

# Texas Hold'em Poker Tournament Licensing Policy



This publication outlines the policies established by the Registrar, pursuant to subsection 34(2) of the *Gaming Control Act*, and assists applicants in understanding the *Charitable Gaming Licensees Regulation*. The establishment of regulations and this policy do not modify, alter, or change any provisions in licences and permits that have been issued prior to October 1, 2021.

Applications may require up to a 30-day lead time for processing.

## 1 Definitions

The following definitions apply for Texas Hold'em poker tournament licences:

**Allowable Expenses** only those expenses that are identified on the licence application as approved by the Registrar.

**Big Blind** a mandatory bet by the player to the immediate left of the small blind position. The big blind must be posted each hand, before the dealer deals any cards. The level of the big blind is determined by the blind schedule as laid out in the house rules.

**Buy In** see definition for "Entry Fee".

**Communication Device** any electronic device that can be used for communicative purposes (including, but not limited to mobile phones, personal digital assistants (PDAs), laptop computers, etc.)

**Dealer** a tournament official that is assigned to a specific table with the task of dealing the cards, awarding the pots and generally conducting the play at that particular table.

**Dealer Button** an object used to indicate the player who is in the dealing position for that hand. The dealer button moves clockwise around the table, one position per hand.

**Designated Language** the language permitted to be spoken at the tables of a tournament as stipulated by the licensee on the licence application. A designated language is necessary to prevent table talk that may compromise the integrity of Texas Hold'em poker tournaments.

**Entry Fee** must be paid by a player to participate in a Texas Hold'em poker tournament. All players in a tournament must pay the same entry fee and receive the same amount of chips.

**Entry Fee Revenue** the total amount of revenue generated at a tournament from entry fees only. If there are no rebuys at a tournament, entry fee revenue equals gross proceeds.

**Gross Proceeds** the total amount of revenue generated from entry fees (and rebuys, if applicable) from a Texas Hold'em poker tournament.

**Hand** any combination of a player's hole cards and the five community cards that are used to create a standard five-card poker hand.

**House Rules** a set of rules, guidelines or procedures the licensee will use to operate certain aspects of the tournament. The house rules must be submitted with the application form and state the following: proposed process for rebuys (if any), blind structure for the tournament, procedure for coloring up of chips, rules on betting limits, and prize payout structure. The house rules should also include any other information or rules that the licensee will use during the tournament that may be useful to players (such as rules for leaving the table, expected player etiquette, etc).

**Misdeal** an incorrect distribution and/or shuffling of the cards by the Dealer.

**Net Proceeds** gross proceeds minus allowable expenses and prize payouts.

**Rebuy** an optional fee paid by a player to receive more chips to stay in the tournament.

**Small Blind** a mandatory bet by the player to the immediate left of the dealer button. The small blind must be posted each hand, before any cards are dealt by the Dealer. The small blind is typically half the amount of the big blind.

**Table Manager** a tournament official who is responsible for overseeing a specific number of tables at the tournament as determined by the Registrar. The table manager reports to the tournament director and are responsible for such tasks as managing the general play at the tables to which they are responsible, resolving player disputes, assisting in coloring up of chips and relocating players. Table managers must be bona fide volunteer members of the licensee.

**Tournament** an individual Texas Hold'em poker tournament.

**Tournament Area** separate room or partitioned area in which tournament play takes place.

**Tournament Director** head official of the tournament and person ultimately responsible for the tournament's operation and any necessary dispute resolution. The tournament director must be a bona fide volunteer member of the licensee.

## 2 Applications

Applications for Texas Hold'em poker tournament licences are available from Service New Brunswick (SNB) Centres and the Department of Justice and Public Safety (JPS).

Applications for these licences are to be submitted to:

Department of Justice and Public Safety  
Gaming, Liquor and Security Licensing Branch  
P.O. Box 6000  
Fredericton, NB E3B 5H1

Licensees must submit House Rules for their tournament(s) with their application form.

## 3 Fees

The fee of \$100, payable to the Minister of Finance, must be submitted with the lottery application.

## 4 Licence Period

The expiry date appears on the issued licence and is determined by the requirements of the planned event(s).

