

**GNR.2696 of 11 May 2001: Rules in terms of section 85 of the Act**

**as amended by**

General Notice No. 1297 of 2003

General Notice No. 2010 of 2004

General Notice No. 2050 of 2014

General Notice No. 2051 of 2014

General Notice No. 524 of 2019 (w.e.f. 1<sup>st</sup> June 2019)

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I, JACQUES BOOYSEN, Chief Executive Officer of the Gauteng Gambling Board, duly authorized hereto, have under section 85 of the Gauteng Gambling Board Act, 1995 (Act No. 4 of 1995), made the amendment to the Rules set out in the schedule hereto.

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### **1.010 Promulgation, amendment, modification and repeal**

The following Rules are issued in terms of section 85 of the Gauteng Gambling Act 1995, as amended. The Board will, from time to time, promulgate, amend and repeal these Rules, consistent with the policy, objects and purposes of the Act, as it may deem necessary or desirable in carrying out the policy and provisions of that Act. These rules shall come into effect on the date of publication thereof in the *Provincial Gazette* and all rules previously made by the Board are repealed on the date on which these rules come into effect.

### **1.020 Applicability and condonation**

- (1) These rules shall be applicable to all applicants for and holders of licences in the Province and are set out in the following manner:
  - (a) Rule 1 - 4 shall be applicable to all applicants for and holders of all types of licences;
  - (b) Rule 5 - 12 shall be applicable to all applicants for and holders of casino licences;
  - (c) Rule 13 shall be applicable to all applicants for and holders of bingo operator licences as well as all holders of manufacturer, maintenance or supplier licences who deal with bingo operator licensees;
  - (d) Rule 14 shall be applicable to all applicants for and holders of bookmaker licences.
- (2) Notwithstanding anything to the contrary contained in these rules, the Board may, on prior written application, condone non-compliance with these rules and give special dispensations with regard to anything contained in these rules in the manner and under the conditions determined by the Board.

### **1.030 Construction**

Nothing contained in these Rules shall be so construed as to conflict with any provision of the Act or Regulations made thereunder or of any other applicable statute.

### **1.040 Severability**

If any provision of these Rules be held invalid, it shall not be construed to invalidate any of the other provisions of these Rules.

### **1.050 Definitions, words and terms, tense, number and gender**

The provisions of the Act, relating to definitions, tense, number and gender apply and govern the interpretation of these Rules, except when otherwise plainly declared or clearly apparent from the context.

### **1.060 Definitions**

In these Rules, unless the context otherwise indicates:

**"Asset number"** means a unique number permanently assigned to a gaming machine, cash storage box and roulette wheel for purposes of tracking such machine, storage box or roulette wheel owned by a licensee and which shall be affixed in a permanent manner to the machine, storage box or roulette wheel to which it refers;

**"Business day"** and **"working day"** means any day excluding weekends and public holidays;

**"Card game"** means a game in which the casino licensee is not party to wagers and from which the casino licensee receives compensation in the form of a rake-off, a time buy-in, or other fee or payment from a player for the privilege of playing, and includes but is not limited to the following: Poker, bridge, whist, solo, panguingui and other non-banking casino games;

**"Company"** means any company as defined in the Companies Act, 1973 (Act No. 61 of 1973), any close corporation as defined in the Close Corporations Act, 1984 (Act No. 69 of 1984), partnership, trust or other form of business organisation, which is not a natural person;

**"Establishment"** means any premises where business is conducted, and includes all buildings, improvements, equipment and facilities used or maintained in connection with such business;

**"Funds"** means money or any other instrument of value;

**"Gaming day"** means an accounting period for a licensee which will begin and terminate at such times as specified in the licensee's internal control systems approved by the Board;

"**Rake-off**" means a percentage of the total amount anted and wagered by players during a hand in a card game.

### **1.070 Calculation of time periods**

Where any time period is prescribed in these Rules, that time period shall exclude the first day and include the last day.

## **RULE 2 GENERAL**

### **2.010 Improper attempts to obtain information**

No person shall directly or indirectly, procure or attempt to procure information from the records of the Board, which is not made available by proper authority.

### **2.020 Procedure for control of evidence and destruction of cheating devices**

1. When an inspector of the Board seizes any article of property, the custodian of evidence for the Board shall place the evidence in a secure facility and enter in a suitable system sufficient information to establish a chain of custody. A failure to comply with this sub-rule shall not render evidence inadmissible in any proceedings before the Board.
2. Any article or property, which constitutes a cheating device, shall not be returned to a claimant. All cheating devices shall become the property of the Board upon their seizure and may periodically be disposed of by the Board. When disposing of a cheating device, the Board shall document the date and manner of its disposal.
3. The Board shall notify by registered mail each known claimant of a cheating device that he has 30 days from the serving of notice within which to file a written claim to contest its depiction as a cheating device.

Failure to timely file a written claim as provided in sub-rule 3 constitutes an admission by all claimants that the article of property is subject to destruction. The Chief Executive Officer shall have complete and absolute authority to rule on a claim filed pursuant to sub-rule 3. After expiration of the 30-day period, the Board may retain or dispose of the cheating device in any reasonable manner.

### **2.030 Ownership of premises where gambling conducted**

1. The Board may deem that premises are unsuitable for the conduct of gambling operations by reason of ownership of any interest whatsoever in such premises by a person who is unqualified or disqualified to hold a gambling licence, regardless of the qualifications of the person who seeks or holds a licence to operate gambling in or upon such premises.
2. In all cases in which the premises wherein or whereon the gambling operation for which a gambling licence is sought are not wholly owned by the applicant, the applicant shall furnish to the Board a statement of the name and address of the owner or owners of such premises, which may include such other information as the Board may require.
3. In all cases in which the premises are wholly or partly owned by the applicant, the applicant shall furnish to the Board complete information pertaining to the interest held by any person other than the applicant, including interest held under any mortgage, deed of trust, bonds or debentures, pledge of corporate shares, voting trust agreement, or other device whatever, together with such other information as the Board may require.
4. Every licensee shall furnish to the Board complete information pertaining to any change of ownership of the premises or of any change of any interest in the premises wherein or whereon the licensed gambling is operated at least 30 days before the date of such change; or, if the licensee is not a party to the transaction effecting such change of ownership, immediately upon acquiring knowledge of such change of ownership or any contemplated change of ownership.

### **2.040 Methods of operation**

1. It is the policy of the Board to require that all establishments wherein gambling is conducted in this Province be operated in a manner suitable to protect the public health, safety, morals, good order and general welfare of the inhabitants of the Province.



2. Responsibility for the employment and maintenance of suitable methods of operation rests at all times with the licensee, and wilful or persistent use or toleration of methods of operation deemed unsuitable will constitute grounds for licence revocation or other disciplinary action.

### **2.050 Grounds for disciplinary action**

The Board deems any activity on the part of any licensee, his agents or employees, that is harmful to the public health, safety, morals, good order and general welfare of the people of the Province, or that would reflect or tend to reflect discredit upon the Province or the gaming industry, to be an unsuitable method of operation and shall be grounds for disciplinary action by the Board in accordance with the Act. Without limiting the generality of the foregoing, the following acts or omissions shall be grounds for disciplinary action:

1. Failure to exercise discretion and sound judgment to prevent incidents which might reflect on the repute of the Province and act as a detriment to the development of the industry.
2. Permitting persons who appear to be visibly intoxicated to participate in gambling activity.
3. Serving of intoxicating beverages in the gambling area to persons who appear to be visibly intoxicated.
4. Possessing or permitting to remain in or upon any licensed premises any cards, dice, mechanical device or any other cheating device whatever, the use of which is prohibited by law.
5. Conducting, carrying on, operating or dealing any cheating or thieving game or device on the premises, which may have in any manner been marked, tampered with or otherwise placed in a condition, or operated in a manner, which tends to deceive the public or which might make the game more liable to win or lose, or which tends to alter the normal random selection of criteria which determine the results of the game.
6. Failure to conduct gambling operations in accordance with proper standards of custom, decorum and decency, or permit any type of conduct in the gambling establishment which reflects or tends to reflect on the repute of the Province and act as a detriment to the gambling industry.
7. Except as provided in the Regulations and these Rules, the sale or assignment of any gaming credit instrument by a licensee, unless the sale is to a publicly traded or other *bona fide* financial institution pursuant to a written contract, and the transaction and the terms of the contract, including but not limited to the discount rate, are reported to the Board for approval.
8. Issuing credit to a patron to enable the patron to satisfy a debt owed to another licensee or person, including an affiliate of the licensee. This sub-rule shall not prohibit a licensee from collecting a debt owed to an affiliate of the licensee.

### **2.060 Gaming by owners, directors, officers and employees**

No owner, director, officer or employee of an entity which holds a gaming licence in this Province shall play or place a wager at any casino game which is exposed to the public for play or wagering-

- (a) by that gaming licensee;
- (b) at or within the establishment in the Province which is owned or operated in whole or in part by that gaming licensee.

### **2.070 Criminal convictions as grounds for revocation or suspension**

1. The licensee shall notify the Board within seven days of becoming aware of any information which may impact on the suitability of any registered employee, owner, director or third party with whom the licensee conducts business.
2. The Board may revoke or suspend the gambling licence or certificate of suitability or registration of a person who is convicted of a crime which constitutes a disqualification in terms of the Act, even though the convicted person's post conviction rights and remedies have not been exhausted.

### **2.080 Reports of violations**

Each licensee shall report to the Board, in writing, any contravention of any provision of the Act, the Regulations or these rules which the licensee has knowledge of or reasonably suspects to have occurred, within 96 hours of such knowledge or suspicion, which report shall include the actions taken or being taken as a result of such contravention unless provides otherwise.

## **2.090 Access to premises and production of records**

1. No applicant, licensee or certificate holder shall neglect or refuse to produce records or evidence or to give information upon proper and lawful demand by the Board or its authorised agent, or shall otherwise interfere, or attempt to interfere, with any proper and lawful efforts by the Board or any authorised employee to produce such information.
2. Each licensee shall immediately within a reasonable time on request make available for inspection by the Board or its authorised agent all records relating to the licensee's business.
3. Each licensee shall allow the Board or its authorised agent unrestricted access to its premises including examination of any equipment used directly or indirectly in the conducting of gambling activities.

## **2.100 Collection of gambling credit**

1. Only licensee's employees, licensed junket representatives, attorneys, affiliated companies and their employees, or any other entity approved by the chief executive officer may collect, on the licensee's behalf and for any consideration, gambling credit extended by the licensee.
2. Notwithstanding the provisions of sub-rule 1, no licensee shall permit any person who has been found unsuitable, or who has been denied a gaming licence or other suitability approval, to collect, on the licensee's behalf and for any consideration, gambling credit extended by the licensee.
3. Each licensee shall maintain, for the Board's inspection, records that describe credit collection arrangements and that include any written contracts entered into with the persons described in sub-rule 1, unless such persons are the licensee's key employees or licensed junket representatives.

## **2.110 Extension of time for reporting**

The Chief Executive Officer, in his/her sole and absolute discretion, may extend the time for filing any report or document required by these Rules.

## **2.120 Tournaments and Promotions**

A licensee shall obtain prior approval of the Chief Executive Officer for staging a tournament or a promotion where the participants are required to pay a consideration for participating in the tournament or promotion.

RULE 2.200  
PROGRAMS TO PROMOTE RESPONSIBLE GAMBLING  
[Rule 2.200 inserted by General Notice No. 1297 of 2003.]

## **2.210 Advertising**

1. Each licensee shall to the satisfaction of the Board post, publish and provide in conspicuous places in or near the gambling outlet/facility, information and/or written materials stating-
  - (a) the nature and symptoms of problem gambling;
  - (b) the toll free telephone number of the National Responsible Gaming Programme and referral services for problem gamblers;
  - (c) no persons under the age of 18 years are permitted to participate in gambling;
  - (d) that the operator is licensed by the Gauteng Gambling Board;
  - (e) complaints or grievances against it may be lodged with the Board;
  - (f) contact details of the Gauteng Gambling Board.
2. Each licensee shall ensure that all printed marketing collateral in respect of gambling activities-
  - (a) contain the following information:
    - (i) no persons under the age of 18 years are permitted to participate in gambling;
    - (ii) the slogan and/or a toll free telephone number of the National Responsible Gaming Programme and referral services for problem gamblers.
  - (b) the information contemplated in subrule 2 (a) above, shall be incorporated into all advertisements in the following manner:

- (i) all printed advertisements shall display the information in font size larger than the font size of the body of the advertisement; and
  - (ii) all billboards, web pages and multi-page pamphlets shall display the information on at least six percent of the surface of the billboard, the home page of the web page or the front page of a multi-page pamphlet;
  - (iii) all radio advertisements shall carry the information for five seconds at the end or the beginning of either a thirty or sixty seconds gaming advert;
  - (iv) all television advertisements shall carry the information for ten seconds at the end or the beginning of either a thirty or sixty seconds gaming advert.
3. Notwithstanding the provisions of subrule (2) above-
  - (a) the Board may determine generic requirements for radio and television advertisements or individual advertising drives, with which all such advertisements or drives shall conform; and
  - (b) the Board may upon request dispense and/or relax one or more of the provisions of sub-rule (2) above.
4. Each licensee shall ensure that no gambling advertisement is aimed or directed at persons below the age of 18, eg. promotion or marketing of gambling at primary schools.
5. All advertisements shall in addition to this rule comply with the provisions of section 71 of the Act and regulation 42.

### **2.220 Training**

1. Each licensee shall implement procedures and training for all employees who directly interact with gambling patrons.
2. The training contemplated in sub-rule 1 above shall at a minimum consist of-
  - (a) information concerning the nature and symptoms of problem gambling behaviours;
  - (b) assistance to patrons in obtaining information about responsible gambling programs.
3. The licensee shall designate personnel responsible for maintaining the training program and determining (subject to approval by the Board) the types and frequency of such training and procedures.
4. The licensee shall once it has become aware of a punter who may be having a gambling problem, furnish such punter with information or details of where he or she may obtain assistance with regard to the gambling problem.
5. The licensee shall on a monthly basis furnish the Board with the following information relating to persons contemplated in 4 above:
  - (a) name of punter;
  - (b) the identity number;
  - (c) contact details (where available);
  - (d) name of operator/licensee.

### **2.230 Self-exclusion by patrons**

1. Each licensee shall develop and implement procedures to enable patrons to lodge a request to be excluded from participating in gambling.
2. The procedures for self-exclusion shall at a minimum provide-
  - (a) reasonable measures to identify and restrict access to gambling by persons who requested to be excluded from participating in gambling;
  - (b) that self-exclusion will only be lifted upon production of a certificate by a psychologist, psychiatrist or any counsellor appointed by the National Responsible Gambling Program. The certificate should at least certify that the punter has attended counseling sessions and that in his/her opinion the punter is fit and competent to participate in gambling;
  - (c) that whilst the Board and the gambling operators will make reasonable efforts to give effect to the request for exclusion, it is the punter's/player's responsibility to refrain from participating in gambling during the period of exclusion. Both the Board and the licensee shall not be liable whatsoever for any damages that may be suffered as a result of the punter participating in

- gambling during the period of self-exclusion;
- (d) that the exclusion will not be lifted within a period of six months from date of exclusion;
  - (e) the operator may institute criminal proceedings for trespassing against persons participating in gambling during the period of exclusion.
3. The licensee shall on a weekly basis, supply the Board with details of persons who requested to be excluded from gambling.
  4. The details contemplated in subregulation 3 above, shall at a minimum contain-
    - (a) the name of the punter;
    - (b) the identity number;
    - (c) electronic photograph;
    - (d) name of operator;
    - ( f ) dates and time of request;

[Editorial Note: Numbering as per original *Gazette*.]

    - (g) duly signed exclusion form.
  5. Each licensee shall ensure that all persons who have been placed on a self-exclusion list are removed from its mail-marketing list and guest loyalty programmes and precluded from further participating in the licensee's credit facilities.

#### **2.240 Location of ATM's**

1. Each licensee may install automatic teller machines at its premises provided that their location is approved by the Board.
2. Each licensee shall publish and post next to the automated teller machines located on its premises, the slogan and toll free number of the National Responsible Gambling Programme and referral services for problem gamblers.

