

STATE OF MICHIGAN  
COURT OF APPEALS



IN RE: [Illegible Name]  
[Illegible Name]

# EXHIBIT A-3



[Illegible Signature]

[Illegible Text]

[Illegible Text]



# ISLE OF MAN GAMBLING SUPERVISION COMMISSION

ONLINE GAMBLING REGULATION ACT 2001 (as amended)

## LICENCE TO OPERATE

FOR

## RATIONAL ENTERTAINMENT ENTERPRISES LIMITED

("The Licensee")

The Licensee, being a Company Limited by shares and incorporated in the Isle of Man as **Company Number 112087C**, with a registered office situated at **33-37 Athol Street, Douglas, Isle of Man IM1 1LB**.

**IS HEREBY LICENSED AND AUTHORISED** by The Gambling Supervision Commission ("the Commission") to conduct online gambling, as defined in Section 1 of the On-line Gambling Regulation Act 2001 ("the Act").

The **Designated Official** for the time being approved under Section 10 of the Act for this licence is shown at the top of page two.

This licence is restricted to the use of the Domain Name(s) and the type(s) of Online Gambling listed in Schedule 1 to this licence, which Schedule forms a part of the licence.

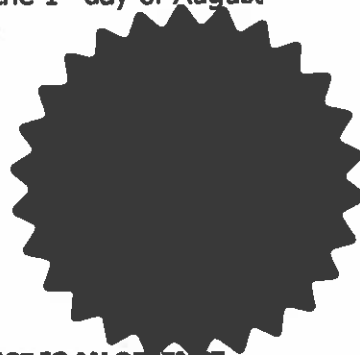
This licence is issued subject to the general conditions specified in Schedule 2 to this licence, and where deemed necessary the further conditions specified under Schedule 3, which Schedules form a part of this licence.

This licence is valid for a period of FIVE YEARS commencing on the 1<sup>st</sup> day of August 2010, and expiring on the 31<sup>st</sup> day of July 2015.



**Chairman**  
**Gambling Supervision Commission**

Dated this 10<sup>th</sup> day of September, 2010



### WARNING

**A BREACH OF THE ACT OR ANY OF THE CONDITIONS OF THIS LICENCE IS AN OFFENCE, WHICH MAY BE PUNISHABLE BY AN UNLIMITED FINE AND/OR CUSTODY FOR UP TO TWO YEARS, AND MAY RESULT IN CANCELLATION OF THE LICENCE TO OPERATE**

ONLINE GAMBLING REGULATION ACT 2001 (as amended)  
**LICENCE TO OPERATE**  
\*\*\*\*\* Rational Entertainment Enterprises Limited \*\*\*\*\*

The **Designated Official** for the time being approved under Section 10 of the Act for this licence is:

**Mr Pinhas Schapira**  
**Douglas Bay Complex, King Edward Road, Onchan, Isle of Man IM3 1DZ.**

**SCHEDULE 1**

**(1) Domain name(s) Permitted under this Licence are:**

[www.pokerstars.com](http://www.pokerstars.com)

[www.pokerstars.net](http://www.pokerstars.net)

**(2) Type(s) Of Online Gambling Permitted under this Licence are:**

**A. Peer to Peer Poker**

Note: Schedule 1 may be amended by application of the licensee to the Commission subject to the agreement that additional conditions may be imposed if deemed necessary under Schedule 3 of this licence.

## **SCHEDULE 2**

### **General Conditions of this Licence**

1. The licensee must ensure that the games, gambling software and financial software offered are demonstrably secure, reliable, and capable of being audited by the retention of detailed audit trails in accordance with the applicable legislation.
2. The licensee must ensure compliance with all applicable legislation including regulations that are in force from time to time and must seek approval for any changes made to the system in accordance with such rules or procedures as the Commission may from time to time require.
3. The licensee shall consider its own legal position in relation to accepting or negotiating bets, stakes or play ("business") from another jurisdiction in which the licensee wishes to conduct business and shall consult with the Commission in this regard. For the avoidance of doubt the licensee shall not rely on any statement or policy of the Commission in respect of the legal system or laws of any jurisdiction other than the Isle of Man for the purpose of determining whether or not it is legal to conduct the licensed activity in such other jurisdictions.
4. The licensee must either --
  - (a) Hold on deposit in an interest-bearing escrow account in a bank in the Isle of Man or with the agreement of the Commission make alternative arrangements to guarantee any outstanding debts of the licensee owed to players for the duration of this license;
  - (b) Instruct the bank, or as part of alternative arrangements guarantee, that such sum shall be available to the Isle of Man Government to cover any outstanding debts owed to players in the event that the licensee ceases to operate under this license, any balance being returned to the licensee; and
  - (c) Furnish the Commission with confirmation by the bank of the above arrangements and subsequently quarterly bank statements or agree with the Commission what documentary evidence must be provided to the Commission as a result of putting alternative arrangements in place.The licensee may recover the interest on the sum.