## 5 Management of Lotteries

The licensed lottery scheme must be conducted and managed by the licensee in the manner described in the application as approved. If there are any discrepancies between the licence and the application, as approved, the licence shall govern. Conduct and management of the lottery must not be delegated to another organization or to a person who is not a member of the organization.

Any changes or amendments to games which differ from those stated in the application must be requested in writing and must be authorized in writing by the Registrar.

If two organizations co-operatively offer a lottery scheme, one application and licence is acceptable, however; the application must note such an arrangement and list the responsible officers for both organizations.

## 6 Frequency of Events

Licensees may hold one (1) tournament per week for a maximum term of one year from the date of issuance.

The Registrar reserves the right to limit the number of tournaments held by a licensee or in any one location during any specific time period.

## 7 Distribution of Proceeds

A minimum of 15 percent of gross proceeds from licensed lottery scheme must be utilized for the objectives indicated at the time of licence application. Commercial and private interests must not be the prime beneficiaries of a licensed lottery scheme.

All prizes and expenses incurred as a result of conducting a lottery shall be deducted and paid from the gross proceeds. The amount incurred for expenses may be limited by the Registrar. All net proceeds shall be used for charitable purposes within

the province of New Brunswick unless otherwise approved by the Registrar.

Organizations intending to donate proceeds from licensed lottery scheme must provide letter of confirmation from recipient(s) of funds.

Confirmation from medical practitioner is required when providing financial assistance to individuals with unexpected medical expenses.

Confirmation from local fire department is required when proceeds are being used to provide financial relief to a family whose home was destroyed by fire.

## 8 Tournament Expenses

All anticipated expenses for a Texas Hold'em poker tournament licence, including any cost related to the use of a facility, must be stated on the licence application.

## 9 Tournament Parameters

There will be no extension of credit to enter a tournament or purchase a rebuy.

No discounted or complementary entry fees (or rebuys) can be offered for any tournament.

The combined value of the Entry Fee and a Rebuy (if applicable) cannot exceed \$100.

There can be a maximum of one (1) rebuy per player at each tournament. The value of the rebuy cannot be greater than the value of the entry fee. No rebuy can result in a player receiving more chips than originally issued with the entry fee.

All players must be 19 years of age or older. Players will be required to provide their age upon registration and provide government-issued photo identification with their date of birth, before receiving their ticket. Players will also be required to show ID and their ticket before entering the tournament area.

Licensees must state on the ticket what will occur in the event that the tournament does not attract the expected number of entrants. This might include cancellation and refunding tournament fees, a revised prize structure and/or some other scenario, if approved by the Registrar. All tickets must include the licence number.

All ticket sales must stop upon commencement of a tournament.

There can be a maximum of 400 players in a tournament.

Individual prizes per player may not exceed 50% of the available prize pool.

Each tournament shall last no more than 12 hours in total duration and must be conducted during the hours listed on the licence. Tournaments must conclude by 2 a.m.

All licensees must make copies of the House Rules and the Rules of Gameplay section of this policy, available upon registration by entrants and at the tournament site.

The use of communication devices at the tables is prohibited.

## 10 Equipment and Supplies

The licensee is responsible for ensuring all equipment utilized in the conduct of a Texas Hold'em poker tournament is of sufficient quality to protect the players and the integrity of the tournament.

Texas Hold'em poker tournaments must be played with new standard 52-card decks without jokers and must be of a high quality suitable for tournament play.

All tables utilized in a tournament must be large enough to accommodate a Dealer and a maximum of 10 players.

The licensee will ensure that chips issued at a tournament are identifiable and unique to that tournament. Licensees must also ensure that only chips issued at the tournament are used at the tournament.

## 11 Conduct of Tournament(s)

Persons directly involved in the conduct and management of the Texas Hold'em poker tournament are not permitted to play at that tournament. This includes (but is not necessarily limited to) the Tournament Director, Table Managers and Dealers.

Each licensee must appoint a Tournament Director with sufficient knowledge and ability to oversee and manage the Texas Hold'em poker tournament.

The Tournament Director must be identified on the licence application.