#### **2.250 Enquiry**

1. The Board may upon a written request by an interested party, convene an inquiry to establish whether or not a punter has a gambling problem.
2. Interested parties referred to in paragraph 1 above shall-
  - (a) consist of and be limited to the following:
    - (i) parents;
    - (ii) dependant children;
    - (iii) spouse or live in partner;
  - (b) at the inquiry prove on a balance of probabilities that the punter-
    - (i) gambles more than his/her means allows;
    - (ii) gambles in a manner detrimental to himself and/or his family.
3. A punter who upon receiving proper notice to attend an inquiry, fails to do so without adequate or valid grounds, shall be excluded from participating in further gambling in the province until such time that he/she attends to the inquiry.
4. A punter who has been found by the Board to have a gambling problem, may be placed on the list of excluded persons contemplated in regulation 29.
5. The Board may at its inquiry, have regard to a report or evidence by a psychologist or psychiatrists.

[Rule 2.250 amended by General Notice No. 2010 of 2004.]

RULE 3  
GAMBLING TAXES AND LEVIES OVER AND UNDER PAYMENTS

#### **3.010 Claims for refunds; procedures**

1. A licensee filing a claim for refund of overpayment of gaming tax or other levies with the Board shall serve a copy of the claim on the Chief Executive Officer. Such a claim shall contain a memorandum of points in support of the claim, setting forth the legal basis and the licensee's calculations of the amount of the refund.
2. The aforesaid claim for a refund shall be lodged with the Board within 6 months after the financial year-end relating to the year in which the overpayment was made.

### **3.020 Additional assessment in respect of underpayment of gambling tax**

1. Upon determination by the Board that a licensee has underpaid gambling taxes or other applicable levies, the Board shall issue to the licensee an additional tax assessment setting out the amount due and the basis of calculation thereof.
2. The amount due in terms of the aforesaid additional assessment shall be paid within 7 days of receipt or such longer period as the Board may allow.
3. Where a licensee fails to keep the records used by it to calculate gross gaming revenue or any other applicable fees or levies, the Board may calculate or estimate the amounts due upon the basis of any information within the Board's possession including statistical analysis.

## **RULE 4**

### **GAMING MACHINES, MODIFICATIONS, CONVERSIONS AND OTHER GAMING EQUIPMENT**

#### **4.010 Definitions**

For the purposes of this chapter, unless the context indicates otherwise-

**"conversion"** means a change in a gaming machine from one pre-approved configuration to another pre-approved configuration or from one approved mode of play to another approved mode of play;

**"modification"** means a change or alteration of any approved gaming machine, excluding a conversion and the repair or maintenance of a gaming machine;

**"other gaming equipment"** means any gaming device as defined in the Act, excluding a gaming machine; and

**"promotional machine"** means a contrivance that resembles a gaming machine that-

- (a) is playable without a wager being made; or
- (b) always pays out an amount in either cash or prizes that is equal to or greater than the wager made.

#### **4.020 Technical standards for gaming machines**

1. This chapter applies to all gaming machines offered for play in the Province to the extent they do not conflict with the standard set by the SABS.
2. Changes to pay-out percentage:
  - (a) For gaming machines with single game EPROMs, the theoretical payback percentage of a game shall not be capable of being changed without changing the EPROMs in the gaming machine and when such a change is made the following shall be recorded-
    - (i) the name of the person effecting the change;
    - (ii) the closing meters of the gaming machine; and
    - (iii) details of the change, such as the EPROM identification and Kobetron numbers; and
  - (b) for gaming machines containing EPROMs with more than one game or return to player (RTP) or bet size combination, all game/RTP/bet size combinations on the installed EPROM shall be subject to approval by the Board and the set of games to be made available to the player may be varied by changing the EPROMs or the soft settings of the gaming machine and the following shall be recorded-
    - (i) the name of the person effecting the change; and
    - (ii) meters of the game(s) being replaced.
  - (c) Any change referred to in paragraphs (a) and (b) may only take place during a time when the gaming machine is switched off.
  - (d) For purposes of this sub-rule, the addition of an attendant-paid bonus, a progressive jackpot, or a change in rate of progression of an existing progressive jackpot is not considered to be a

change in the theoretical payback of the gaming machine.

#### **4.030 Conversions: Notification and procedure**

1. A conversion may only be performed by a licensee who is authorised in terms of his licence to manufacture or maintain the gaming machine being converted.
2. A conversion shall only be performed following written notification of the conversion to the Board by the casino licensee on whose licensed premises the gaming machine is offered for play or in the case of a gaming machine on the licensed premises of a site licensee, the route operator to whom the site is linked, which notification shall be done no less than 7 days prior to the conversion being performed or such shorter period as the Board may allow.
3. The notification referred to in sub-rule (2) shall include a complete, comprehensive, and technically accurate description and explanation of the conversion in both technical and lay language signed by the person doing the conversion.

#### **4.040 Maintenance of gaming machines**

1. A licensee shall not alter the operation of approved gaming machines and may only allow maintenance on gaming machines by persons licensed by the Board to do so.
2. Licensees shall maintain gaming machines available to the public for play in a suitable condition.
3. Each licensee shall keep a written list of repairs made to gaming machines in that licensee's possession, including the name of the person making such repairs, and shall make the list available for inspection by the Board.

#### **4.050 Duplication of program storage media**

1. Only a licensed manufacturer, route operator or casino licensee may duplicate the contents of gaming machine program storage media.
2. The procedure for performing such duplication shall be contained in the route and casino licensee's internal control procedures as approved by the Board.

#### **4.060 Marking, registration and distribution of gaming machines**

1. No gaming machine shall be distributed in the Province or from a location within the Province out of the Province unless it has that machine's unique serial number, permanently stamped or engraved in lettering no smaller than 5 millimeters on the metal frame or other permanent component of the machine and on a removable plate attached to the cabinet of the machine which will allow easy review by a Board official without the opening of any part of the machine.
2. No licensee shall distribute any gaming machine within or out of the Province or transport any gaming machine through the Province without the prior written approval of the Board. Applications for such approval shall be made, processed, and determined in such manner and using such forms as approved by the Board and shall include, in addition to such other items or information as the Board may require-
  - (a) in the case of gaming machines being distributed out of the Province, the full name, province of residence, address, telephone number, identification number or passport number of both the purchaser and the person to whom the shipment is being made. If the purchaser or person to whom the shipment is being made does not have an identification number or passport number, the birth date of the purchaser or person to whom the shipment is being made may be substituted;
  - (b) in the case of gaming machines being distributed into the Province, the name and permanent address of the seller and the person from whom the shipment is received if such person is someone other than the seller;
  - (c) in the case of gaming machines being transported through the Province, the full name, province of residence, address, telephone number, identification number or passport number of the person from whom the gaming machines are distributed, the person performing the transport as well as the person to whom the shipment is being made;
  - (d) the name and permanent address of the purchaser or person to whom the shipment is being made if either is currently licensed by the Board;
  - (e) the port of entry or exit as the case might be, if the origin or destination is outside the Republic;

- (f) the number of gaming machines to be distributed or transported;
  - (g) the serial number of each gaming machine;
  - (h) the model number, game type and EPROM number of each gaming machine;
  - (i) the expected date and time of shipment;
  - (j) the method of shipment and name and address of carrier;
  - (k) the seal number of the container, if applicable; and
  - (l) a statement by the purchaser that each machine will be used only for lawful purposes, unless the purchaser is currently licensed by the Board.
3. No licensee shall distribute or ship gaming machines to a destination where possession of a gaming machine is unlawful.
  4. The Board may inspect all gaming machines prior to distribution out of the Province. Licensees shall make the gaming machines available for such inspection.
  5. A licensee shall keep a record of all shipments made into or out of the Province of parts specifically designed for use in a gaming machine. The record shall include the information set forth in sub-rule (1), if applicable. A licensee shall not ship parts specifically designed for use in a gaming machine to a destination where possession of a gaming machine is unlawful.

#### **4.070 Modifications: Applications and procedures**

1. A modification to a gaming machine shall only be undertaken by a person licensed to undertake such modification.
2. A modification shall only be done following written approval from the Board on application to the Board by the casino licensee on whose licensed premises the gaming machine is offered for play or in the case of a gaming machine on the licensed premises of a site licensee, the route operator to whom the site is linked.
3. The application referred to in sub-rule (1) shall contain the following-
  - (a) a complete, comprehensive, and technically accurate description and explanation of the modification in both technical and lay language signed by the person making the application; and
  - (b) a certification that the gaming machine as modified is in accordance with the standard approved by the SABS.

#### **4.080 Approval of promotional and tournament machines: Applications and procedures**

1. A manufacturer or distributor shall neither distribute a promotional machine for use in the Province nor affix it for play to the public unless the promotion has been approved by the Board.
2. The provisions governing the approval, distribution into and out of the Province, and conversion of gaming machines shall apply *mutatis mutandis* to promotional machines.

#### **4.090 Installation of other gaming equipment**

1. The Board will maintain a list of other gaming equipment, and shall supply a copy thereof to any of its licensees upon the licensee's request.
2. A licensee shall not install or use other gaming equipment without prior written approval of the Board.
3. Applications for approval to install or use other gaming equipment shall be made and processed in such manner and using such forms as may be determined by the Board.
4. The Board may consider the approval of other gaming equipment by other gaming regulatory jurisdictions in its determination of the approval.

#### **4.100 Alterations to other gaming equipment**

A licensee shall not alter the manner in which other gaming equipment operates without prior written approval of the Board.

RULE 5  
CASINOS  
GENERAL CASINO RULES

**5.010 Payoff schedules or award cards**

1. Payoff schedules or award cards applicable to every casino game including a gaming machine shall be displayed or easily accessible at all times, either on the table at which such casino game is played or on each gaming machine, as the case may be, or in a conspicuous place immediately adjacent thereto.
2. Payoff schedules or award cards shall accurately state actual payoffs or awards applicable to the particular casino game or gaming machine and shall not be worded in such manner as to mislead or deceive the public.
3. No licensee shall display any misleading or deceptive information on any payoff schedule or award card and every licensee shall make payment in strict accordance with posted payoff schedules or award cards.

**5.020 Retention of unclaimed money**

1. Every licensee shall maintain a register of all gaming prizes which have not been claimed after a period of 24 hours.
2. Particulars of unclaimed Jackpots and unclaimed prizes stored on by serial number or other access method is to be secured on computer disk so that the particulars of unclaimed moneys or prizes is restricted to authorised personnel only.
3. Access to the particulars of all unclaimed prizes shall be provided to the Board.
4. The procedures with regards to money or prizes won by a person who is less than eighteen years old shall be submitted to the Board for approval.

**5.030 Disputes**

1. Whenever a casino licensee is of the view that a dispute as envisaged in Chapter 5 of the Regulations is likely to arise following the playing of a casino game, and the alleged winnings or precise amount thereof exceeds the amount of R50 000, the licensee shall, notwithstanding any provision to the contrary-
  - (a) as far as possible retain all relevant evidence relating to the playing of that casino game, for a period not less than 30 days after the date on which the relevant game was played; and
  - (b) where possible, inform the patron of the remedy at his or her disposal in terms of regulation 24 (1) (a).
2. Whenever a patron has referred a dispute to the Chief Executive Officer in terms of regulation 24 (1) (a), the Chief Executive Officer shall, as soon as possible but not later than 14 days after such referral, inform the casino licensee thereof, whereafter the licensee shall further retain all the relevant evidence until the dispute has finally been resolved in terms of Chapter 5 of the Regulations.
3. For purposes of determining which evidence is relevant as referred to in sub-rule (1) above, the casino licensee shall take the following into consideration:
  - (a) the type of casino game;
  - (b) the nature of the dispute; and
  - (c) any documents, recordings, computer data, equipment, objects or any other evidence, which in the licensee's view may assist the Chief Executive Officer to resolve the dispute.
4. A dispute contemplated in regulation 24 (1) (a) shall be referred to the Chief Executive of the Board or his delegate within 5 days after the date on which the casino game was played which gave rise to the dispute.

RULE 6  
SURVEILLANCE SYSTEMS

**6.010 Definitions**



The following words and terms, when used in this Rule, shall have the following meanings unless the context clearly indicates otherwise:

**"Announced bet"** means a wager made without chips, plaques or cash;

**"Call bet"** means a bet called to the dealer accompanied by an amount in chips or cash sufficient to cover the value of the bet;

**"CCTV"** means closed circuit television;

**"Control unit"** means a device that shall have the capability to select any camera to any monitor in the surveillance system, control PTZ cameras at a variable speed and control all VCR recorders in the surveillance system;

**"Dedicated camera"** means a video camera, which is required to monitor and record a specified activity continuously;

**"Matrix"** means a microprocessor controlled switching device, which shall enable the system to direct any number of inputs to any number of outputs;

**"PTZ camera"** means a video camera which possesses, at a minimum, the capability to pan (rotate) 360 degrees at a minimum speed of 120 degrees per second, tilt 180 degrees with the capability to orientate itself and shall have pre-set capabilities with a minimum pre-set speed of 360 degrees per second and zoom capabilities;

**"Tilter"** means a device that has the capability to superimpose time, date and a title onto a video signal;

**"Video Loss Detector"** means a device that has the capability to detect loss in video and or generate an alarm when video loss is experienced;

**"Video printer"** means a device that shall have the capability to generate instantaneously upon command, a clear, still black and white or colour copy or photograph of the images depicted on a video tape recording;

**"Satellite monitoring equipment"** means a surveillance remote station with access to the surveillance system that has the capability to monitor and switch between signals only;

#### **6.020 Surveillance systems: Minimum standards**

1. The surveillance system referred to in regulation 110 shall contain at a minimum, the following equipment:
  - (a) a control unit that shall have the capability to select any video camera to any monitor in the surveillance system, control PTZ cameras at a variable speed and control all video recorders in the surveillance system;
  - (b) dedicated cameras which are cameras that monitor a specified activity continuously, the placement of which shall be subject to approval by the Board;
  - (c) a matrix which is a microprocessor controlled switching device which shall enable the system to direct any number of inputs to any number of outputs;
  - (d) PTZ cameras which are video cameras with, at a minimum, the capability to pan (rotate) 360 degrees at a minimum speed of 120 degrees per second, tilt 180 degrees with the capability to orientate itself, zoom in and out and shall have pre-set capabilities with a minimum pre-set speed of 360 degrees per second, the placement and number of which shall be subject to the Board's approval;
  - (e) a titler with the capability to superimpose time, date and a title onto a video signal without obstructing the recorded view;
  - (f) video loss detectors with the capability to detect loss in video and or generate an alarm when video loss is experienced;
  - (g) a video printer with the capability to generate upon command, a clear, still black and white or colour copy or photograph or the images depicted on a video recording;
  - (h) video recorders which shall record the video signals from the system; and
  - (i) monitors on which the views recorded by the surveillance system shall be displayed.
2. Any surveillance remote station with access to the surveillance system shall have only the capability to monitor and switch between signals.

#### **6.030 Surveillance system plans: Approval and alterations**

1. The surveillance system plan shall include the following:

- (a) a casino floor plan that shows the placement of all surveillance equipment;
  - (b) details of the camera views;
  - (c) identification of the gaming machines and tables covered by the cameras; and
  - (d) a detailed inventory of the surveillance system, which shall include number of cameras, monitors, equipment specifications including cameras and the detailed matrix plan including the procedures covering alarmed areas, entrances and exits.
2. The surveillance plan in respect of camera installation will be signed off and shall be subject to approval by the Board on completion of the installation of the cameras. In respect of all other issues, Board approval shall be required prior to installation.
  3. Every casino licensee shall within 24 hours notify the board of the installation of additional cameras for the purpose of gaming covert operations.

