

CHAPTER 429a. MANUFACTURER DESIGNEES

- Sec.
429a.1. Manufacturer designee general requirements.
429a.2. Manufacturer designee license applications and standards.
429a.3. Additional manufacturer designee licenses.
429a.4. Manufacturer designee license term and renewal.
429a.5. Responsibilities of a manufacturer designee.
429a.6. Manufacturer designee as agent.
429a.7. Manufacturer designee agreements.
429a.8. Change of control of a manufacturer designee licensee.

Authority

The provisions of this Chapter 429a issued under 4 Pa.C.S. §§ 1202(b)(9), (12), (13)—(20), (23) and (30), 1205, 1209, 1301—1316, 1317.1, 1318, 1321, 1325—1331 and 1802, unless otherwise noted.

Source

The provisions of this Chapter 429a adopted November 30, 2007, effective December 1, 2007, 37 Pa.B. 6265, unless otherwise noted.

§ 429a.1. Manufacturer designee general requirements.

(a) A manufacturer designee seeking to supply or repair slot machines, table game devices and associated equipment for use in this Commonwealth shall apply to the Board for a manufacturer designee license.

(b) In accordance with section 1317.1 of the act (relating to manufacturer licenses), an applicant for or the holder of a manufacturer designee license or any of the applicant's or holder's affiliates, intermediaries, subsidiaries or holding companies may not apply for or hold a slot machine license or supplier license.

(c) A licensed manufacturer designee may supply or repair slot machines, table game devices or associated equipment manufactured by a manufacturer with whom the manufacturer designee has an agreement or has executed a contract authorizing the manufacturer designee to do so.

Authority

The provisions of this § 429a.1 amended under 4 Pa.C.S. §§ 1202(b)(9)—(23), 1205, 1206(f) and (g), 1207(1) and (2), 1208(1)(iii), 1209(b), 1212, 1213, 13A11, 13A12—13A14, 13A15 and 1802 and Chapter 13.

Source

The provisions of this § 429a.1 amended June 12, 2015, effective June 13, 2015, 45 Pa.B. 2829. Immediately preceding text appears at serial page (368717).

§ 429a.2. Manufacturer designee license applications and standards.

(a) An applicant for a manufacturer designee license shall submit:

- (1) An original and one copy of the Manufacturer Designee Application and Disclosure Information Form unless otherwise directed by the Board.

429a-1

- (2) The nonrefundable application fee posted on the Board's web site.
 - (3) A diversity plan as set forth in section 1325(b) of the act (relating to license or permit issuance) and Chapter 481a (relating to diversity).
 - (4) An application from every key employee under § 435a.2 (relating to key employee license) and principal under Chapter 433a (relating to principal licenses) as specified by the Manufacturer Designee Application and Disclosure Information Form.
 - (5) An affirmation that neither the applicant nor any of its affiliates, intermediaries, subsidiaries or holding companies is an applicant for or a holder of a slot machine or supplier license.
 - (6) A sworn or affirmed statement that the applicant has developed and implemented internal safeguards and policies to prevent a violation of section 1513 of the act (relating to political influence) and a copy of the safeguards and policies.
- (b) In addition to the materials required under subsection (a), an applicant for a manufacturer designee license shall comply with the general application requirements in Chapters 421a and 423a (relating to general provisions; and applications; statement of conditions; wagering restrictions).
- (c) In determining whether an applicant will be licensed as a manufacturer designee under this section, the Board will consider the following:
- (1) The financial fitness, good character, honesty, integrity and responsibility of the applicant.
 - (2) If all principals of the applicant are individually eligible and suitable under the standards in section 1317.1 of the act (relating to manufacturer licenses).
 - (3) The integrity of all financial backers.
 - (4) The suitability of the applicant and all principals of the applicant based on the satisfactory results of:
 - (i) A background investigation of all principals.
 - (ii) A current tax clearance review performed by the Department.
 - (iii) A current Unemployment Compensation Tax clearance review and a Workers Compensation Tax clearance review performed by the Department of Labor and Industry.

Authority

The provisions of this § 429a.2 amended under 4 Pa.C.S. §§ 1202(b)(9)—(23) and (30), 1205, 1206(f) and (g), 1207(1) and (2), 1208(1)(iii), 1209(b), 1212, 1213, 1322, 13A02(1) and (2), 13A11, 13A12—13A14, 13A15, 13A27, 1602, 1604, 1608 and 1802 and Chapter 13.

Source

The provisions of this § 429a.2 amended June 12, 2015, effective June 13, 2015, 45 Pa.B. 2829; amended November 1, 2019, effective November 2, 2019, 49 Pa.B. 6676. Immediately preceding text appears at serial pages (377441) to (377443).