The Tournament Director must:

- be a bona fide volunteer member of the licensee and at least 19 years of age;
- be present throughout the Texas Hold'em poker tournament;
- not act as a Dealer or Table Manager;
- provide fair and consistent resolution when disputes and questions arise; and
- refer to Robert's Rules of Poker to resolve issues that may arise that are not addressed in this policy. In cases where there is a conflict, the policy prevails.
- record all disputes and incidents that arise during a tournament which requires their intervention, and ensure that they are reported to the Registrar in a format suitable to the Registrar
- oversee and be ultimately responsible for all aspects of a tournament, including but not limited to coloring up of chips, placement of players at tables, conduct of players, resolution of disputes, etc.

Each licensee must provide Table Managers and Dealers as laid out in the manner following:

- One Dealer for each table
- Table Managers in the following ratios:
  - **0-4 tables** - Table Manager optional
  - **5-9 tables** - 1 Table Manager
  - **10-15 tables** - 2 Table Managers
  - **16-20 tables** - 3 Table Managers
  - **21-25 tables** - 4 Table Managers
  - **26-30 tables** - 5 Table Managers
  - **31-35 tables** - 6 Table Managers
  - **36-40 tables** - 7 Table Managers

The licensee must ensure that each Table Manager and Dealer is properly trained to perform their duties for the Texas Hold'em poker tournament.

Only players holding a valid ticket and tournament volunteers are allowed in the tournament area. All spectators and other non-players must be kept at least 3.05 meters (10 feet) from boundaries of the tournament area.

## 12 Rules of Gameplay

### GENERAL:

All Texas Hold'em poker tournaments will be conducted tournament style, where all players pay the same entry fee/buy-in for the same amount of chips. There will be no cash redemption value assigned to the chips used in the tournament.

All players will be assigned seating on a random basis under the supervision of the Tournament Director.

In a multiple table tournament, the number of players at each table must be kept equal or as equal as possible. Moving players between tables must be done in such a manner as to ensure the players new position is as close to his/her previous position with regards to the position of the blinds. Moving players is done at the discretion of the Tournament Director and Table Managers.

All suits have the same rank. The rank of cards from highest to lowest is ace, king, queen, jack, 10, 9, 8, 7, 6, 5, 4, 3, 2 - except where an ace may be counted low.

The Dealer will collect all cards and shuffle them thoroughly prior to each hand of play.

The Table Managers or Tournament Director will determine deck changes.

### PLAYER CONDUCT:

Players must keep all of their chips on the table and visible at all times. Chips will only be removed from the table when a player is relocated under the supervision of a Table Manager or Tournament Director.

Players must keep their hole cards on the table and in full view of the Dealer at all times.

Players may examine their hole cards at any time. It is the responsibility of each player to ensure they do so in a manner which does not disclose the value of the cards to other players or spectators.

Players are responsible to protect their cards at all times.

Players may not handle the chips placed in the pot.

A player may not bet on more than one hand in any round of play.

Players that fold from a round of play may not reveal their hole cards. Players may not exchange information regarding their cards.

### **DEALING AND BETTING PROCEDURE:**

Card must only be dealt by the designated Dealer at each table.

In the event of a misdeal, the Dealer must collect all cards, shuffle and deal a new hand. No misdeal can be called after the first bet (posting of blinds does not constitute the first bet).

In the event of a misdeal, no additional antes or blinds shall be required.

All cards will be dealt in a clockwise direction, beginning with the player to the immediate left of the dealer button position.

The dealer button must start with the player to the left of the Dealer and move clockwise around the table one position for each round of play. Only the Dealer may move the dealer button.

The Dealer will begin each round of play by dealing one card to each player face down, then a second card to each player face down. Together, these two cards constitute a player's hole cards (also referred to as pocket cards).

The player to the immediate left of the dealer button shall post the required small blind before each round of play.

The player to the immediate left of the small blind position shall post the required big blind before each round of play, except when all but two players have been eliminated from the tournament, in which case the player with the dealer button shall post the small blind and the other player shall post the big blind.

The Dealer shall ensure blinds are posted. Betting shall proceed as follows:

- The player to the immediate left of the big blind position is the first to act and must call, raise or fold.
- Note: When all but two players have been eliminated from the table/ tournament, the player with the dealer button is the first to act and must call, raise or fold.
- Betting continues in a clockwise direction until each player has had an opportunity to call, raise or fold.

- The player in the big blind position may check if no other player has raised or has the option to raise.