#### **6.040 Surveillance systems: General requirements**

1. Only high-resolution monitors with audio capabilities shall be used in the surveillance room.
2. All controls on the monitors shall be front mounted.
3. Each monitor shall have the capability to display any selected view.
4. A minimum of one monitor for every 25 cameras in the gaming machine area, and one monitor for every 15 cameras for the tables area shall be fitted in the surveillance room.
5. A ratio of one surveillance officer to eight monitors shall be maintained at all times during casino operating hours.
6. Cameras shall be fitted in such a way to prevent tampering by patrons or employees.
7. Cameras shall be selected and controlled from the surveillance room by means of a control unit.
8. Each camera, which forms part of the surveillance system approved by the Board, shall be dedicated to its own video recorder.
9. Cameras of different resolutions shall be used in different conditions and for different purposes in order to provide optimal clarity.
10. Each camera shall have the capability of having its picture displayed on a video monitor.
11. A video recorder shall have the capability to be selected and controlled from the control unit in the surveillance room.

#### **6.050 Surveillance rooms: General requirements**

1. The inside of the surveillance room including the working areas as well as employees and their movements shall be recorded on audio, video and the video tape library shall be recorded on video at all times.
2. Any member of the Board, its staff or its authorised agent may be required to produce positive identification before access is granted.

#### **6.060 Surveillance systems: Count rooms and cash desk (cage)**

1. The surveillance system shall monitor and record clear unobstructed views of all areas and transactions.

#### **6.070 Minimum PTZ requirements**

1. There shall be a minimum of one PTZ camera for every four table games which shall be used for general views, punter scans and close-up views provided that all game play activities shall be individually monitored and recorded by a dedicated high resolution camera per table.

#### **6.080 Surveillance systems: Gaming machines**

1. Cameras recording gaming machines shall be positioned in such a manner that opened machine doors do not obstruct the view to the inside of the gaming machine cabinet and a maximum of 12 gaming machines shall be covered by one camera. (Note that this chapter is based on the room that

would be taken up by 12 standard gaming machines installed next to each other. Therefore gaps between gaming machines shall be taken into account when reviewing the required number of cameras.)

2. All counting equipment in the cashiering booths shall be interfaced with the surveillance system.
3. All cashiering booths shall have panic alarm buttons directly linked to the surveillance system.
4. The surveillance system shall be interfaced with the gaming machines, coin counters and weigh scales ensuring that the following error codes, conditions and information are reported on the system:
  - (a) gaming machine error codes and conditions;
  - (b) coin counters-
    - (i) denomination;
    - (ii) rand value of coins counted;
    - (iii) booth number; and
    - (iv) date and time;
  - (c) weigh scales-
    - (i) denomination;
    - (ii) value;
    - (iii) weight; and
    - (iv) date and time.

#### **6.090 Surveillance systems: Equipment malfunctions**

1. In addition to the requirements of regulation 115 each malfunction together with the corrective measures taken will be reported to the Board within 24 hours.

### RULE 7 CENTRAL MONITORING SYSTEMS

#### **7.010 General requirements**

1. Every casino licensee shall implement a computerised on-line central monitoring system (CMS) capable of meeting the requirements contained in the SABS standard and approved by the Board for use by the licensees.

#### **7.020 CMS hardware and software**

1. The hardware and software configuration of the CMS shall be certified to conform with the standard set by the SABS and approved by the Board prior to utilisation thereof by a licensee.
2. The certification and approval process shall include an evaluation of the total configuration for reliability, recovery, auditability, redundancy and security.
3. Any upgrades or changes to the software system shall be subject to approval by the Board, prior to such upgrade or change taking place.

#### **7.030 Meter wrap handling and meter width**

1. Operational procedures, software, etc. shall be in place which, together with the width of the meters and the expected rate of meter counts, are sufficient to cater for resulting meter wrap events (ie to detect and correctly handle meter wraps), and so preserve the true total statistics.

#### **7.040 Device configuration database**

1. The central monitoring system shall maintain the following information for each gaming device which it monitors:
  - (a) position;
  - (b) device description (eg. serial number, manufacturer);

- (c) configuration (ie denomination, software version installed, game activated, progressive status); and
  - (d) history of upgrades, movements and re-configurations.
2. The monitoring referred to in sub-rule (1) may be done by the CMS, a separate computer or manual system, or any combination thereof, but in any case the information shall be readily retrievable.

#### **7.050 Password protection**

1. The operating system(s) used, as well as the CMS shall provide comprehensive password security.
2. All programs and data files shall only be accessible by entry of a password, which shall be changed monthly and which will be known only to authorised personnel.
3. The passwords and Personal Identification Numbers to access the central monitoring system shall be in an encrypted form.
4. A list shall be maintained of all registered users on the system including their privilege level on both the operating system(s) and CMS.

#### **7.060 Access by the Board**

1. The Board is to be able to access the CMS program and data memory at any time using either the electronic links to the Board, or from a facility on the licensed premises.
2. The system software shall provide comprehensive search mechanisms for the purpose of examination of events and statistical data. The mechanism shall cater for a variety of "keys" as would reasonably be used by the operator and as approved by the Board.
3. The Board may log onto the CMS computer to execute external audit and interrogation programs. The password that the staff member of the Board uses shall give him/her READ ONLY access to all data and there shall be sufficient computer memory space available to enable the staff member of the Board to save a report comprising the read only information.

#### **7.070 User interface: Documentation and reporting**

1. Significant event and statistical data required by the Board will be transferred to the Board at such intervals as the Board may determine.
2. The permitted methodologies for these transfers shall be subject to approval by the Board and may include the following:
  - (a) hard copy report via facsimile;
  - (b) diskette;
  - (c) dial-up data transfer;
  - (d) secure e-mail; and
  - (e) data transfer via dedicated link.
3. The format of the data will be specified by the Board from time to time.

#### **7.080 Link to Board computing facilities**

1. The casino licensee shall provide and maintain such electronic access or link to its CMS as the Board may require from time to time.
2. The electronic link shall include all necessary equipment (ie computer terminals, Telkom, NTU's, routers, modems etc.).
3. The casino licensee shall supply the Board with the necessary software and internal training to enable the Board to link to, log onto and operate the CMS and print all information obtained from the CMS.

#### **7.090 Facilities for Board's staff members**

Every licensee shall provide the following minimum facilities on its licensed premises to the Board's staff members:

- (a) equipment to enable the determination of operational hardware and software version levels for the CMS; and
- (b) facilities and equipment, including office space, to enable staff members to evaluate the compliance of the CMS to approved minimum operational standards and perform such other functions as may be required from time to time.

RULE 8  
CHIPS, PLAQUES, TOKENS, DICE, CARDS, ROULETTE WHEELS AND ROULETTE BALLS

**8.010 Gaming chips, value and non-value**

1. All gaming chips and plaques shall conform to SABS 1718.
2. Each non-value chip other than promotional or tournament chips utilised in a casino shall be issued solely for the purpose of gaming at roulette. The non-value chips at each roulette table shall-
  - (a) have the casino name and location as approved by the Board, clearly pressed, engraved or imprinted on the chip;
  - (b) contain a design, insertion or symbol differentiating those chips from the non-value chips being used at every other roulette table in the casino; and
  - (c) be designed, manufactured and constructed so as to prevent, to the greatest extent possible, the counterfeiting of such chips.
3. No person at a roulette table shall be issued or permitted to play roulette with non-value chips that are identical in colour and design to value chips or non-value chips being used by another person at the same table. When a patron purchases non-value chips, a chip of the same colour shall be placed in a chip-tree or other device as approved by the Board, to the outer rim of the roulette wheel.
4. Non-value chips shall only be presented for redemption at the table from which they were issued and shall not be redeemed or exchanged at any other location in the casino. When so presented, the dealer at such table shall exchange them for an equivalent amount of value chips which will then be used by the patron in gaming or redeemed as any other value chip.
5. Each casino licensee shall have the discretion to permit or prohibit the use of value chips in gaming at roulette, however, it shall be the responsibility of the casino licensee and its employees to keep accurate account of the wagers being made with value chips so that the wager made by one player is not confused with that made by another player at the table.
6. Each casino licensee shall maintain a monthly summary of the value chip inventory for each denomination, which shall include at a minimum, the following:
  - (a) the balance on hand at the beginning of the month;
  - (b) the balance on hand at the end of the month;
  - (c) documentation as to who is holding these chips (if known); and
  - (d) the format of the summary required by this sub-rule shall indicate the daily movement of chips.
7. No casino licensee shall issue or cause to be utilised in its casino any value or non-value chip unless and until such chips have been approved by the Board.
8. No casino licensee or other person licensed by the Board shall manufacture for, sell to, distribute to or use in any casino outside of the Province, any value or non-value chip with the same design as those approved for use in a casino in the Province.
9. Promotional chips shall be of such shape and size and have such other specifications so as to be distinguishable from other chips as determined by the Board.
10. Both sides of each promotional chip shall conspicuously bear the inscription: "No Cash Value".

**8.020 Gaming plaques**

1. No casino licensee shall issue or cause to be utilised in its casino, any gaming plaques unless and until such plaques are approved by the Board.
2. No gaming plaque shall be issued until the casino licensee has submitted to the Board and the Board has approved, a system for accounting for gaming plaques and cage procedures.
3. Where a value chip exists for a denomination equivalent to a plaque, the primary colour used on the value chip shall be utilised as the primary colour for the plaque.

### **8.030 Primary, secondary and reserve sets of gaming chips**

1. Unless otherwise authorised by the Board, each casino licensee shall have a primary set of value chips and a reserve set of value chips which shall conform to the requirements of SABS 1718.
2. In addition to the provisions of sub-rule (1), a casino licensee shall have a secondary set of value chips for denominations of R500,00 and more, which chips shall have at least a different secondary and third colours than the primary set.
3. Each casino licensee shall have a primary set of non-value chips for each roulette table and a reserve set of non-value chips with a design or symbol different from the non-value chips comprising the primary set.
4. The casino licensee shall remove the primary set of gaming chips from active play and place the reserve set of chips in play whenever it is believed the casino is taking on counterfeit chips or whenever any impropriety or defect in the utilisation of the primary set of chips makes removal of the primary set necessary, or whenever the Board so directs.
5. Whenever the primary set of chips is removed from active play, the casino licensee shall immediately notify the Board of this and the reason for such occurrence.
6. A casino licensee shall submit to the Board the final artwork of each denomination of gaming plaque, the final artwork of each value and non-value chip in its primary and secondary sets, and the final artwork of each promotional chip, and shall not purchase or utilise such chips, plaques or promotional chips for gaming purposes until approved by the Board.

### **8.040 Nature and exchange of gaming chips, plaques and promotional chips**

1. All wagering on casino games, other than on gaming machines, in a casino shall be conducted with chips or plaques: Provided that promotional chips shall be permitted for use in wagering at authorised games with prior approval of the Board.
2. Gaming chips previously issued by a casino licensee which are not in active use by that casino licensee, shall not be used for wagering at authorised table games.
3. Value chips or plaques shall be issued to a person only at the request of such person and shall not be given as change in any other transaction but a gaming transaction.
4. Gaming chips shall only be issued to casino patrons from a cash desk or at tables and shall only be redeemed for cash at the cash desk (cage): Provided that gaming chips may be exchanged by a patron at a cashiering booth for currency, coin or gaming machine tokens in order to play a gaming machine.
5. Each gaming chip and plaque is sole evidence of a debt that the casino licensee owes to the person legally in possession of the gaming chip or plaque and shall remain the property of the issuing casino licensee.
6. Each casino licensee shall redeem promptly, its own genuine gaming chips and plaques, except when the gaming chips or plaques were obtained or are being used unlawfully. A casino licensee shall redeem gaming chips or plaques by exchanging them for an equivalent amount of cash or upon request by a patron who surrenders gaming chips or plaques to the value of more than R10 000,00, for a casino cheque of that casino licensee in the amount of chips or plaques surrendered and dated the day of such redemption. The casino cheque may only be issued for that portion of the redemption, which can be established as winnings. Note: The casino may issue a cheque to a patron for a lesser amount but only to the amount, which relates to winnings.
7. Each casino licensee shall have the right to demand the redemption of its gaming chips or plaques from any person in possession of them and such person shall redeem said chips and plaques upon presentation by the casino licensee of cash to an equivalent amount.
8. Each casino licensee shall redeem promptly its own genuine gaming chips or plaques presented to it by any other legally operated casino licensee. The redemption process for credit plaques from another casino shall be contained in the casino licensees' internal control procedures as approved by the Board. Each casino licensee shall submit to the Board for approval, a system for chip and plaque exchange between themselves and other legally operated casino licensees, of gaming chips and plaques-
  - (a) that are in its possession and that have been issued by other legally operated casino licensees; and
  - (b) that it has issued and that are presented to it for redemption by any other legally operated casino licensee.

### **8.050 Receipt, inventory, security, storage and destruction of chips and plaques**

1. When gaming chips or plaques are received from the manufacturer or distributor thereof, they shall be opened and checked by at least three people (excluding the Board representative), one of whom shall be from the casino accounts department of the licensee and one from the security department of the casino licensee. The Board shall be notified at least one week prior to the pending arrival of said equipment by the casino licensee. Any deviation between the invoice accompanying the chips and plaques and actual chips or plaques received, or any defects found in such chips or plaques, shall be reported promptly to the Board.
2. After checking the gaming chips and plaques received, the casino licensee shall record in a chip reconciliation sheet the denomination of the chips and plaques received, the number of each denomination of chips and plaques received, the serial number of each plaque received, the number and description of all non-value chips received, the date of such receipt and the signatures of the individuals who checked such chips and plaques.
3. If any of the gaming chips or plaques received from such manufacturer or distributor are to be held in reserve and not utilised for active gaming either at the tables or in the cash desk (cage), they shall be recorded in the chip reconciliation sheet as reserve chips or plaques and shall be stored in a separate locked compartment in an approved casino vault or safe.
4. Any gaming chips received from such manufacturer or distributor that are part of the reserve set of chips shall be recorded in the chip reconciliation sheet as such and shall be stored separately from the value and non-value reserve chips in locked compartments in an approved casino vault or safe.
5. Whenever any gaming chips or plaques are taken from or returned to either the reserve chip or plaque inventory or the secondary set of chips, this shall be accomplished in the presence of at least two individuals and the denominations, number and amount of chips or plaques so taken or returned, shall be recorded in the chip reconciliation sheet together with the date and signatures of the individuals carrying out this process.
6. At the end of each gaming day, a casino licensee shall compute and record the unredeemed liability for each denomination of chips and plaques and shall cause to be made, at least on a monthly basis, an inventory of chips and plaques in circulation and in reserve and shall cause the result of such inventory to be recorded in the chip inventory ledger. The procedures to be utilized to compute the unredeemed liability and to inventory chips and plaques in circulation and reserve, shall be submitted to the Board for approval. A physical inventory of chips and plaques in the reserve shall only be required annually if the inventory procedure incorporates the sealing of the locked compartments, and that such seals have not been broken during that period.
7. Prior to the destruction of gaming chips and plaques, the casino licensee shall notify the Board in writing, of the date, and the location at which the destruction will be performed, the denomination, number and amount and value of chips or plaques to be destroyed, the description and number of non-value chips to be destroyed and a detailed explanation of the method of destruction. Unless otherwise authorised by the Board, the destruction of gaming chips and plaques shall be carried out in the presence of at least two people, one of whom shall be from the security department of the casino licensee. The denomination, number and amount of value chips and plaques or, in the case of non-value chips, the description and number so destroyed shall be recorded in the chip reconciliation sheet together with the signatures of the individuals carrying out such destruction, and the date on which said destruction took place. The casino licensee shall also maintain a written log of the names and licence numbers of all casino personnel involved in each such destruction, the names and addresses of all non-casino personnel involved.
8. A casino licensee shall ensure that at all times there is adequate security, as approved by the Board, for all gaming chips and plaques in its possession.

### **8.060 Gaming machine tokens: Physical characteristics**

All tokens shall conform to SABS 1718.