429a-2

Cross References

This section cited in 58 Pa. Code § 429a.3 (relating to additional manufacturer designee licenses).

§ 429a.3. Additional manufacturer designee licenses.

(a) A licensed manufacturer designee whose license is in good standing may submit for an additional manufacturer designation for a different licensed manufacturer by submitting:

(1) An original and one copy of the Additional Manufacturer Designee Application and Disclosure Information Form unless otherwise directed by the Board.

(2) The nonrefundable designation fee posted on the Board's web site.

(b) A manufacturer designee that has requested an additional manufacturer designation shall also comply with § 429a.2(b) (relating to manufacturer designee license applications and standards).

Authority

The provisions of this § 429a.3 amended under 4 Pa.C.S. §§ 1202(b)(9)—(23), 1205, 1206(f) and (g), 1207(1) and (2), 1208(1)(iii), 1209(b), 1212, 1213, 13A11, 13A12—13A14, 13A15 and 1802 and Chapter 13.

Source

The provisions of this § 429a.3 amended June 12, 2015, effective June 13, 2015, 45 Pa.B. 2829. Immediately preceding text appears at serial page (353405).

§ 429a.4. Manufacturer designee license term and renewal.

(a) The initial manufacturer designee license will be valid for 1 year from the date of approval of the license by the Board. Renewals of a manufacturer designee license will be valid for 3 years from the date of the approval of the renewal of the license by the Board.

(b) A renewal application and renewal fee shall be filed at least 2 months prior to the expiration of the current license.

(c) A manufacturer designee license for which a completed renewal application and fee has been received by the Board will continue in effect for an additional 6-month period or until acted upon by the Board, whichever occurs first.

Authority

The provisions of this § 429a.4 amended under 4 Pa.C.S. §§ 1103, 1202(b)(9)—(23) and (30), 1205, 1206(f) and (g), 1207(1) and (2), 1208(1)(iii), 1209(b), 1212, 1213, 1317(c), 1317.1(c), 1317.2, 1326, 13A11, 13A12—13A14, 13A15 and 1802 and Chapter 13.

Source

The provisions of this § 429a.4 amended October 22, 2010, effective October 23, 2010, 40 Pa.B. 6083; amended June 12, 2015, effective June 13, 2015, 45 Pa.B. 2829. Immediately preceding text appears at serial page (353406).

429a-3

§ 429a.5. Responsibilities of a manufacturer designee.

(a) A holder of a manufacturer designee license shall have a continuing duty to:

(1) Comply with the general requirements in Chapters 421a and 423a (relating to general provisions; and applications; statement of conditions; wagering restrictions).

(2) For publicly traded manufacturer designees, provide notification of all SEC filings or if the manufacturer designee is publicly traded on a foreign exchange, a copy of all filings submitted to the securities regulator that has jurisdiction over the foreign publicly traded corporation. The notification or copies of the filings shall be submitted to the Bureau of Licensing within 30 days after the date of filing with the SEC or securities regulator that has jurisdiction over the foreign publicly traded corporation.

(b) An employee of a licensed manufacturer designee who is a gaming or nongaming employee as defined in § 401a.3 (relating to definitions) shall obtain a permit under § 435a.3 (relating to occupation permit) or registration under § 435a.5 (relating to nongaming employee registration).

Authority

The provisions of this § 429a.5 amended under 4 Pa.C.S. §§ 1202(b)(9)—(23), 1205, 1206(f) and (g), 1207(1) and (2), 1208(1)(iii), 1209(b), 1212, 1213, 13A11, 13A12—13A14, 13A15 and 1802 and Chapter 13.

Source

The provisions of this § 429a.5 amended June 12, 2015, effective June 13, 2015, 45 Pa.B. 2829. Immediately preceding text appears at serial page (353406).

§ 429a.6. Manufacturer designee as agent.

(a) Notwithstanding any provision to the contrary in a contract between a licensed manufacturer and a licensed manufacturer designee, the licensed manufacturer designee shall be an agent of the licensed manufacturer for the purposes of imposing liability for any act or omission of the licensed manufacturer designee in violation of the act or this part.

(b) Notwithstanding any provision to the contrary in a contract between a licensed manufacturer and a licensed manufacturer designee, the licensed manufacturer may be jointly and severally liable for any act or omission by the licensed manufacturer designee in violation of the act or this part, regardless of actual knowledge by the licensed manufacturer of the act or omission.

Authority

The provisions of this § 429a.6 amended under 4 Pa.C.S. §§ 1202(b)(9)—(23), 1205, 1206(f) and (g), 1207(1) and (2), 1208(1)(iii), 1209(b), 1212, 1213, 13A11, 13A12—13A14, 13A15 and 1802 and Chapter 13.

