



STATE OF WASHINGTON
GAMBLING COMMISSION

"Protecting the Public by Ensuring that Gambling is Legal and Honest"

January 17, 2008

Max Faulkner
Faulkner Enterprises
640 B Valley Mall Parkway
East Wenatchee, WA 98802

RE: Bad Beat Blackjack

Dear Mr. Faulkner:

Thank you for requesting approval to market the card game "Bad Beat Blackjack" to Washington State commercial card rooms and Tribal casinos. Based on our review of the documentation we received, the Washington State Gambling Commission will approve the game under the conditions listed below:

Commercial Card Rooms

- The game shall be played and operated under the terms and conditions set forth under the "Bad Beat Blackjack – Rules of Play" you provided.
- Commercial card room operators seeking to operate this game must first submit their internal controls and receive approval from the Commission prior to implementing.

Tribal Casinos

- The game shall be played and operated under the terms and conditions set forth under the "Bad Beat Blackjack – Rules of Play" you provided.
- Each Tribal Gaming Operation must request and obtain approval from their respective Tribal Gaming Agencies (TGA).
- Before TGA allows your game to operate, they will seek concurrence from our agency as well.
- In addition to your approved rules, the Tribal submission to us must include all supplemental information required by Tribal-State Compact Appendix A, Section 18.



- Manufacturers and distributors of graphic layouts and/or any other equipment associated with the game must be certified by the state and licensed by the Tribe prior to the sale of the equipment.

Furthermore, any modifications to this game may affect this approval. Contact the Commission should you contemplate modifications. If you have any questions on commercial implementation, please contact Keith Wittmers at (253) 671-6289. If you have any questions on Tribal implementation, please contact Kelly Main at (206) 423-4260.

Thank you for your cooperation and willingness to comply with the gambling laws of Washington State.

Sincerely,



David Trujillo
Assistant Director
Licensing Operations Division

cc: Stacy Friedman, Olympian Gaming LLC
Keith Wittmers, Special Agent Field Operations Division
Kelly Main, Special Agent Tribal Gaming Division
File



Rules for Bad Beat Blackjack®

Revised December 10, 2012

Bad Beat Blackjack® is a standard house-banked blackjack game and offers an optional Bad Beat Blackjack® bonus wager. All rules pertaining to standard blackjack as posted on the WSGC’s website remain the same except as described below specifically for this game.

Bad Beat Blackjack® is an optional bonus wager for blackjack where the player gets paid if the player stands on a two-card 19 or 20 and is beaten by the dealer’s hand, or if the player stands on a two-card 19, 20, or 21 and is pushed by the dealer’s hand. In Option 1, only the initial two-card hand qualifies, and if the player does anything other than stand, the bonus wager is lost. In Option 2, the player may split a pair one or more times – if the player splits, the bonus wager applies to the first split hand. In either option, only two-card totals qualify; the player may not draw (hit or double) to a 19, 20, or 21 and still win a Bad Beat Blackjack® wager. For the same payable, Option 1 has roughly 2% more house edge than Option 2.

All other house blackjack rules apply.

Paytables P1 – P5

If player wins basic wager with a two-card hand count of 19, 20 or 21, the bonus wager is a PUSH. If player does not stand on a two-card hand count of 19, 20, or 21, the player loses the bonus wager.

Player's hand	Result	Paytable #				
		P1 Payoff	P2 Payoff	P3 Payoff	P4 Payoff	P5 Payoff
20	Beaten	20 to 1	20 to 1	30 to 1	30 to 1	25 to 1
19	Beaten	15 to 1	15 to 1	10 to 1	10 to 1	15 to 1
21	Push	5 to 1	10 to 1	5 to 1	10 to 1	5 to 1
20	Push	5 to 1	5 to 1	5 to 1	5 to 1	5 to 1
19	Push	5 to 1	5 to 1	5 to 1	5 to 1	5 to 1
19, 20, or 21	Win	Push	Push	Push	Push	Push

House edge examples (Option 2, player can split)

2 decks, dealer hits soft 17	9.71%	8.64%	6.12%	5.05%	3.23%
6 decks, dealer hits soft 17	9.03%	7.88%	5.37%	4.21%	2.51%



Paytables L1-L5

If player wins basic wager with a two-card hand count of 19, 20 or 21, the player LOSES the bonus wager. If player does not stand on a two-card hand count of 19, 21, or 21, the player loses the bonus wager.

Player's hand	Result	Paytable #				
		L1 Payoff	L2 Payoff	L3 Payoff	L4 Payoff	L5 Payoff
20	Beaten	25 to 1	25 to 1	35 to 1	35 to 1	30 to 1
19	Beaten	20 to 1	20 to 1	15 to 1	15 to 1	20 to 1
21	Push	5 to 1	10 to 1	5 to 1	10 to 1	5 to 1
20	Push	5 to 1	5 to 1	5 to 1	5 to 1	5 to 1
19	Push	5 to 1	5 to 1	5 to 1	5 to 1	5 to 1
19, 20, or 21	Win	Lose	Lose	Lose	Lose	Lose

House edge examples (Option 2, player can split)

2 decks, dealer hits soft 17	9.48%	8.40%	5.89%	4.81%	2.99%
6 decks, dealer hits soft 17	8.77%	7.61%	5.10%	3.95%	2.25%

Payouts are for any number of decks from 1 to 8. Full mathematical analysis is available upon request.

Rules of Play

1. The player makes a blackjack wager and a Bad Beat Blackjack® bonus wager. The allowable amounts of these wagers may be dictated by the casino.
2. The dealer deals the first two player cards and the first two dealer cards according to standard procedure.
3. Option 1: The dealer takes the Bad Beat wager if the player does not have an initial 19 through 21. Option 2: The dealer takes the Bad Beat wager if the player does not have 19 through 21 or a pair of 8s through Aces (since smaller pairs cannot be split and form 19 – 21).
4. The dealer allows for insurance if applicable. If the dealer has blackjack, skip to step 8.
5. If the player has a natural 21, the dealer pays the player's main wager and resolves the Bad Beat wager according to the paytable.
6. The dealer allows for player actions. Option 1: If the player does not stand, the dealer takes the Bad Beat wager. Option 2: If the player splits, the Bad Beat wager applies to the first split hand. If the player ultimately does not stand on a two-card total of 19 through 21, the dealer takes the Bad Beat wager.
7. The dealer acts according to the house rules.



**Olympian
Gaming**

8. The dealer resolves the player's main blackjack wager(s), the insurance wager if applicable, then based on this result and the player's total, resolves the Bad Beat Blackjack® wager according to the payable.



Rules for Bad Beat Blackjack®

Page 3

Picture of Layout



Operators cannot allow wagering limits to exceed the authorized limits set out in WAC 230-15-040 and WAC 230-15-140.