### **8.070 Gaming machine tokens, promotional tokens and tournament tokens: Use and specifications**

1. Each casino licensee may, with the Board's approval, issue the following types of tokens:
  - (a) gaming machine tokens that shall be-
    - (i) designed for use in the hoppers of the casino licensee's gaming machines;
    - (ii) capable of activating the play of a gaming machine operated by the casino licensee that issued the gaming machine token, upon insertion into the coin acceptor of the gaming machine being played;
    - (iii) issued to a patron only from a cashiering booth, cash desk (cage) or a change machine;
    - (iv) exchanged by a patron at the casino where the gaming machine token was issued, only at a cashiering booth or cash desk (cage); and

- (v) redeemed by the issuing casino licensee promptly upon request of the patron surrendering one or more gaming machine tokens, only at a coin redemption booth, a cashiering booth or cash desk (cage) for an equivalent amount of cash or a casino cheque of that casino licensee in the amount of the gaming machine tokens surrendered and dated the day of the redemption; and
  - (b) promotional or tournament tokens which shall be of such shape and size and conform to such other specifications so as to be distinguishable from other tokens as approved by the Board and shall-
    - (i) be incapable of activating gaming machine play at any gaming machine which is capable of accepting coins or gaming machine tokens; and
    - (ii) not be used in any transaction other than the promotion or tournament for which they are intended.
2. Each promotional or tournament token shall be designed so that-
    - (a) the name or trade name and location of the licensee is identified thereon;
    - (b) there is an inscription on both sides of each token depicting the words: "No Cash Value";
    - (c) it is not deceptively similar to any currency or past coin of the Republic of South Africa or any other nation;
    - (d) its size or shape has other characteristics which physically prevents its use in lawful vending machines or other designed to be operated by coins of the Republic of South Africa, except for gaming machines; and
    - (e) it incorporates such anti-counterfeiting features and other security measures as the Board may require.
  3. No gaming machine token, promotional token or tournament token shall be issued by a casino licensee or utilised in a casino unless and until-
    - (a) the design specifications of the proposed token are, prior to the manufacture thereof, submitted to and approved by the Board, which submission shall include a detailed schematic depicting the actual size of the token including the diameter and thickness thereof as well as the following:
      - (i) each face;
      - (ii) the edge; and
      - (iii) any words, logos, designs, graphics or security measures contained on the tokens; and
    - (b) a sample of the token has been submitted to and approved by the Board after the approval of the design specifications thereof.
  4. No casino licensee shall issue, use or allow a patron to use in its casino any gaming machine token, promotional token or tournament token that is materially different from the sample of that token approved by the Board.

#### **8.080 Wagering with gaming machine tokens, tournament tokens or any other method**

All wagering at gaming machines in a casino shall be conducted with coins, gaming machine tokens or any other method approved by the Board; provided, however, that currency may be accepted through bill validators or other means approved by the Board.

#### **8.090 Redemption of gaming machine tokens**

1. Except as provided for in sub-rule (5) and as may be specifically approved by the Board, each casino licensee shall redeem gaming machine tokens only from its patrons.
2. Each gaming machine token is sole evidence of a debt that the issuing casino licensee owes to the person legally in possession of the gaming machine token, and shall remain the property of the issuing casino licensee, which shall have the right at any time to demand that the person in possession of the gaming machine token surrender the item upon the casino licensee exercising its right of redemption in accordance with sub-rule (3).
3. Each casino licensee, upon demand, shall have the right to redeem its gaming machine tokens from any person in possession of them, who shall surrender the gaming machine tokens upon the casino licensee presenting the person with an equivalent amount of cash.
4. Each casino licensee shall accept, exchange, use or redeem gaming machine tokens that it has issued and may accept, exchange, or redeem gaming machine tokens that have been issued by any other licensed casino.



5. Each casino licensee shall redeem its own genuine gaming machine tokens presented to it by any other legally operated casino licensee. Each casino licensee shall submit to the Board for approval a system for the exchange, with other legally operated casino licensees, of gaming machine tokens-
  - (a) that are in its possession and that have been issued by any other legally operated casino licensee; and
  - (b) that it has issued and that are presented to it for redemption by any other legally operated casino licensee.

#### **8.100 Tokens: Receipt, inventory, security, storage and destruction**

1. Each Casino licensee shall inspect all gaming machine tokens, promotional and tournament tokens upon receipt from the manufacturer or distributor to ensure, at a minimum, that-
  - (a) the quantity and denomination of gaming machine tokens that are actually received from the manufacturer or distributor are in accordance with the amount of such tokens listed on the invoice; and
  - (b) there are no physical defects in the tokens received.
2. The inspection required by sub-rule (1) shall be conducted by at least three people (excluding a representative from the Board) which shall consist of at least one representative from the financial or auditing department of the casino licensee; and one representative from the security department and the Board shall be notified by the casino licensee at least one week prior to the pending arrival of said tokens.
3. Each casino licensee shall immediately report to the Board in writing any discrepancy in the shipment or invoice including, but not limited to, the following-
  - (a) any defective gaming machine tokens, promotional tokens or tournament tokens contained in the shipment; and
  - (b) any variance in the quantity or denomination of the gaming machine tokens, promotional tokens or tournament tokens actually received from the quantity or denomination thereof reflected on the shipping documents or invoice.
4. Each casino licensee shall submit to the Board for approval procedures to record and process the receipt, inventory, storage and destruction of gaming machine tokens, promotional tokens and tournament tokens.

#### **8.110 Dice: Physical characteristics**

1. Each dice shall conform to the requirements of SABS 1718.

#### **8.120 Dice: Receipt, storage, inspection and removal from use**

1. When dice are received by a licensee from the manufacturer or distributor thereof, the containers in which they arrive shall, immediately following receipt, be inspected by a member of the surveillance department and a member of the table games department to ensure that the seals on each container are intact, unbroken and free from tampering.
2. The dice in containers that have been tampered with or the seals of which have been broken, shall be inspected at this time to ensure that they conform to the Board's standards as set out in these rules.
3. Containers of which the seals are unbroken, intact and free from tampering shall be placed in primary or secondary storage area in the surveillance department.
4. Dice which are to be distributed to gaming pits or tables shall be stored in the primary storage area, which shall be secured by a lock, the key to which shall be maintained by the surveillance department and the location and physical characteristics of which shall be subject to approval by the Board.
5. The secondary storage area shall be used for storage of surplus dice and dice shall not be distributed to gaming pits or tables directly from the secondary storage area.
6. The secondary storage area shall be located in a secure area, the location and physical characteristics of which shall be subject to approval by the Board: Provided that the secondary storage area shall have two separate locks of which the surveillance department shall maintain one key and the table games department shall maintain the other key: Provided, further, that no person employed by the table games department below the level of assistant casino manager shall have access to the casino department's key.
7. Prior to commencement of each day, the surveillance department shall cause to remove the

appropriate number of dice for that gaming day from a primary storage area.

8. All envelopes, bags or containers used to hold or transport pre-inspected dice to the casino floor and those collected by the surveillance department at the end of each gaming day shall be transparent.
9. The envelopes, bags or containers and the method used to seal them shall be designed or constructed so that any tampering shall be evident.
10. The envelopes, bags or containers and seals shall be subject to approval by the Board.
11. All dice shall be inspected and distributed to the gaming tables in accordance with the following:
  - (a) a casino surveillance staff member shall remove the dice from the primary storage area and shall distribute a set of dice directly to the dice supervisor in each pit or to a pit boss;
  - (b) at the time of receipt at a gaming table, a box person at each dice table shall inspect the dice given to him or her with a micrometer or any other approved instrument which performs the same function in the presence of the dealer, in order to assure that the dice are in a condition to assure fair play and otherwise conform to these Rules;
  - (c) following the inspection referred to in paragraph (b), the box person shall place the dice in a cup on the gaming table in the presence of the dealer, and while the dice are at the table they shall never be left unattended;
  - (d) the pit boss shall place a reserve set of dice in a locked compartment in the pit stand, the keys to which shall be held by the pit boss. No dice taken from the reserve shall be used for gaming until or unless inspected in accordance with paragraph (b);
  - (e) the casino licensee shall remove any dice at any time on the gaming day if there is any indication of tampering or any other defect that might affect the integrity or fairness of the game, or at the request of the Board;
  - (f) at the end of each gaming day or at such other times as may be necessary, a person other than the person who originally inspected the dice shall visually inspect each dice for evidence of tampering and if any evidence of tampering is found at this time or at any other time it shall immediately be reported to the Board and the following procedure shall be followed:
    - (i) any dice showing evidence of tampering shall be placed in a sealed envelope, bag or container;
    - (ii) a label shall be attached to each envelope, bag or container which shall identify the table number, date and time and shall be signed by the box person and pit boss;
    - (iii) the surveillance department staff member receiving the dice shall sign for the receipt of the dice and retain the dice in a safe or vault within the surveillance department for a period of two months or longer if so required by the Board;
    - (iv) all other dice shall be put into envelopes, bags or containers at this time and labels shall be attached to each envelope, bag or container which shall identify the table number; and
    - (v) each envelope, bag or container shall be appropriately sealed and maintained in a secure place within the pit until collection at the end of the gaming day by the surveillance department.
12. All extra dice in the reserve that are to be destroyed shall be placed in a sealed envelope, bag or container, with a label attached to each envelope, bag or container which identifies the date and is signed by the pit boss.
13. At the end of each gaming day or at least once during each gaming day at the same time each day, as designated by the casino licensee and approved by the Board, and at such other times as may be necessary, a casino surveillance officer shall collect and sign for all envelopes, bags or containers of used dice and any dice in the dice reserve that are to be destroyed and shall transport them to the surveillance department for destruction. No dice that have been placed in a cup for use in a game shall remain on the table for more than 24 hours.
14. At the end of each gaming day, or at least once during each gaming day at the same time each day as designated by the casino licensee and approved by the Board, and at such other times as may be necessary a surveillance officer shall collect all extra dice in reserve that are still sealed.
15. Every licensee shall submit to the Board for approval, procedures for-
  - (a) a dice inventory system which shall include, at a minimum, the recording of the following:
    - (i) the number of dice received from the manufacturer and the number of dice on hand;
    - (ii) the dice removed from storage;
    - (iii) the dice returned to storage;
    - (iv) the date of the transaction; and
    - (v) the signatures of the individuals involved;

- (b) a daily reconciliation of the dice distributed, the dice destroyed, the dice returned to the primary storage area and if any, the dice in the secondary storage area; and
  - (c) a physical inventory of all dice at least once per month, performed by an individual with no incompatible functions and the reporting of any discrepancies found to the Board.
16. The destruction of all used dice, other than those retained by the surveillance department as required by this rule, shall be-
- (a) completed within 48 hours of collection;
  - (b) performed by drilling a hole through each dice; or such other method approved by the Board.
  - (c) performed in a secure place, the location and physical characteristics of which shall be subject to approval by the Board.

#### **8.130 Cards: Physical characteristics**

1. Cards used in gaming shall conform to the requirements of SABS 1718.
2. The cards used by the casino licensee at poker must be visibly distinguishable from the cards used by a casino licensee to play any other table game.
3. The licensee shall have sufficient number of distinguishable card back designs so as to ensure that no two adjacent tables shall use identical cards.
4. A licensee shall submit to the Board for approval card back designs before making them available for play.

#### **8.140 Cards: Receipt, storage, inspection and removal from use**

1. When decks of cards are received by the casino licensee from the manufacturer or distributor thereof, they shall be placed for storage in a primary storage area or secondary storage area by at least two individuals, one of whom shall be from the table games department or casino administration department and the other from the surveillance department.
2. Cards which are to be distributed to gaming pits or tables shall be stored in the primary storage area, which shall be secured by a lock, the key to which shall be maintained by the surveillance department and the location and physical characteristics of which shall be subject to approval by the Board.
3. The secondary storage area shall be used for storage of surplus cards and cards shall not be distributed to gaming pits or tables directly from the secondary storage area.
4. The secondary storage area shall be located in a secure area, the location and physical characteristics of which shall be subject to approval by the Board: Provided that the keys to the secondary storage area shall be maintained by the security department and signed out under dual control of the surveillance department and a senior representative of a department other than the table games department.
5. Prior to the commencement of each gaming day, the surveillance department shall remove the appropriate number of decks of cards for that gaming day from the primary storage area and place each gaming table's cards and a set of replacement cards for each pit in a sealed envelope, bag or container for distribution to the pit stand.
6. The pit boss or floor supervisor shall examine each package at the table to determine if all decks are present and of the same colour.
7. Prior to their use at the table, all decks of cards shall be inspected by the dealer and the inspection verified by an inspector. Card inspection at the gaming table shall require each deck of cards to be used to be sorted into sequence and into suit to ensure that all cards are present in the deck. The dealer shall also inspect the back of each card to ensure that it is not scratched or marked in any way.
8. If a card is found during the inspection required by sub-rule (7), that is unsuitable for use or a card becomes damaged during the course of play, the following procedure shall be followed:
  - (a) the pit boss shall replace the unsuitable or damaged card with an identical card from the replacement set in the pit stand;
  - (b) the unsuitable or damaged card shall be placed in a sealed envelope, bag or container, identified by table number, date and time and shall be signed by the dealer and inspector assigned to that table; and
  - (c) the envelope, bag or container containing the unsuitable or damaged card shall be kept in a secure place within the pit by the pit boss or casino supervisor and shall be collected by a casino surveillance staff member at the end of the gaming day.

9. All envelopes, bags and containers used to hold or transport cards shall be transparent.
10. All envelopes, bags or containers and the method used to seal them shall be subject to approval by the Board and designed and constructed so that any tampering will be evident.
11. All cards which have been opened and placed on a gaming table shall be replaced at least every 24 hours or after such time as approved by the Board.
12. At the end of each gaming day or at the same time each day, as designated by the casino licensee and subject to approval by the Board and at such other times as may be necessary, the pit boss or casino supervisor shall collect all used cards, which shall be dealt with in the following manner:
  - (a) the cards shall be placed in a sealed envelope, bag or container and a label shall be attached to each envelope, bag or container on which the table number, date and time shall be written and which shall be signed by the dealer and casino supervisor person assigned to the table; and
  - (b) the pit boss or casino supervisor shall maintain the envelope, bag or container in a secure place within the pit until it is collected by a casino surveillance staff member.
13. The casino licensee shall remove any cards at any time during the day if there is any indication of tampering, scratches, marks or any other defects that might affect the integrity or the fairness of the game, or at the request of the Board.
14. All extra decks of cards in the replacement set with broken seals shall be placed in a sealed envelope, bag or container, with a label attached to each envelope or container which identifies the date and the time and is signed by the pit boss or casino supervisor.
15. At the end of each gaming day or at least once during each gaming day at the same time each day, as designated by the casino licensee and approved by the Board and at such other times as may be necessary, a casino surveillance officer shall collect and sign all envelopes, bags and containers with damaged cards, used cards and all extra decks in the replacement set with broken seals and shall return the envelope, bag or containers to the surveillance department.
16. When the envelopes, bags or containers with cards are returned to the surveillance department, the cards shall be inspected for tampering, marks, alterations, missing or additional cards or anything that might indicate unfair play and, subject to the provisions of sub-rule (17), be dealt with in the following manner-
  - (a) the surveillance department shall inspect all the decks of cards used during the day;
  - (b) the surveillance department shall also inspect all cards removed from a gaming table on request by the Board as well as all cards removed from a gaming table as a result of such cards being unsuitable for play, damaged, marked, altered or tampered with and all cards used for poker;
  - (c) the procedures for inspecting all decks required to be inspected under this sub-rule, shall include, at a minimum, the sorting of cards sequentially by suit, the inspection of the packs with ultra violet-light, the inspection of the sides of the cards for crimps, bends, cuts and shavings and the inspection of the front and the back of all plastic cards for consistent shading and colouring;
  - (d) upon conclusion of the inspection procedures required in this sub-rule, each deck of cards shall be destroyed or dealt with in the manner approved by the Board; and
  - (e) the casino licensee shall develop internal control procedures for issuing cards and the returning of unused sealed cards to the storage area.
17. Evidence of tampering, marks, alterations, missing or additional cards or anything that might indicate unfair play discovered at the time of inspection, by surveillance or at any other time, shall be immediately reported to the Board. A copy of the licensee's investigative report shall be forwarded to the Board and the cards in question shall be retained by the licensee until such time as the licensee is given permission by the Board to destroy the cards.
18. The casino licensee shall submit to the Board for approval procedures for-
  - (a) a card inventory system which shall include, at a minimum, the recording of the following:
    - (i) the cards received from the manufacturer and the balance of cards on hand;
    - (ii) the cards removed from storage;
    - (iii) the cards returned to storage;
    - (iv) the date of transaction; and
    - (v) the signatures of the individuals involved;
  - (b) a reconciliation on a daily basis of the cards distributed, the cards destroyed and the cards returned to the storage area; and
  - (c) a physical inventory of cards at least once every three months performed by an individual with

no incompatible functions and the reporting of any discrepancies found to the Board.