Source

The provisions of this § 429a.6 amended June 12, 2015, effective June 13, 2015, 45 Pa.B. 2829. Immediately preceding text appears at serial page (353407).

§ 429a.7. Manufacturer designee agreements.

(a) Agreements, and any amendments thereto, between a licensed manufacturer and a licensed manufacturer designee shall be submitted to the Bureau of Licensing for review.

(b) Amendments to agreements between a licensed manufacturer and a licensed manufacturer designee shall be submitted to the Bureau of Licensing for review at least 30 days prior to the effective date of the proposed amendment.

(c) An agreement between a licensed manufacturer and a licensed manufacturer designee submitted for Bureau of Licensing review must enumerate with specificity the responsibilities of the licensed manufacturer and the licensed manufacturer designee.

(d) Agreements must contain a provision that describes with particularity any terms related to compensation of the licensed manufacturer or the licensed manufacturer designee.

Authority

The provisions of this § 429a.7 amended under 4 Pa.C.S. §§ 1202(b)(9)—(23), 1205, 1206(f) and (g), 1207(1) and (2), 1208(1)(iii), 1209(b), 1212, 1213, 13A11, 13A12—13A14, 13A15 and 1802 and Chapter 13.

Source

The provisions of this § 429a.7 amended June 12, 2015, effective June 13, 2015, 45 Pa.B. 2829. Immediately preceding text appears at serial page (353407).

§ 429a.8. Change of control of a manufacturer designee licensee.

(a) For purposes of this section, a change of control of a manufacturer designee licensee will be deemed to have occurred when a person or group of persons acquires:

(1) More than 20% of a manufacturer designee licensee's securities, assets or other ownership interests.

(2) More than 20% of the securities or other ownership interests of a corporation or other form of business entity that owns directly or indirectly at least 20% of the voting or other securities or other ownership interests of the manufacturer designee licensee.

(3) Any other interest in a manufacturer designee licensee which allows the acquirer to control the manufacturer designee licensee.

(b) A manufacturer designee licensee shall notify the Bureau and the Bureau of Licensing by filing a Notification of Proposed Transfer of Interest Form immediately upon becoming aware of any proposed or contemplated change of control of the manufacturer designee licensee.

(c) Prior to acquiring a controlling interest in a manufacturer designee licensee, the acquirer shall file a petition in accordance with § 493a.4 (relating to petitions generally) requesting Board approval of the acquisition. The petition must include:

(1) A copy of all documents governing the acquisition.

(2) Completed applications for the acquiring company, as required under this chapter, principals as required under Chapter 433a (relating to principal licenses) and key employees as required under § 435a.2 (relating to key employee license).

(3) An affirmation that neither the acquirer nor any of its affiliates, intermediaries, subsidiaries or holding companies is a slot machine licensee and that the acquirer has neither applied for nor holds a supplier license.

(d) A person or group of persons seeking to acquire a controlling interest in a manufacturer designee licensee shall promptly provide any additional information requested by the Board and Board staff and cooperate with the Bureau in any investigations related to the petition filed under subsection (b).

(e) A person or group of persons may not acquire a controlling interest in a manufacturer designee licensee until the petition, required under subsection (b), has been approved. A person or group of persons seeking to acquire a controlling interest in a manufacturer designee licensee and the manufacturer designee licensee may enter into a sales agreement that is contingent on Board approval of the petition.

(f) The requirements of this section do not apply to the acquisition of a controlling interest in a manufacturer designee licensee when the following conditions are met:

(1) The acquirer is an existing licensed manufacturer designee.

(2) The existing licensed manufacturer designee has provided the Bureau and the Bureau of Licensing notification and a copy of all documents governing the acquisition at least 60 days prior to the acquisition.

(3) After reviewing the documentation, the Bureau and the Bureau of Licensing determine that the filing of a petition is not required.

Authority

The provisions of this § 429a.8 issued under 4 Pa.C.S. §§ 1202(b)(9)—(23), 1205, 1206(f) and (g), 1207(1) and (2), 1208(1)(iii), 1209(b), 1212, 1213, 13A11, 13A12—13A14, 13A15 and 1802 and Chapter 13.

Source

The provisions of this § 429a.8 adopted June 12, 2015, effective June 13, 2015, 45 Pa.B. 2829.

Cross References

This section cited in 58 Pa. Code § 433a.3 (relating to interests in licenses held by individuals); and 58 Pa. Code § 433a.4 (relating to interests in licenses held by entities).

[Next page is 431.1.]

429a-6