OR

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\*\*\*\*\* Rational Entertainment Enterprises Limited \*\*\*\*\*

The licensee must establish a formal reserve or insurance policy for gambling as specified and agreed by the Commission. Any such reserve must be sufficient to cover any outstanding debts owed to players and the account must be maintained with a bank in the Isle of Man. Any insurance arrangements must be made with an Isle of Man insurance company under the laws of the Isle of Man or through alternative arrangements agreed with the Commission.

5. The licensee must not operate, or be associated or linked with, online gambling sites not regulated by the Act except with the consent of the Commission. If the Commission approves the association or link any reference or linked access to the associated gambling sites must be made through a web page that indicates that the player is leaving the jurisdictional control of the Isle of Man.
6. The licensee shall permit all activities permitted by this license and any associated transactions to be the subject of random audit by or on behalf of the Commission.
7. The licensee must, if so requested by the Treasury, take an active part in any forum or consultative body established by the Treasury relating to the operation and regulation of online gambling in the Isle of Man.
8. On the 1<sup>st</sup> April of each year the licensee must contribute a sum to the Isle of Man Government's Problem Gambling Fund, such sum being notified by the Treasury.
9. The licensee must commence online gambling pursuant to this licence within 9 months of the licence being granted.
10. The licensee must fully comply with any anti-money laundering provisions that apply to the type of gambling permitted under Schedule 1 of this licence.
11. No general restriction may be imposed by the licensee to exclude residents of the Isle of Man from placing bets or stakes on Isle of Man on-line gambling sites except with the agreement of the Commission.
12. The licensee must if requested by the Commission supply sufficient information from an independent source(s) to demonstrate the probity of suppliers of any gambling or financial software it operates.
13. The licensee must operate through trading account(s) in a bank located in the Isle of Man unless agreed otherwise with the Treasury. In addition any bank accounts for trading or gambling purposes should be located in the Isle of Man unless agreed otherwise with the Treasury.

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\*\*\*\*\* Rational Entertainment Enterprises Limited \*\*\*\*\*

14. The licensee shall maintain accounting systems approved by the Commission and shall conform with such internal and external accounting practices as the Commission may require.
15. The licensee shall as soon as practicable, and in any case not later than six months after the end of every accounting year, deliver to the Commission a copy of its accounts in the form required by the Companies Act 1982 or as defined by United Kingdom G.A.A.P and certified by a qualified auditor.
16. The licensee is required to demonstrate to the Commission that when advertising in the United Kingdom such advertising complies with all Advertising Standards Authority Codes and the United Kingdom Industry self-regulatory Codes or such other Codes as may be applicable from time to time.
17. The licensee is required to provide a hyper-link(s) on its website to any problem gambling organisation that may be specified by the Commission in writing from time to time.
18. In the event that the licensee enters into a business to business relationship with an entity that is not licensed by the Isle of Man Gambling Supervision Commission the licensee shall use its best endeavours to ensure that those entities adhere to the Gambling Supervision Commission's core principles, namely:-
  - To keep the gambling industry crime free
  - To protect the young and vulnerable
  - To ensure that the facilities offered by licence holders are fair and that players receive their true winnings
19. Further the licensee shall not bring the Island or its reputation into disrepute either itself or through its relationship with third parties. This is a condition of the licensee's licence and in the event that the licensee fails to abide by any licence condition, the Gambling Supervision Commission shall be entitled to terminate the licence in accordance with the terms of section 13(4)(b) of the Online Gambling Regulation Act 2001.
20. The licensee's licence, and its right to refer to the Isle of Man as its source of regulation, only applies to those services offered from the Isle of Man and by the party granted this licence. Services offered by the licensee from a jurisdiction other than from the Isle of Man and/or by any part of its group shall not make reference either directly or indirectly to the Isle of Man Gambling Supervision or the licence granted hereunder.

**End of Schedule 2**

**SCHEDULE 3**

No further conditions