19. The destruction of cards shall be performed by shredding or any other method approved by the Board and shall take place in a secure location the physical characteristics of which shall be subject to approval by the Board.

#### **8.150 Roulette balls**

Roulette balls used in gaming shall conform to the requirements of SABS 1718.

#### **8.160 Roulette wheels**

1. Roulette wheels to be used in the casinos of the Province shall conform to the requirements of SABS 1718.
2. Maintenance and operations of roulette wheels shall be meticulously carried out on at least a monthly basis by trained personnel in accordance with the specifications of the manufacturer of the roulette wheel.
3. A maintenance log shall be kept for each roulette wheel, and shall be available for inspection by the Board.
4. All roulette wheels shall be inspected by a licensed manufacturer or supplier on a 6 monthly basis according to the manufacturer's specifications.
5. During non-operating hours, or while the roulette table is closed, a see-through security plate shall be fitted over the bowl and the turret of the roulette wheel to prevent any tampering. This plate shall be fixed in a manner preventing access to the area covered by the security plate. The seals or keys of the locks used for this purpose shall be recorded in a log book and verified by a senior security officer and a pit boss, for both table opening and closing.
6. The Board shall be notified prior to the removal of a damaged roulette wheel. The number of the new roulette wheel shall be recorded in the maintenance log book for that table. The new roulette wheel shall be properly levelled and tested before play can commence on that table.
7. Spare roulette wheels shall be stored in a secure area.

### **RULE 9**

#### **INTERNAL CONTROL PROCEDURES AND EPROM CONTROL**

#### **9.010 Definitions**

**"Announced bet"** means a wager made without chips, plaques or cash;

**"Call bet"** means a bet called to the dealer accompanied by an amount in chips or cash sufficient to cover the value of the bet;

**"Cash equivalents"** means any of the following:

- (a) certified or bank guaranteed cheques, cashier's cheques, bank cheques, recognised travellers cheques or postal orders, any of which are made payable to the casino licensee and endorsed "not transferable";
- (b) certified or bank guaranteed cheques, cashier's cheques, bank cheques or postal orders, any of which are made payable to the presenting patron and endorsed in blank: Provided that no such instrument shall be accepted as a cash equivalent if the instrument was originally made payable to any person other than the presenting patron; and
- (c) recognised credit cards and personal cheques presented pursuant to the licensee's internal control procedures.

#### **9.020 Internal control procedures**

1. Every licensee shall develop and maintain a manual containing the standards, procedures and controls implemented to ensure the integrity of its operations which shall, at a minimum, contain those elements and procedures required in these Rules. (Referred to in these rules as internal control procedures.)
2. Every licensee's internal control procedures shall be subject to approval of the Board prior to commencement of gaming operations by such licensee.

3. Any amendment to a licensee's internal control procedures shall be subject to the Board's approval prior to the implementation thereof.
4. Every licensee shall conduct its operations in terms of its internal control procedures as approved by the Board and any non-compliance with the internal control procedures may be a ground for disciplinary action against a licensee.

### **9.030 Gratuities**

The procedures and policies for the payment of gratuities to staff shall be contained in the licensee's internal control procedures as approved by the Board.

### **9.040 Patron credit**

1. Casino licensees shall describe in their written system of internal controls submitted to the Board all procedures used in the approval, granting, redemption and collection of credit instruments.
2. The only permissible credit instrument shall be a cheque signed by the patron.
3. Prior to the granting of any credit to a patron, the casino licensee shall create a credit file which shall contain the patron's application for credit which must contain, at a minimum, the following information:
  - (a) Patron's name;
  - (b) address of the patron's residence;
  - (c) number of years at that address;
  - (d) telephone number at patron's address;
  - (e) employment information including:
    - (i) Name of patron's employer, or an indication of self-employment or retirement;
    - (ii) type of business;
    - (iii) patron's position;
    - (iv) number of years employed;
    - (v) patron's business address;
    - (vi) patron's business telephone number;
    - (vii) banking information including:
      - . Name and location of patron's bank;
      - . account number of patron's personal cheque account upon which the patron is individually authorised to draw and upon which the patron's credit instruments may be drawn. Cheque accounts of sole proprietors shall be considered as personal cheque accounts;
  - (f) credit limit requested by the patron;
  - (g) name of each casino where the patron has a casino credit limit if this information is obtainable;
  - (h) approximate amount of all other outstanding gaming related indebtedness;
  - (i) patron's signature indicating acknowledgement of the following statement, which shall be included at the bottom of every application form containing the information required to be submitted by the patron pursuant to this sub-rule:

"I certify that I have reviewed all the information provided above and that it is true and accurate. I authorise (insert the casino licensee) to conduct such investigations pertaining to the above information as it deems necessary for the approval of my credit limit. I am aware that the application is required to be prepared by the Regulations and Rules of the Board and I may be subject to civil and criminal liability if any material information provided by me is wilfully false."
4. The credit limit, and any subsequent changes thereto, must be approved by any one or more of the individuals in the following categories:
  - (a) Registered credit department key employee; or
  - (b) registered casino department key employee; or
  - (c) a credit committee composed of licensed key employees which may approve credit limits as a group but whose members may not approve credit individually unless their job position is

within (a) or (b) above.

5. Approval of the credit limit shall be recorded in the patron's credit file and shall include:
  - (a) Any information used to support the credit limit and any changes thereto, including the source of the information, if such information is not otherwise recorded pursuant to this rule;
  - (b) a brief summary of the key factors relied upon in approving or reducing the requested credit limit and any changes thereto;
  - (c) the reason credit was approved if derogatory information was obtained during the verification process; and
  - (d) the signature(s) of the employee(s) approving the credit limit, the date and time shall be recorded contemporaneously with the transaction.
6. The credit department shall either re-verify the patron's credit information and creditworthiness or suspend a patron's credit privileges if a credit instrument is returned to any casino by a patron's bank.
7. All transactions affecting a patron's outstanding indebtedness to the casino shall be recorded in chronological order in the patron's credit file and credit transactions shall be segregated from safekeeping or similar deposit transactions. The following information shall be included in the patron's credit file:
  - (a) The date, amount, and credit instrument number for each credit instrument accepted from the patron;
  - (b) the date, amount and credit instrument number of each consolidation credit instrument and the credit instrument numbers of the credit instruments returned to the patron;
  - (c) the date, method, amount and credit instrument numbers of each redemption transaction and the numbers of the redeemed credit instruments returned to the patron;
  - (d) the date, amount and credit instrument number of each substituted transaction and the number of the credit instrument returned to the patron;
  - (e) the date, amount and credit instrument number of each credit instrument deposited;
  - (f) the date, amount and credit instrument number of each credit instrument returned to the casino licensee by the patron's bank and the reason for its return;
  - (g) the date, amount and credit instrument numbers which have been partially or completely written off by the casino licensee and a brief explanation of the reason for such write-off.

#### **9.050 Minimum credit extension internal control procedures**

1. Casino licensees shall comply with the following minimum rules relative to the authorisation, granting and redemption of credit instruments.
2. The credit approval function (ie establishing the patron's credit worthiness) and the credit extension function (ie monitoring patron's credit play activity/availability) shall be segregated. This requirement applies whether the credit is extended at a table game or at the cage.
3. If cage credit is extended to a single patron in an amount exceeding R5000,00, applicable table games supervisory personnel shall be notified immediately that the patron is playing on cage credit, the applicable amount of credit issued, and the remaining credit available. This may be accomplished by requiring cage personnel to immediately enter the applicable information into a computer system that is available to table games personnel for purposes of making appropriate patron inquiries.
4. Cage marker forms shall be at least two parts, pre-numbered by the printer or concurrently numbered by the computerised system, and utilised in numerical sequence.
5. The completed original cage marker shall contain at least the following information:
  - (a) marker number;
  - (b) patron's name and signature;
  - (c) amount of credit issued (both alpha and numeric).
6. If outstanding credit instruments are transferred to the licensee's head office, collection agencies, or other collection representatives, a copy of the original credit instrument and a receipt from the collection representative shall be obtained and maintained until such time as the credit instrument is returned or payment is received.
7. A detailed listing shall be maintained to document all outstanding credit instruments that have been transferred as contemplated in 6 above.

8. Listings of outstanding credit instruments must be reconciled by the casino accounts department on at least a monthly basis.

#### **9.060 Credit instrument redemption rules**

1. All payments received on outstanding credit instruments shall be permanently recorded in the licensee's records.
2. When payments are made on credit instruments at the cage, they shall be evidenced by a multi-part receipt (or another equivalent document) which contains, at a minimum:
  - (a) The same pre-printed receipt number on all copies.
  - (b) Patron's name.
  - (c) Date of payment.
  - (d) Amount of payment and method of payment (cash, chips, etc.).
  - (e) Remaining balance and serial number if a new marker is issued.
  - (f) Signature or initials of individual receiving payment.
  - (g) Serial number of marker on which payment is being made.
3. All payments on credit instruments shall be immediately recorded in the patron's credit file by cage personnel.

#### **9.070 Access to customer credit documentation**

1. Access to a patron's credit information shall be restricted to those individuals that require access by nature of their job function and are so authorised by management. The positions of such persons shall be documented in the system of internal control.
2. Access to outstanding credit instruments shall be restricted to those individuals that require access by nature of their job function and are so authorised by management. The positions of such persons shall be documented in the system of internal control.

#### **9.080 Patron cash or cash equivalent deposits**

1. The receipt or withdrawal of a customer deposit shall be evidenced by pre-numbered document consisting of at least two-parts, with one copy going to the patron and one copy remaining in the cage file for accountability and reconciliation purposes.
2. The multi-part document shall contain the following information:
  - (a) Same pre-printed number on all copies.
  - (b) Patron's name and signature.
  - (c) Date of receipt and withdrawal.
  - (d) Amount of deposit/withdrawal.
  - (e) Nature of deposit/withdrawal (cash, cheque, chips).
  - (f) Signature of cashier receiving/disbursing the deposit.
3. Procedures shall be established and documented in the system of internal control to ensure proper accountability of customer deposits and shall include:
  - (a) Maintenance of a detailed record, by patron, of the date of all funds deposited and withdrawn and a running balance.
  - (b) Maintenance of a current running balance of the total of all customer deposits which are in the cage/vault inventory for accountability.
  - (c) Reconciliation of the total current running balances with the individual deposits and withdrawals on at least a daily basis.

#### **9.090 Table game controls**

Controls relating to the day to day operations of gaming tables eg. Table opening/closing, dealers duties, table limits, order of pay-outs, inspectors duties, and change procedures shall be specified in the licensee's internal



controls as approved by the Board.

#### **9.100 Call bets and announced bets**

1. The procedures for call bets shall be contained in the licensee's internal control procedures as approved by the Board.
2. Announced bets shall not be accepted by a licensee.

#### **9.110 Table fill and credit rules**

1. Fill/credit slips shall be in at least triplicate form, in a continuous numerical series, and pre-numbered or concurrently numbered in a form utilising the alphabet and only in one series at a time. In the case of a computerised system, the computer shall assign each fill and credit slip a unique identification number that will not be duplicated and will allow for the subsequent accountability of all slips issued.
2. Unissued and issued fill/credit slips shall be safeguarded and adequate procedures shall be employed in the distribution, use and control of it. In the case of a manual system, the accounting department or other department independent of fill and credit transactions shall be responsible for the issuance and control of fill and credit slips.
3. Employees of the cashier or table games departments shall have no access to the locked box or restricted copies of fill/credit slips. For computerised systems, employees that participate in fill and credit transactions shall not have access to data files and shall have no ability to delete or alter such information.
4. When a fill/credit slip is voided (that is after being processed), the cashier shall clearly mark "Void" across the face of the original and first copy. The cashier and a representative from the security department shall sign both the original and first copy and shall submit all available parts to the accounting department for retention and accountability. For computerised systems, at least two persons from separate departments shall be required to enter authorising ID's in order to void a fill/credit slip. A complete chronological record of the transactions and authorisations shall be retained in the computer system and printed on an exception report.
5. Fill transactions shall be authorised by a pit supervisor prior to the issuance of fill slips and transfer of chips, tokens, or monetary equivalents from the cage to the table. A fill slip request shall be used to document this authorisation. The fill slip request shall be at least a two-part document and shall contain, at a minimum, the table number, the date, time, amount of fill requested by denomination and the signatures of the pit supervisor authorising the fill and the cashier that prepares the fill.
6. One part of the fill slip request shall remain in the pit for subsequent comparison to the fill slip and the other part shall be transported to the cage by a security department representative for use by the cashier in the preparation of a fill slip. In the case of a computerised system, the pit supervisor shall provide the required information to the pit clerk who enters the information into the computer system and the copy of the fill slip request is automatically printed in the cage.
7. At least three parts of each fill slip shall be used as follows:
  - (a) One part shall be transported to the pit with the fill and, after the appropriate signatures are obtained, deposited in table drop box.
  - (b) One part shall be retained in the cage for reconciliation of cashier bank.
  - (c) One part shall be retained in a fill slip book or intact in a locked machine in a continuous unbroken form in the case of a manual system; or as a permanent record in the data files in the case of a computerised system.
8. The table number, date, time and amount of fill by denomination and in total shall be noted on all copies of the fill slip.
9. All fills shall be carried from the cashier's cage by a representative of the security department.
10. Each fill slip shall be signed by at least the following individuals as an indication that each has counted the amount of the fill and the amount agrees with the amount recorded on the fill slip:
  - (a) Cashier - Who prepared the fill slip and issued the chips, plaques or tokens.
  - (b) Security - Who carried the chips, plaques or tokens from the cage to the pit.
  - (c) Dealer - Who received the chips, plaques or tokens at the gaming table.
  - (d) Pit Supervisor - Who supervised the fill transaction.
11. Fills shall be broken down and verified by the dealer in view of the public and surveillance before the dealer places the fill in the table tray.

12. Fill slips and request for fill slips shall be placed in the drop box only by the dealer.
13. When table credits are transacted, a credit slip request shall be prepared for transferring chips, tokens or monetary equivalents from the pit to the cashier area. A credit slip request shall be at least a two-part document and shall contain, at a minimum, the table number, the date, time, amount of credit by denomination and the signatures of the pit supervisor authorising the credit and the cashier who prepares the credit slip.
14. One part of the credit slip request shall be placed on the table layout in view of the public and surveillance for the purposes of verifying the credit slip for proper entries and to document the total amount of chips, plaques, tokens, and monetary equivalents removed from the table.
15. One part of the credit slip request shall be given to security for transportation with the chips, plaques, tokens and monetary equivalents to the cage and shall be used by the cashier to prepare the credit slip. In the case of a computerised system, the pit supervisor shall also provide the required information to the pit clerk who enters the information into the computer system and the copy of the credit slip request is automatically printed in the cage.
16. At least three parts of each credit slip shall be used as follows:
  - (a) One part shall be retained in the cage for reconciliation of the cashier bank after obtaining the required signatures.
  - (b) One part shall be returned to the pit by security personnel who transported the chips, plaques and tokens from the table game to the cage, and after the appropriate signatures are obtained, returned to the table game and deposited in the table drop box.
  - (c) One part shall be retained intact in a locked machine in a continuous unbroken form in the case of a manual system; or as a permanent record in the data files in the case of a computerised system.
17. The table number, date, shift, time and the amount of credit by denomination and in total are noted on all copies of the credit slip.
18. Chips, plaques and tokens shall be removed from the table tray only by the dealer and broken down and verified to the request for credit, or other acceptable designation, in view of the public and surveillance prior to placing them in racks for transfer to the cage.
19. Chips, plaques or tokens shall not be removed from the table game until a request for credit representing the amount being removed has been placed on the table layout.
20. All chips, plaques and tokens removed from the tables shall be transported from the tables to the cashier's cage by a representative of the security department.
21. Credit slips shall be signed by at least the following individuals as an indication that each has counted and verified the amount to the amount recorded:
  - (a) Cashier - Who received the items transferred from the pit and who prepared the credit slip.
  - (b) Security - Who carried the items transferred from the table to the cage and returned to the pit with the credit slip.
  - (c) Dealer - Who had custody of the chips, plaques and tokens prior to transfer to the cage.
  - (d) Pit Supervisor - Who supervised the credit transaction.
22. The credit slip and request for credit shall be placed in the drop box only by the dealer.
23. Chips, plaques and tokens shall be deposited on, or removed from, table games only when accompanied by the appropriate fill or credit slips. Cross-fills between tables shall be strictly prohibited.

