, and by inserting immediately thereafter the following sub-paragraph:

“(e) such other information as the Authority may specify by notice in writing to the licensed junket promoter in any particular case.”.

Amendment of regulation 29

17. Regulation 29 of the principal Regulations is amended by inserting, immediately after the word “relates” in paragraph (b), the words “, or such shorter period as the Authority may, on the application of the licensed junket promoter in any particular case, allow”.

New regulation 29A

18. The principal Regulations are amended by inserting, immediately after regulation 29, the following regulation:

“Special audit

29A.—(1) The Authority may, at any time by a notice in writing —

- (a) require a licensed junket promoter to appoint a special auditor to review or investigate the licensed junket promoter’s affairs and report his findings to the Authority; and
- (b) specify the terms of reference for the special audit referred to in sub-paragraph (a) and the time within which it must be completed.

(2) A licensed junket promoter to whom a notice under paragraph (1) is directed shall engage, at his or its own expense, a public accountant approved by the Authority to be the special auditor to conduct the special audit in accordance with the terms of reference and within the time specified in the notice.

(3) The special auditor engaged under paragraph (2) shall submit his report, all relevant supporting documents and such other information or report as the Authority may require in relation to the special audit, to the Authority not later than 60 days after the conclusion of the special audit or within such other period as the Authority may specify in any particular case.

(4) In this regulation, “public accountant” means a person who is registered or deemed to be registered under the Accountants Act (Cap. 2) as a public accountant.”.

New regulation 30A

19. The principal Regulations are amended by inserting, immediately after regulation 30, the following regulation:

“Prohibited sharing of commission, etc.

30A.—(1) Subject to paragraph (2), no licensed junket promoter shall share with any person who is not a licensed junket promoter or a licensed junket representative, all or part of any commission or other payment received by or due to the licensed

junket promoter from a casino operator, or the person for the time being in charge of the casino, for the organisation, promotion or conduct of a junket.

(2) Notwithstanding paragraph (1), a licensed junket promoter may pay a referral fee to any person who introduces a junket player to the licensed junket promoter, on the condition that the fee is —

- (a) a fixed amount not calculated by reference to the turnover of play or net win of the junket player; and
 - (b) paid in accordance with such requirements as the Authority may specify by notice in writing to the licensed junket promoter.
- (3) Every —
- (a) licensed junket promoter who or which contravenes paragraph (1); and
 - (b) person who receives any commission or payment in contravention of paragraph (1),

shall each be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 12 months or to both.”.

Amendment of regulation 31

20. Regulation 31 of the principal Regulations is amended by inserting, immediately after the word “Part”, the words “(except regulation 30A)”.

New regulation 34A

21. The principal Regulations are amended by inserting, immediately after regulation 34, the following regulation:

“Suspension of licence pending disciplinary action

34A.—(1) In any case where —

- (a) the Authority has been informed that a licensed junket promoter or licensed junket representative has been charged with —
 - (i) an offence under the Act;
 - (ii) an offence involving dishonesty or moral turpitude, whether in Singapore or elsewhere; or

(iii) in relation to a licensed junket representative, an offence arising out of or in connection with the employment of the licensed junket representative under the Act; or

(b) disciplinary proceedings under regulation 37 have been or will be commenced against a licensed junket promoter or licensed junket representative,

the Authority may suspend the junket licensee concerned, pending the conclusion of any inquiry or disciplinary proceedings against the junket licensee under regulation 37, if the Authority thinks it necessary in the public interest that the junket licensee should immediately cease to conduct his or its junket business.

(2) Any junket licensee who or which is aggrieved by any suspension under paragraph (1) may, within 10 days after he or it is suspended, make representations in writing to the Authority and the Authority may upon such representations, shorten or cancel the suspension.

(3) The suspension under paragraph (1) shall take effect notwithstanding that any representation under paragraph (2) is pending.”.