The Dealer shall begin the second betting interval by burning a card and then dealing three community cards face up on the table, commonly referred to as the flop.

Betting for the second betting interval will proceed as follows:

- The player to the immediate left of the Dealer Button position is first to act and must check, bet or fold
- Betting continues in a clockwise direction until each player has had a chance to check, bet, call, raise or fold.

The Dealer will begin the third betting interval by burning a card and dealing one community card face up on the table, commonly referred to as the Turn.

Betting for the third betting interval shall proceed in the same manner as for the second interval.

The Dealer will begin the fourth betting interval by burning a card and dealing one community card face up on the table, commonly referred to as the river.

Betting for the fourth betting interval shall proceed in the same manner as for the second and third intervals.

Upon completion of four rounds of betting:

- If only one player remains in the round of play (all other players have folded), that player wins the pot and is not obligated to show his/ her hand
- If two or more players remain in the round of play, the player who made the last bet will be obligated to show his/her hand. If no player has placed a bet, it shall be the obligation of all players to show their hands

Any combination of a player's hole cards and/or community cards may be used to construct a standard five-card poker hand. The ranking of hands is as follows:

- **Royal Flush** - a hand containing an ace, king, queen, jack and ten of the same suit.
- **Straight Flush** - a hand containing five cards of the same suit in consecutive ranking. An ace may count high or low.
- **Four of a Kind** - a hand containing four cards of the same rank.
- **Full House** - a hand containing Three of a Kind and One Pair.
- **Flush** - a hand containing five cards of the same suit, but not in consecutive ranking.
- **Straight** - a hand containing five cards in consecutive ranking regardless of suit. An ace may count high or low
- **Three of a Kind** - a hand containing three cards of the same rank
- **Two Pair** - a hand containing two pairs
- **One Pair** - a hand containing two cards of the same rank
- **High Card** - a hand that does not contain one pair or better.

In the event of equal ranking poker combinations of Four of a Kind, Three of a Kind, Two Pair or One Pair, the high card, or cards, not used in the poker combination (commonly known as the kicker or kickers) shall break the tie.

In the event of a tie that cannot be broken, the pot shall be split equally among the tied hands for that round of play.

In the event there is an extra chip after the split, the extra chip shall be removed by the Dealer.

The Dealer is responsible for determining the winning hand from the remaining players in accordance with the ranking of hands (above).

The Dealer will then award the pot to the player with the winning hand (or, in the event of a tie that cannot be broken, players with the winning hands).

### **ELIMINATION AND ORDER OF FINISH:**

A player is eliminated from the tournament when the player has lost all of his/her chips. Tournament play continues until either:

- All but one player is eliminated, or
- The finishing time as indicated on the licence is reached, whichever comes first

The order of finish for the tournament will be:

- If play continues until all but one player is eliminated, the order of finish will be the reverse order of elimination. The last remaining player is the winner. If two or more players are eliminated on the same round of play, for the purposes of the order of finish, they will be ranked by the value of chips each player had going into that round of play, from highest to lowest.
- If more than one player remains at the finishing time, the order of finish will be determined first by the value of the chips held by each player from highest to lowest, and then (if more prize spots remain than players with chips), reverse order of elimination.

### **13 Financial Records**

The licensee must keep records of all revenue, expenses, prizes paid throughout the licensing period and copies of event sheets. All records pertaining to the licensed lottery scheme must be retained for a period of six (6) years.

All licensees shall:

- maintain a separate bank account for the deposit of revenue from all tournaments; and
- deposit all tournament proceeds into the account immediately after each tournament.

At the expiration of the licensing period, all licensed lottery schemes may be subject to an audit by approved auditing staff.

### **14 General**

The licence must be posted in a conspicuous place in the establishment where the tournament is being held.

JPS Investigators must be permitted access to all areas of the premises in which the tournament is taking place as well as access to the equipment used in the conduct of the tournament.

All incidents must be reported immediately to JPS through completion of an incident report form provided by the Registrar.

All prizes described in the application as approved and/or publicly announced must be awarded.

The licensee shall ensure that no person under the age of 19 years will participate in (as a player or worker such as a Dealer or Table Manager) or attend a tournament as a spectator or in any other capacity.