#### **9.120 Hand Payouts, Gaming Machine Hopper Fills, Short Pays and Accumulated Credit Payouts**

1. For all hand payouts and gaming machine fills, the payout form/documentation shall be at least three parts (single sheet if computer generated) and shall include, at a minimum, the following information:
  - (a) Date and time.
  - (b) Machine number.
  - (c) Rand amount of cash payout (both alpha and numeric) or the description and value of the prize awarded, if not cash.
  - (d) Game outcome (including reel symbols, card values and suits, etc.) for jackpot and progressive payouts only. This point relates to hand written payouts only.
  - (e) Type of payout (eg. progressive, jackpot, credit win, short pay, special pay or hopper fill).

- (f) Signatures of all employees verifying and witnessing the jackpot payout or gaming machine hopper fill.
  - (g) Signature of the customer other than for hopper fills.
  - (h) Same pre-printed or concurrently printed sequential number on all copies of the form.
  - (i) For hopper fills, at a minimum, the information as required by (a), (b), (c), (e), ( f ) and (h) above.
2. For computer generated forms, a copy of the document must be available in electronic format for a period of at least 5 years.
  3. Signature verification rules for the above point 1 must be included in the licensee's internal controls as approved by the Board.
  4. For machine short pays and payouts required for accumulated credits, the payout form shall be the same form as described in 1 above and shall, at a minimum, include:
    - (a) Date and time.
    - (b) Machine number.
    - (c) Rand amount of payout (both alpha and numeric).
    - (d) Signatures verifying and witnessing the payout as per 4 (c) above.
  5. For short pays the value paid must also be recorded on the "machine entry log" contained in the machine. The person authorising and making the payout shall sign the machine log.
- Computerised jackpot/fill systems shall be restricted so as to prevent unauthorised access to the system and fraudulent payouts by a single individual. Password and physical controls shall be addressed in the system of internal control and shall require supervisory authorisations of all corrections made to jackpot payout and gaming machine hopper fill information.
7. Computer systems used to record gaming machine transactions shall be capable of generating adequate documentation of all information recorded on the source documents and the transaction details (eg. jackpot payout slips, gaming machine hopper fill slips, etc.).
  8. All such computer-generated documentation shall be restricted to authorised personnel with no incompatible functions.
  9. Computer generated documentation shall include, at a minimum:
    - (a) System exception information (eg. appropriate system parameter information, corrections, voids, etc.).
    - (b) Personnel access listing which includes at a minimum:
      - (i) Employee name.
      - (ii) Employee identification number.
      - (iii) Listing of functions employee can perform or equivalent means of identifying such functions.
  10. Jackpot payout and gaming machine hopper fill slips shall be controlled and routed in a manner that precludes any one individual from producing a fraudulent payout by forging signatures; or by altering the amount paid out subsequent to the payout and misappropriating the funds. A restricted copy of forms used to record all such transactions shall be:
    - (a) Treated as secured and controlled stationery.
    - (b) In triplicate with the same pre-printed number on all copies of the form.
    - (c) Accounted for by the accounting department personnel who shall investigate all missing or altered forms.
  11. In the case of a computerised system, the restricted copy shall be in the form of restricted computer storage media that shall be verified by the accounting department against the documents issued on the casino floor. Personnel participating in gaming machine payout and fill transactions shall not have access to this stored information for any purpose.

### **9.130 Promotional pay-outs and awards**

1. Promotional payouts and awards are supplemental payouts or awards that are not reflected in the gaming machine pay table. Compliance with the following rule is required for all such promotional payouts and awards.
  - (a) The payout form/documentation shall include, at a minimum, the following information:

- (i) Date and time.
- (ii) Machine number and denomination.
- (iii) Rand amount of payout or description and value of the prize awarded if not cash.
- (iv) Type of promotion (eg. double jackpots, four-of-a-kind bonus, etc.).
- (v) Signature of a gaming machine department supervisor and at least one other employee authorising and completing the transaction. If the payout or award has a value greater than R10 000,00 a supervisor or management employee from a department independent of the gaming machine department shall verify and witness the payout or award and shall sign the payout form.
- (vi) All casino licensees must submit to the Board for approval the company's procedures for authorising promotional hand pays.

#### **9.140 EPROM control**

1. On receipt of a master EPROM from the manufacturer the following shall be adhered to:
  - (a) the master program number, par percentage and pay table shall be verified to the manufacturer's specification sheet and the certification number by the technical manager (supervisor) or gaming machine supervisor and shift manager; and
  - (b) on completion of the verification required by paragraph (a), the master EPROM register will be signed by all parties present.
2. Registered copies of all percentage, game or personality EPROMs shall be kept under dual control. Where the EPROM is for a game type that is for a wide area progressive jackpot or has a potential jackpot value in excess of R50 000,00, then the dual control over such EPROM shall include the security department.
3. A register for all master EPROMs shall be kept and include at a minimum the following information:
  - (a) EPROM number;
  - (b) Board approval number;
  - (c) manufacturer;
  - (d) date of par verification and signatures of all persons present;
  - (e) reason for removal from secured area and signatures;
  - (f) date of destruction, reasons and signatures of those involved; and
  - (g) the Kobertron signature number.
4. Procedures for copying of EPROMs and the securing of EPROMs into the machines shall be documented in the licensee's internal control procedures as approved by the Board.
5. Procedures for the controlling of competition and promotional EPROMs shall be documented in the licensee's internal control procedures as approved by the Board.

#### **9.150 Gaming machine hopper contents**

1. When gaming machines are temporarily removed from the floor, gaming machine drop and hopper contents shall be protected to preclude the misappropriation of stored funds. A representative of the security department shall be present when machine contents are secured to ensure such contents are adequately safeguarded.
2. When gaming machines are permanently removed from the casino floor, the hopper contents shall be added to the gaming machine drop by at least two employees and in the presence of a representative of the security department and the following procedure shall be followed:
  - (a) a closing fill shall be made out to the equivalent value of the opening fill and the closing fill documentation shall be passed on to the casino accounts department; and
  - (b) the casino accounts department shall pass on the closing fill documentation to the count personnel or in accordance with the licensee's internal control procedures as approved by the Board.

## 10.010 Definitions

**"Cage" "cashier's cage" or "cash desk"** means a physical structure immediately adjacent to the gaming floor to house the cashiers and to serve as the central location in the casino for the following:

- (a) the custody of the cage inventory comprising currency including patrons' deposits, coin, patron credit instruments, gaming chips and plaques, forms, documents and records normally associated with the operation of a cage;
- (b) the approval, exchange, redemption, and consolidation of patron cheques received for the purposes of gaming in conformity with these rules;
- (c) the receipt, distribution, and redemption of gaming chips, tokens and plaques in conformity with these rules;
- (d) the issuance, receipt and reconciliation of funds used in the acceptance of currency and coupons from patrons in exchange for currency in conformity with these rules.

**"Cash equivalents"** means any of the following:

- (a) certified or bank guaranteed cheques, cashier's cheques, bank cheques, recognised travellers cheques or postal orders, any of which are made payable to the casino licensee and endorsed "not transferable";
- (b) certified or bank guaranteed cheques, cashier's cheques, bank cheques or postal orders, any of which are made payable to the presenting patron and endorsed in blank: Provided that no such instrument shall be accepted as a cash equivalent if the instrument was originally made payable to any person other than the presenting patron; and
- (c) recognised credit cards and personal cheques presented pursuant to the licensee's internal control procedures.

**"Casino supervisor"** means a person employed in the operation of a casino in a supervisory capacity or empowered to make discretionary decisions which govern casino operations, including but not limited to, inspectors, floorpersons, pit bosses, casino shift managers, the assistant casino manager, and the casino manager.

**"Chief Executive Officer" or "Managing Director"** means the natural person located at a casino hotel facility who is ultimately responsible for the daily conduct of an applicant's or casino licensee's hotel and gaming business, regardless of the applicant's or casino licensee's form of business association or the particular title which the person holds.

**"Coin vault"** means a separate area for the storage of the coin, prize tokens and gaming machine tokens in locations outside the cage or master coin bank.

**"Compensation"** means direct or indirect payments for services performed including, but not limited to, salary, wages, bonuses, deferred payments, and overtime and premium payments.

**"Drop"** means-

- (a) for gaming machines, the total value of coins, gaming machine tokens and notes located in the gaming machine's drop box or note acceptor; and
- (b) for table games, the total value of currency, chips, plaques, tokens and credit markers contained in the drop box.

**"Handle"** means, for gaming machines, the total amount of coins, gaming machine tokens, or credits played in a gaming machine by patrons.

**"Hard count"** means the counting of coins and tokens removed from the drop boxes of gaming machines.

**"Imprest" or "Imprest basis"** means the basis on which cashiers' cage and gaming machine booth funds are replenished from time to time in exactly the amount of the net of expenditures made from the funds and amounts received. A review is made by a higher authority of the propriety of the expenditures before the replenishment.

**"Incompatible function"** means a function, for accounting control purposes, that places any person or department, in a position to both perpetrate and conceal errors or irregularities in the normal course of his duties. Anyone recording transactions and having access to assets ordinarily is in a position to perpetrate errors or irregularities. Persons may be considered to have incompatible functions if such persons are members of departments that have supervisors not independent of each other.

**"Internal control procedures"** means a manual required in terms of rule 9.010.

**"Jackpot"** means any money, merchandise or thing of value to be paid to a patron as the result of-

- (a) a specific winning combination(s) of characters indicated on a gaming machine; or
- (b) the winning of a table game progressive jackpot.

**"Security department member"** means any person employed by a casino licensee to provide physical security

in an establishment and to observe and participate in certain movements of cash and cash equivalents between secure locations and the casino floor.

**"Shift"** means the regular, daily work period of a group of employees involved in the operation, administering and supervising the operation of table games, gaming machines, cashier's cage and satellite cages, working in relay with another such succeeding or preceding group of employees or specific times, as stated in the licensee's system of internal control.

**"Soft count"** means the counting of all wagering instruments removed from the drop boxes and/or note acceptors of gaming tables and gaming machines, other than coins and tokens, including, but not limited to cash notes, chips, plaques and markers.

**"Surveillance department member"** means any person employed by a casino licensee to perform covert surveillance of gaming operations through use of video cameras and recording equipment. This employee shall be independent of all casino-related operations and transactions.

#### **10.020 Organisational structure**

1. All casino licensees shall develop and implement an organisational structure that provides for-
  - (a) a system of personnel and chain of command that permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility;
  - (b) the segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties;
  - (c) primary, and secondary supervisory positions which permit the authorisation or supervision of necessary transactions at all relevant times; and
  - (d) areas of responsibility which are not so extensive as to be impractical for one person to monitor.
2. Each casino licensee shall at all times maintain a level of staffing which ensures the proper operation and effective supervision of all gaming and gaming related activities.

#### **10.030 Mandatory departments**

1. In addition to satisfying the requirements of rule 10.010, each casino licensee's organisational structure shall, at a minimum, include the following departments which shall operate independently of all other departments:
  - (a) a surveillance department which shall report directly to executive management of the licensee who does not participate in the conduct of daily gaming operations of the casino and which department shall have the following functions:
    - (i) the clandestine surveillance of the operation and conduct of table games and gaming machines;
    - (ii) the clandestine surveillance of the operation of the cage and satellite cages;
    - (iii) the video taping of activities in the soft count room and hard count room;
    - (iv) the detection of cheating, theft, embezzlement, and other illegal activities in the casino, count rooms, cashiering booths, cashier's cage and other locations within the casino;
    - (v) the detection of the presence in the licensed premises of any person who is required to be excluded, or who may be excluded or ejected, or of any person who is prohibited from entering a casino;
    - (vi) the video and audio recording of all views forming part of the approved surveillance system and storage of such recordings;
    - (vii) providing timely notification to appropriate supervisors and the Board, upon detecting, and upon commencing video or audio recording of any person referred to in subparagraph (iv) and (v);
    - (viii) documentation in an incidence log of all illegal and unusual activities monitored by the surveillance department; and
    - (ix) any other function ascribed to it in these rules;
  - (b) a financial department which shall be responsible for the financial administration and control of the casino and any other function assigned to it in terms of these rules and shall report to the complex general manager;
  - (c) an internal audit department, which shall report directly to the audit committee of the board of directors of the licensee or its holding company or in the absence of an audit committee, an independent member of the board of directors of the licensee or its holding company and which

shall be responsible for the functions required by rule 10.070 and any other function assigned to it in terms of these rules;

- (d) security department which shall be responsible for the overall security of the licensed premises including, without limitation, the following:
- (i) enforcement of the law;
  - (ii) the physical safety of all persons in the licensed premises;
  - (iii) the physical safeguarding of assets transported to and from the casino floor and secured locations such as count rooms, cashiering booths, cashier cage, etc.;
  - (iv) the protection of all property on the licensed premises from illegal activity;
  - (v) notifying the South African Police Services and the Board as to the fact of the detention of any person by the licensee;
  - (vi) the recording of any and all unusual occurrences within the casino for which the assignment of a security department employee is made. Each incident, without regard to materiality, shall be assigned a sequential number and, at a minimum, the following information shall be recorded in indelible ink in a bound notebook from which pages cannot be removed and each side of each page of which is sequentially numbered-
    - (aa) the assignment number;
    - (bb) the date;
    - (cc) the time;
    - (dd) the nature of the incident;
    - (ee) the person involved in the incident; and
    - (ff) the security department employee assigned;
  - (vii) the identification and removal of any person who is required to be excluded, or who may be excluded or ejected, or of any person who is prohibited from entering a casino;
  - (viii) the performance of all duties and responsibilities in accordance with these rules or the internal control procedures approved by the Board; and
  - (ix) any other function assigned to it in terms of these rules;
- (e) a table games department, supervised by a person referred to as a casino manager or gaming manager, which shall be responsible for the operation and conduct of all table games approved and authorised by the Board and any other function assigned to it in terms of these rules, excluding the soft count and computer applications and data files;
- (f) a slots department, supervised by a person referred to as a slots manager, which shall be responsible for the operation and maintenance of gaming machines approved and authorised by the Board and any other function assigned to it in terms of these rules, excluding the hard count and soft count and any other function assigned to it by these rules; and
- (h) a casino accounts department supervised by a person referred to herein as a casino accountant, which shall be responsible for the functions required by rule 10.060.
2. The Board may approve different reporting lines to those required by sub-rule (1) if the licensee can demonstrate that there are no incompatible functions.

#### **10.040 Jobs compendium submission**

1. Each casino licensee and applicant for a casino licence shall prepare and maintain a jobs compendium consistent with the requirements of this chapter, detailing job descriptions and lines of reporting for all personnel engaged in the operation of the casino.
2. Unless otherwise directed by the Board, the jobs compendium referred to in sub-rule (1) shall be submitted to the Board for approval at least 60 days prior to the projected date of commencing operations.
3. No casino licensee shall commence gaming operations unless and until its jobs compendium is approved by the Board.
4. Any proposed amendment to a previously approved jobs compendium shall be subject to approval by the Board before such amendment is implemented by the casino licensee.