Amendment of regulation 35

22. Regulation 35(1) of the principal Regulations is amended by inserting, immediately after the word “misleading” in paragraph (c) of the definition of “grounds for disciplinary action”, the words “or reckless as to whether it is so”.

Amendment of regulation 36

23. Regulation 36(1) of the principal Regulations is amended by inserting, immediately after the word “misleading” in paragraph (d) of the definition of “grounds for disciplinary action”, the words “or reckless as to whether it is so”.

Amendment of regulation 37

24. Regulation 37 of the principal Regulations is amended —

(a) by deleting the words “may be specified in the notice” in paragraph (2) and substituting the words “the Authority may allow on application by the junket licensee”;

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- (b) by deleting the words “by the notice in” in paragraph (3) and substituting the word “under”;
 - (c) by deleting paragraphs (4), (5) and (6);
 - (d) by deleting the word “; or” at the end of paragraph (9)(a) and substituting the words “under regulation 34A,”; and
 - (e) by deleting sub-paragraph (b) of paragraph (9).

New regulations 37A and 37B

25. The principal Regulations are amended by inserting, immediately after regulation 37, the following regulations:

“Effect of suspension

37A.—(1) During the period of suspension of a junket licence under regulation 37, the junket licensee shall be deemed not to be a licensed junket promoter or licensed junket representative, as the case may be.

(2) The Authority may, at any time, terminate or reduce the period of suspension of the junket licence.

Return of junket licence on suspension or cancellation

37B.—(1) If a junket licence is suspended or cancelled, the junket licensee shall return the junket licence to the Authority immediately after the suspension or cancellation takes effect, or within such other period as the Authority may specify by notice in writing to the junket licensee.

(2) Any person who fails to comply with paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 and, in the case of a continuing offence, to a further fine not exceeding \$1,000 for every day or part thereof during which the offence continues after conviction.”.

Amendment of regulation 38

26. Regulation 38 of the principal Regulations is amended —

- (a) by deleting the words “a licensed junket promoter who or which organised the junket” in paragraph (1)(a) and substituting the words “the licensed junket promoter organising, promoting or conducting the junket”;
- (b) by deleting the word “and” at the end of paragraph (2)(e); and

(c) by deleting the full-stop at the end of sub-paragraph (f) of paragraph (2) and substituting a semi-colon, and by inserting immediately thereafter the following sub-paragraphs:

“(g) the terms of the provision of credit (if any) from the casino operator to the licensed junket promoter or any of its licensed junket representatives for the purpose of the junket; and

(h) such other information as the Authority may specify by notice in writing to the casino operator.”.

Amendment of regulation 39

27. Regulation 39(1) of the principal Regulations is amended by deleting the words “shorter period as the Authority may allow” and substituting the words “other period as the Authority may require by notice in writing to the casino operator, in relation to any particular junket”.

Deletion and substitution of regulation 44 and new regulation 45

28. Regulation 44 of the principal Regulations is deleted and the following regulations substituted therefor:

“Validity of agreements not affected

44. For the avoidance of doubt, nothing in these Regulations shall be construed so as to affect the validity or enforceability of any junket agreement or other contract or agreement to which a junket promoter or junket representative is a party, by reason only of a withdrawal of endorsement or suspension or cancellation of the junket promoter’s or junket representative’s licence.

Casino operator liable to disciplinary action

45. Any casino operator which —

(a) contravenes regulation 3(4), 4, 5 or 19(1)(a), (3), (4) or (5) or any regulation under Part V;

(b) gives an endorsement of a junket promoter, knowing it to be false or misleading, or reckless as to whether it is so; or

(c) allows any sharing of commission or other payment in contravention of regulation 30A,

shall be liable to disciplinary action under section 54 of the Act.”.

Made this 19th day of March 2012.

RICHARD MAGNUS
Chairman,
Casino Regulatory Authority of Singapore.

[CRA 20/4/10 V1; AG/LLRD/SL/33A/2010/15 Vol. 2]