#### **10.050 Electronic data processing: EDP Department**

If a separate electronic data processing (EDP) department is maintained or if there are in-house developed computer systems, the following standards shall be applicable:

- (a) the EDP department shall be independent of all gaming areas (ie cage, pit, count rooms, etc.);

- (b) the EDP department personnel shall be precluded from unauthorised access to computers and terminals located in gaming areas, source documents and live data files (not test data);
- (c) program changes for in-house developed systems shall be documented as follows:
  - (i) requests for new programs or program changes shall be reviewed by the EDP supervisor and approvals to begin work on the program shall be documented and retained;
  - (ii) a written plan of implementation for new and modified programs shall be maintained and include, at a minimum, the date the program is to be placed into service, the nature of the change (if applicable), a description of procedures required in order to bring the new or modified program into service (conversion or input of data, installation procedures, etc.), and an indication of who is to perform all such procedures;
  - (iii) testing of new and modified programs shall be performed and documented prior to implementation; and a record of the final program or program changes, including evidence of user acceptance, date in service, programmer, and reason for changes, shall be documented and maintained; and
  - (iv) computer security logs, if generated by the system, shall be reviewed by EDP supervisory personnel for evidence of-
    - (i) multiple attempts to log-on;
    - (ii) changes to live data files; and
    - (iii) any other unusual transactions.

#### **10.060 Casino accounts**

Controls relating to the day to day operations of the casino accounts department shall be specified in the licensee's internal control procedures as approved by the Board, which shall include the following minimum responsibilities and requirements:

- (a) the casino accounts department shall be independent of the gaming departments;
- (b) the casino accounts department shall be responsible for the controls over stationery that represent value and shall ensure the following:
  - (i) stationery that requires strict security controls, due to the fact that it may represent value in the casino, may only be purchased from a person that has been approved by the Board and granted a certificate of suitability;
  - (ii) stationery that represent value shall be checked on a daily basis to ensure completeness, that no unauthorised alterations have been effected and that the stationery is being used in numerical sequence; and
  - (iii) the internal control procedures as approved by the Board shall identify all security stationery and the specific controls relating to each form required;
- (c) on a daily basis a member of the casino accounts department or vault department shall check, verify and attest to the accuracy of both the hard and soft counts;
- (d) the casino accountant shall be responsible for ensuring that access to the casino management system is only given to authorised personnel and that the access given does not compromise the internal control standards; and
- (e) the day to day accounting functions with regards to the operation of the gaming departments and the cage and vault departments will be performed by the casino accounts department. The casino accountant shall authorise all journal entries and ensure that revenues, expenses, assets and liabilities are reconciled to the general ledger on a monthly basis.

#### **10.070 Internal audit**

1. Documentation (eg. checklists, programs, reports, etc.) shall be prepared to evidence all internal audit work performed.
2. The results of internal audit work shall be reported to those persons referred to in rule 10.0301 (c) and copies of these reports shall be forwarded to the Board.
3. Observations and examinations of the following activities, with emphasis on compliance with the internal control procedures as well as the Regulations and these rules, shall be performed (based on the licensee's financial year end) on the following activities as applicable to the operation:
  - (a) the following shall be reviewed at least once during each quarter:
    - (i) for table games, fill and credit procedures, pit credit play procedures, soft drop/count procedures and the subsequent transfer of funds, surprise testing of count room



currency counters, location and control over sensitive keys, the tracing of source documents to summarised documentation and accounting records, and reconciliation to restricted copies;

- (ii) for gaming machines, jackpot pay-out and gaming machine fill procedures, gaming machine drop/count and currency acceptor drop/count and subsequent transfer of funds, surprise testing of weigh scale and weigh scale interface, surprise testing of count room currency counters, gaming machine drop cabinet access, tracing of source documents to summarised documentation and accounting records, reconciliation to restricted copies, location and control over sensitive keys, and compliance with EPROM duplication procedures;
- (iii) all cage, credit, and collection procedures, and the reconciliation of trial balances to physical instruments on a sample basis;
- (iv) cage and vault accountability shall be reconciled to the general ledger;
- (v) review of electronic data processing functions for compliance with EDP standards; and
- (vi) conciliation of gross gaming revenue is from the accounting records to the Board's levy returns;

(b) at least six monthly, all casino related balance sheet accounts.

4. In addition to the observations and examinations required under sub-rule (3), follow-up observations and examinations shall be performed to verify that corrective action has been taken regarding all instances of non-compliance cited by internal audit, the Board and/or the independent accountant which verification shall be performed within six months following the date of notification.

#### **10.080 Cage accounting standards**

1. All cage reconciliation forms shall be verified to supporting documentation on a daily basis and nominal floats shall be reconciled to the general ledger on a monthly basis.
2. The cage accounts shall be reconciled to the general ledger on at least a monthly basis, which shall include a physical verification to the actual source documents and inventory.
3. An analysis of casino accounts receivable, including each patron's name, date of issue of credit and current balance, shall be prepared at least monthly and shall be reconciled to the general ledger at least monthly.

#### **10.090 Table games: Computer generated documentation**

1. Computer systems used to record table games transactions shall be capable of generating adequate documentation of all information recorded on the source documents and transaction detail (eg. fill/credit slips, markers, etc.).
2. All such computer-generated documentation shall be restricted to authorised personnel with no incompatible functions.
3. Computer-generated documentation shall include, at a minimum-
  - (a) system exception information (eg, appropriate system parameter information, corrections, voids, etc.); and
  - (b) personnel access listing which includes at a minimum-
    - (i) employee name;
    - (ii) employee identification number or equivalent; and
    - (iii) a list of functions that employee can perform or equivalent means of identifying such functions.

#### **10.100 Statistics**

1. The following statistical analysis shall be maintained by every licensee-
  - (a) in respect of gaming tables, records reflecting statistical and actual drop, win, win to drop, hold percentage by table and type of game; and
  - (b) in respect of gaming machines, records reflecting handle, win, win to handle, hold percentage by machine and denomination.
2. The records referred to in sub-rule (1), shall be maintained at least by day, cumulative month-to-date and cumulative year-to-date.

#### **10.110 Table games: Accounting/auditing procedures**

1. Table games accounting and auditing procedures shall be performed by personnel who are independent of the transactions being audited/accounted for and who have no incompatible functions.
2. A daily reconciliation shall be prepared for at least the day, week and month-to-date which includes the following information necessary to prepare the gaming levy and VAT returns:
  - (a) drop per table;
  - (b) win per table; and
  - (c) total gross gaming revenue.
3. If drop can be determined in a table game (eg, bill-in/coin-drop meters, currency acceptor, computerised record, etc.), the rand amount of the drop recorded by such methods shall be reconciled to the actual drop on a daily basis.
4. Accounting/auditing employees shall review exception reports for all computerised table games systems at least monthly for propriety of transactions and unusual occurrences.
5. Any improper transactions or unusual occurrences discovered during the review of the exception reports shall be investigated with the results being documented and maintained for Board inspection.
6. The licensee shall document the audit process undertaken and procedures used for auditing table games. All follow-up actions performed on any noted exceptions shall be documented and retained for Board inspection.

#### **10.120 Theoretical/actual hold**

1. The theoretical hold percentages used in the gaming analysis report shall be within the performance standard contained in the Board's letter of approval of gaming equipment.
2. Records shall be maintained for each machine that reflects the dates and type of changes made and the recalculation of theoretical hold as a result of the changes.
3. Monthly reconciliation of gaming machine hold percentages shall be done by the casino management.
4. Large variances between theoretical hold and actual hold on gaming machines shall be investigated by management and resolved with the findings documented for Board inspection.

#### **10.130 Gaming machines: Accounting/auditing procedures**

1. Gaming machine accounting/auditing procedures shall be performed by employees who are independent of the transactions being reviewed.
2. The gaming machine accounting/auditing procedures shall be contained in the licensee's internal control procedures as approved by the Board.

#### **10.140 General: Personnel**

1. For all computerised gaming machine systems a personnel access list shall be maintained which shall include, at a minimum, the following information:
  - (a) employee name;
  - (b) employee identification number (or equivalent);
  - (c) a list of functions which that employee can perform or equivalent means of identifying same.
2. An audit trail shall be maintained of all changes made to any individual's access to the system, which shall contain the following minimum information:
  - (a) the name of the person who performed the change;
  - (b) the name of the person whose access was changed;
  - (c) the nature of the change to the access;
  - (d) the date and time of the change;
  - (e) a computer generated sequential number; and

- (f) if access rights are amended as a result of a system upgrade, these changes shall be documented.

#### **10.150 Electronic data processing: General controls**

The following aspects shall be addressed in the licensee's internal control procedures as approved by the Board:

- (a) the main computers (ie hardware, software and data files) for each gaming department application shall be in a secured area with access restricted to only authorised persons;
- (b) gaming personnel shall be precluded from having unrestricted access to the secured computer areas;
- (c) computer systems, including application software, shall be secured through the use of passwords or other approved means and access to system functions shall be controlled by management personnel or persons independent of the department being controlled;
- (d) passwords shall be controlled as follows unless otherwise addressed in these standards:
  - (i) each user shall have his or her own individual password;
  - (ii) passwords shall be changed at least monthly with changes being documented; and the system shall preclude an individual from using the same password for more than one month in every twelve months;
- (e) adequate backup and recovery procedures shall be in place, and if applicable, include-
  - (i) daily backup of data files;
  - (ii) backup of all programs;
  - (iii) secured off-site storage of all backup data files and programs, or other adequate protection; and
  - (iv) recovery procedures shall be tested at least quarterly; and
- (f) adequate system documentation shall be maintained, including descriptions of both hardware and software and operator manuals.

#### **10.160 Electronic data processing: Modems**

If remote dial-up to any other gaming equipment is allowed for software support, the licensee shall maintain an access log which shall include the name of employee authorising modem access, the name of the authorised programmer or manufacturer representative, the reason for modem access, a description of work performed and the date, time, and duration of access.

#### **10.170 Electronic Storage Media**

1. Documents may be scanned or directly stored to electronic storage media with the following conditions:
  - (a) The electronic storage media must contain the exact duplicate of the original document.
  - (b) All documents stored on electronic storage media shall be maintained with a detailed index containing the casino department and date in accordance with the Board's record keeping requirements. This index must be available upon request by the Board.
  - (c) Upon request by the Board, hardware (terminal, printer, etc.) shall be provided in order to perform auditing procedures.
  - (d) Controls must exist to ensure the accurate reproduction of records, up to and including the printing of stored documents used for auditing purposes.
2. If source documents and summary reports are stored on re-writeable electronic storage media, the electronic storage media may not be relied upon for the performance of any audit procedures, and the original documents and summary reports must be retained.

#### **10.180 Regulatory Inspectorate**

1. The licensee shall provide office accommodation and such other facilities as may be required for at least one regulatory inspector on a full time basis.
2. The Board will levy a fee on a cost recovery basis, on the licensee for the provision of services by these personnel.

RULE 11  
CLEARANCE, COUNT AND KEY CONTROL STANDARDS

**11.010 The soft count room**

1. There shall be a room which shall be separated from the casino floor, in which the soft count shall take place and which shall conform to the following minimum requirements:
  - (a) the door shall be of substantial, steel lined construction and shall be opened only under surveillance and if opened during the count, only at times when the count table is clear of loose chips and cash;
  - (b) the room shall be of brick or concrete construction and both the ceiling and the floor shall be solidly constructed;
  - (c) the door shall have a spy hole fitted and will be locked or bolted from the inside while the count is taking place;
  - (d) the count procedure shall be monitored and recorded on video and audio. (Refer to the surveillance rules for the minimum camera standards);
  - (e) the counting table shall be made of a transparent material and there shall be no shelves or objects on, above or below the table that could obstruct the clear view of any document or person on the CCTV;
  - (f) there shall be a clear partition at one end of the counting table so that cash and chips that have not been counted will be separated from cash and chips that have been counted;
  - (g) there shall be a panic alarm system fitted within easy reach of the count lead; or
  - (h) there shall be an internal telephone within easy reach of the count supervisor's position;
  - (i) lighting in the count room shall be arranged so that there is no reflection from the count table on the CCTV picture;
  - (j) the room shall have no outside windows and there shall be an emergency lighting system which shall last for at least 8 hours and shall come on immediately in the event of a power cut;
  - (k) the room will be air conditioned, and this will be controlled from inside the count room;
  - (l) when the soft count is to take place the day after the clearance of the gaming day, the room will have the following additional features:
    - (i) there shall be a safe or a lockable metal shelving system with very secure high quality locks in the room in which all drop boxes shall be locked and the room shall be covered by CCTV recording from the time when the first box is brought into the room until the end of the count the following day;
    - (ii) there shall be a device on the inside of the room to detect any movement within the room; and
    - (iii) an alarm shall be fitted to the door of the room which shall be operative once the boxes have been locked into the room.

**11.020 Marking of drop boxes**

All drop boxes shall be marked in clearly visible writing which reflects the specific table or gaming machine from which it is removed.

**11.030 The hard count room: Requirements and equipment standards**

1. There shall be a room which shall be separated from the casino floor and the soft count room, in which the hard count shall take place and which shall conform to the following minimum requirements:
  - (a) the door shall be opened only under surveillance;
  - (b) the surveillance department shall be notified prior to any entry into the room;
  - (c) the door shall be locked or bolted from the inside while the count is taking place;
  - (d) the count procedure shall be monitored and recorded on video;
  - (e) lighting in the count room shall be arranged so that there is no reflection on the CCTV picture;

- (f) the room shall have no outside windows and there shall be an emergency lighting system which shall last for at least 8 hours and shall come on immediately in the event of a power cut;
- (g) the room shall be air conditioned, and this will be controlled from inside the count room;
- (h) the weigh scale calibration module shall be secured so as to prevent unauthorised access (eg, pre-numbered seal, lock and key, etc.) by hard count personnel;
- (i) a staff member of the security department shall be present whenever the calibration module is accessed for repair or re-calibration. The surveillance department shall be notified prior to anyone accessing the calibration module;
- (j) each time the calibration module is accessed, a log shall be completed that includes the date, time, nature of the repair and the signatures of all persons observing the process, which log shall be retained for Board inspection;
- (k) if a weigh scale interface is used, it shall be adequately restricted so as to prevent unauthorised access (passwords, keys, etc.) by hard count personnel;
- (l) if the weigh scale has a zero adjustment mechanism, it shall either be physically limited to minor adjustments (eg, weight of a bucket) or physically situated such that any unnecessary adjustments to it during the weighing process would be observed by other count team members and the surveillance department;
- (m) the weigh scale and weigh scale interface (if used) shall be tested by the internal audit department on at least a quarterly basis with the test results being documented and retained for Board inspection;
- (n) prior to commencement of the hard count at least two employees shall verify the accuracy of the weigh scale and weigh scale interface with varying weights or with varying amounts of previously counted coins of each denomination to ensure the scale is properly calibrated; and
- (o) the preceding weigh scale and weigh scale interface test results shall be documented by the persons performing the test. All persons participating in the test shall date and sign the form stating the results of the test. These forms shall be retained for Board inspection.

#### **11.040 Mandatory clearance report**

1. Each licensee shall report annually to the Board, on or before 1st April, the time or times during each day when the clearance of gaming tables and gaming machines are to take place.
2. All drop boxes and other similar receptacles shall be removed and counted at the time or times previously designated to the Board and the licensee shall provide the Board with written advance notification of any changes to the designated times.
3. Routine removal and counting of drop box contents at other than the designated times is prohibited unless the licensee provides advance written notice to the Board of a change in times or the Board requires a change of designated times.

#### **11.050 Table clearance rules**

1. Removal and transportation of drop boxes:
  - (a) the keys to the drop boxes as well as the drop box storage racks shall be signed out from security by the following personnel: Gaming security employee with either, cash desk supervisor and count supervisor or a senior tables department employee signing as witnesses to this;
  - (b) locked drop boxes shall be removed from the tables by the gaming security employee under the supervision and in the presence of a senior pit official;
  - (c) the drop boxes will be transferred to a secure storage area that may be located in the soft count room, which shall be continuously video recorded;
  - (d) the removal and transportation of the drop boxes shall be monitored and recorded by the surveillance personnel on the CCTV system and noted in the occurrence book;
  - (e) all drop boxes will be cleared from the tables regardless of whether the tables were opened or not;
  - (f) the drop boxes removed will be placed in a trolley for transportation purposes and the drop boxes and trolley will always be in full view of the CCTV cameras; and
  - (g) once all the drop boxes have been removed they will be secured in the storage area.

### **11.060 Emergency clearance: Tables**

In certain instances an emergency clearance of gaming tables may be required. The procedures required to perform such clearances shall be contained in the internal control procedures of the licensee and approved by the Board.

### **11.070 Table soft count procedure**

1. The soft count shall not be performed simultaneously at the same location with the count of other revenue.
2. The count team shall be independent of transactions being reviewed and after counted (ie the table games department) and the subsequent accountability of soft drop proceeds.
3. There shall be at least 3 persons present during the soft count and only English shall be spoken in the count room.

The detailed count procedures and uniforms worn in the count rooms shall be contained in the licensee's internal control procedures as approved by the Board.

5. At no time during the count (to provide for emergency situations) shall more than one person at a time leave the count room until all monies have been counted, verified and accepted into cage/vault accountability.
6. Count team members shall be rotated on a routine basis. Rotations shall be such that the count team is not consistently the same three individuals more than four days per week.
7. Drop boxes shall be individually emptied and counted. No more than one box may be open at any one time, unless approved by the Board.
8. The count of each box shall be recorded in ink or other permanent form of recording.
9. If currency counters are utilised and the count room table is used only to empty boxes and sort/stack contents, a count team member shall observe at all times the loading and unloading of all currency at the currency counter, including rejected currency.
10. Drop boxes, when empty, shall be shown to the other members of the count team who are observing the count and to the CCTV camera.
11. Cage and drop box copies of fill/credit slips shall be matched or otherwise reconciled by the count team or casino administration to verify that the total Rand amounts for the gaming day are identical.
12. Requests for fills and credits shall be matched to the fill/credit slips.
13. Fills and credits shall be traced to, or recorded on, the count sheet and examined for correctness.
14. Copies of the markers removed from the drop boxes shall be either-
  - (a) traced to or recorded on the count sheet by the count team; or
  - (b) totalled and traced to the totals documented by the computerised system.
15. The opening/closing table sheet and marker inventory forms (if applicable) shall be either-
  - (a) examined and traced to or recorded on the count sheet; or
  - (b) if a computerised system is used, accounting personnel may trace the opening/closing table and marker inventory forms (if applicable) to the count sheet in place of the count team. Any discrepancies shall be investigated with the findings documented and maintained for Board inspection.
16. Corrections to information originally recorded by the count team on soft count documentation shall be made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two of the count team members next to the change, on the count sheet change.
17. The total count recorded on the count sheet shall be reconciled to the total cash removed from the drop boxes by a count team member who does not function as the count team member who records the count.
18. All members of the count team shall attest by signature to the accuracy of the table games count.
19. All monies and monetary equivalents that were counted shall be turned over to the cage/vault cashier who shall be independent of the count team.
20. The above mentioned individual shall certify by signature on the count sheet as to the accuracy of the monies delivered and received.
21. Access to stored drop boxes, full or empty, shall be restricted to only authorised members of the drop and count teams.

22. Access to the count room during the count shall be restricted to members of the drop and count teams. Authorized observers, supervisors for the purpose of resolving problems, authorized maintenance personnel and personnel required to collect the empty drop boxes for purposes of putting them on the tables may only enter and exit the count room in the presence of a representative from the security department.
23. The count sheet, with all supporting documents, shall be promptly delivered to the casino accounts department by the count team supervisor/lead at the conclusion of the count. Alternatively, the documentation may be placed in a locked container to which only accounting personnel can gain access until retrieved by the casino accounts department.
24. The involvement of at least two individuals independent of the cage, one of which shall be a security department representative, is required to access empty drop boxes. In addition, the surveillance department shall observe all accesses of the locked empty drop box storage area.

#### **11.080 Gaming machine clearance: Hard and soft count**

1. A minimum of three employees shall be involved in the removal of the gaming machine drop, at least one of whom is from the security department and may not include personnel from the slots department. If more than one clearance team is used, a representative from the security department shall be assigned to each clearance team for the duration of the clearance.
2. Proper security shall be provided at all times over the drop boxes and canisters removed from the gaming machine prior to being transported to, and secured in, the hard count room or soft count room, as the case may be.
3. If more than one trip is required to remove the gaming machine drop from all of the machines, the filled trolleys shall be locked and secured immediately in the hard count room or soft count room or secured in another equivalent manner. These trolleys shall be under continuous surveillance coverage.
4. The surveillance department shall observe and record the entire gaming machine clearance process and note it in the occurrence book.
5. The procedures relating to the physical clearance and the responsibilities of each person involved shall be submitted by the licensee to the Board for approval at least one month prior to implementation.

#### **11.090 Emergency clearance: Gaming machines**

In certain instances an emergency clearance of gaming machines may be required. The procedures required to perform such clearances shall be contained in the internal control procedures of the licensee and as approved by the Board.

#### **11.100 Gaming machine hard count and wrap standards**

1. For the purposes of this rule, the terms "**wrap**" and "**wrapping**" shall include terms such as "**bag**", "**bagging**", "**rack**" and "**racking**".
2. The weigh/count process shall be performed by a minimum of three employees.
3. At no time during the weigh/count shall there be fewer than three count team members in the count room. The surveillance department shall be notified prior to the start of the weigh/count process so they may observe and record the weigh and wrap of the gaming machine drop.
4. The gaming machine count team shall be independent of the slots department and the subsequent accountability of gaming machine count proceeds.
5. The following functions shall be performed in the counting of the gaming machine drop:
  - (a) count team supervisor/recorder function which involves the recording of the gaming machine count or entering the appropriate information into a computerised system and overall control of the weigh/count and wrap process; and
  - (b) counting function, which is performed by a count team member who assists in the weigh/count process in a non-supervisory capacity.
6. The amount of the gaming machine drop proceeds from each gaming machine shall be recorded in ink on a gaming machine weigh/count document by the recorder or mechanically printed by the weigh scale. If a weigh scale interface is used, the gaming machine weigh/count figures shall be transferred and recorded via direct line or computer storage media.
7. At a minimum, the count team supervisor/recorder and at least one other count team member shall

sign the weigh tape and the gaming machine count document attesting to the accuracy of the weigh/count.

8. All other persons who participate in the weigh/count and/or wrap process shall sign the gaming machine count document or a summary report to attest to their presence and evidencing their participation in the weigh/count and wrap. This document shall also be signed by a person from the casino accounts department/vault department and the cage attesting to the accuracy thereof.
9. The total coins counted per machine will be compared with the meter readings obtained from the machine on a daily basis. Investigation and reporting procedures with regards to variances will be contained in the licensee's internal control procedures as approved by the Board.
10. At least three employees shall be present throughout the entire wrapping process of the gaming machine drop proceeds. These employees will remain responsible for all the proceeds until the funds are handed over to the safe custodian.
11. Transfers out of the count room during the gaming machine count/wrap process shall be either prohibited, or if transfers are permitted during the count and wrap, each transfer shall be recorded on a separate pre-numbered, multi-part form (used solely for gaming machine count transfers) which is subsequently reconciled by the casino accounts department to ensure the accuracy of the reconciled wrapped gaming machine drop.
12. Transfers, as noted above, shall be counted and signed for by at least two members of the count team, a member of casino administration who is responsible for authorising the transfer and the employee receiving the transfer. The physical transfer shall require the participation of a security department representative.
13. Upon completion of the wrapping, of the gaming machine drop proceeds-
  - (a) the count team supervisor/lead, one other independent member and a member of the casino administration or vault department shall count the final wrapped, bagged or racked gaming machine drop independently from each other;
  - (b) the above counts shall be independently recorded on a summary report. If discrepancies exist between the counts, a re-count is performed and any differences reconciled. All such documents shall be retained and forwarded to accounting.
14. The same members as referred to in sub-rule 13 (a) above shall compare the final wrap amounts, by denomination, to the weigh/count. The weigh and wrap comparison shall be recorded on a variance summary sheet.
15. A member of the cage shall independently count the wrapped gaming machine drop by denomination and reconcile it to the weigh/count recorded on the summary report by the count team representatives.
16. At the conclusion of the reconciliation, the count team member, one other count team member and the cage/vault employee shall sign the summary report attesting to its accuracy. The accountability for the gaming machine drop proceeds shall transfer to the cage.
17. The total of the wrapped, bagged or racked coins and tokens (exclusive of proper transfers) shall be transported to the cage, vault or coin vault after the reconciliation of the weigh/count to the wrap.
18. Variances between the weigh/count and wrap shall be investigated by management personnel independent of the slots department, count team and the cage/vault functions on a timely basis, using the following minimum guidelines:
  - (a) R100,00 where the value of the coins/tokens is less than R2,00.
  - (b) R200,00 where the value of the coins/tokens is between R2,00 and R5,00.
  - (c) R500,00 where the value of the coins/tokens exceeds R5,00.
19. The results of such investigations shall be documented and maintained for Board inspection.
20. All gaming machine count and wrap documentation, including any applicable computer storage media, shall be immediately delivered to the casino accounts department by the count team or security. Alternatively, count documentation may be secured (eg, locked container to which only accounting personnel can gain access) until retrieved by the casino accounts department.
21. Corrections on gaming machine count documentation shall be made by crossing out the error, entering the correct figure, and then obtaining the initials of the count team supervisor and at least one other count team member.
22. If a weigh scale interface is used, corrections to gaming machine count data shall be made by crossing out the error on the gaming machine document, entering the correct figure and then obtaining the initials of at least two count team employees. If this procedure is used, an employee independent of the slots department and count team shall subsequently enter the corrected figure into the computer system prior to the generation of related gaming machine reports.
23. During the count process, correct the error in the computer system and enter the passwords of the



count team supervisor and at least one other count team members. If this procedure is used, an exception report shall be generated by the computer system identifying the gaming machine number, the error, the correction and the count team employees attesting to the correction.

#### **11.110 Gaming machine soft count standards**

1. The gaming machine soft count shall be performed in the soft count room and shall be performed by a minimum of three employees.
2. The gaming machine soft count team shall be independent of transactions being reviewed and counted (ie the slots department), and the subsequent accountability of currency drop proceeds.
3. Currency acceptor drop boxes shall be individually emptied and counted in such a manner as to prevent the mingling of funds between boxes until the count of the box has been permanently recorded.
4. The count of each box shall be recorded in ink or other permanent form of recording.
5. If currency counters are utilised and the count room table is used only to empty boxes and sort/stack contents, a count team member and surveillance shall be able to witness the loading and unloading of all currency at the currency counter, including rejected currency.
6. Drop boxes, when empty, shall be shown to another member of the count team and to a surveillance camera to verify that all contents have been removed.
7. The notes counted will be compared to the gaming machine's meter reading on a daily basis. Investigation and reporting procedures with regards to variances will be contained in the licensee's internal control procedures as approved by the Board.
8. Corrections to information originally recorded by the count team on currency acceptor count documentation shall be made in accordance with the licensee's internal control procedures as approved by the Board.
9. The total drop recorded on the count sheet shall be reconciled to the total drop by the count team supervisor and one other count team member who does not function as the recorder.
10. All members of the count team and a member of one other department shall attest by signature to the accuracy of the currency acceptor drop count.
11. After all currency acceptor drop boxes have been counted and the totals reconciled by the count team, all monies shall be turned over to the cage cashier, who is independent of the count team.
12. The cage representative shall certify by signature on the count sheet as to the accuracy of the currency delivered and received. Upon signing the count sheet, the vault/cage becomes responsible and accountable for the drop proceeds.
13. Access to stored full currency acceptor drop boxes shall be restricted to only authorised members of the drop and count teams.
14. Access to the count room during the count shall be restricted to members of the drop and count teams. Authorised observers, supervisors for the purpose of resolving problems, authorised maintenance personnel and personnel required to collect the empty drop boxes for purposes of putting them on the tables may only enter and exit the count room in the presence of a representative from the security department.
15. The count sheet, with all supporting documents, shall be promptly delivered to the casino accounts department by a count team member or a security department representative. Alternatively, it may be adequately secured (eg. locked container to which only accounting personnel can gain access) until retrieved by the casino accounts department.

#### **11.120 Key control standards**

1. Drop box release keys:
  - (a) Drop box release keys shall be maintained by a department independent of the table games department and shall require persons from at least two separate departments to act as custodian and to access the keys.
  - (b) Persons authorised to remove table games drop boxes from the tables shall be precluded from having access to drop box contents keys.
2. Drop box storage rack keys:
  - (a) A representative from the security department shall be required to obtain and retain control of such keys each time drop boxes are removed from or placed in storage racks.

- (b) Persons who maintain custody and those authorised to obtain drop box storage rack keys shall be precluded from maintaining custody or having access to drop box contents keys (with the exception of the count team in the limited case to reset the boxes during the count).
- 3. Drop box contents keys:
  - (a) The physical custody and access controls shall be such that the keys necessary for accessing stored full drop box contents requires the involvement of persons from at least two separate departments, one of which must be the security department.
  - (b) Controls shall be implemented that provide for the surveillance department to be automatically notified each time the drop box contents keys are accessed. Surveillance personnel shall verify that persons obtaining the keys are authorised to do so and that at least two people from different departments are present. In cases of unscheduled access to drop box contents keys referred to in paragraph (c) hereunder, the surveillance department shall observe and record the movement of such keys for the entire time they are unsecured.
  - (c) Access to the drop box contents key at other than scheduled count times requires the involvement of at least two persons from separate departments one of which shall be the security department. Casino management personnel shall be required to authorise any unscheduled access to drop box contents keys. The reason for the unscheduled access shall be documented with the signatures of all participants and observers.
- 4. Count room keys:
  - (a) At least two count team members are required to be present when count room and other keys necessary to conduct the soft count are issued. Key control measures shall be included in the licensee's internal control procedures as approved by the Board.
  - (b) Controls shall be implemented that require the automatic notification of the surveillance department each time someone enters the soft count room. Fixed surveillance cameras shall be positioned such that anyone entering the soft count room will be recorded.
- 5. Duplicate keys:
  - (a) All duplicate keys shall be maintained in a manner which provides a more stringent degree of control over drop boxes as is required for the original keys. Representatives from at least two separate departments, which shall include at least the security department, shall be present and involved in obtaining keys necessary to gain access to the keys needed to access the contents of drop boxes.
  - (b) The storage location of duplicate keys shall be subject to 24-hour video surveillance and recording and controls shall be implemented as required by paragraph (a).
  - (c) Detailed records shall be maintained for each key that is issued, duplicated or destroyed which indicates the type of key, number of keys issued, made or destroyed, the date, the reason(s) and the signatures of all persons involved. Representatives from at least two separate departments, one of which shall be the security department, shall be required to authorise and verify the issuance, duplication and destruction process.
- 6. Key control logs:
  - (a) Key control logs shall be maintained for the following keys-
    - (i) drop box release and contents keys;
    - (ii) count room keys;
    - (iii) drop box storage rack keys;
    - (iv) drop box contents keys; and
    - (v) all duplicate keys for (i) to (iv) above;
  - (b) all key control logs shall contain, at a minimum, the following information for each of the keys listed in (a) above:
    - (i) date and time keys are obtained;
    - (ii) signature and legible name or registration number of custodian releasing the keys;
    - (iii) signature and legible name or registration number of person obtaining the keys;
    - (iv) date and time keys are returned to custodian;
    - (v) signature and legible name or registration number of person returning the keys; and
    - (vi) signature and legible name or registration number of custodian receiving the keys;
  - (c) key control logs shall be periodically reviewed by internal audit department; and
  - (d) all entries in key logs shall be in ink or other form of permanent recording.

**12.010 Wide area progressive jackpots (inter-casino linked progressives)**

1. Any wide area progressive system shall be adequately restricted to prevent unauthorised access (eg, changing passwords at least monthly, restricted access to EPROM's, and restricted physical access to computer hardware, etc.).
2. Procedures shall be developed, implemented, and documented for:
  - (a) Reconciliation of meters and jackpot pay-outs;
  - (b) collection/drop of gaming machine funds;
  - (c) jackpot verification, payment and billing to casinos on pro-rata basis;
  - (d) system maintenance; and
  - (e) system accuracy.
3. Reports documenting the procedures above shall be developed and documented in the internal control procedures as approved by the Board.

RULE 13 - BINGO RULES

**Rule 13.010 Definitions.**-As used in these Rules, unless the context otherwise indicates-

**"Bingo centre"** means the licensed premises on which the game of Bingo is conducted in terms of a Bingo operator licence or casino licensee;

**"Bingo operator"** means the holder of a Bingo operator licence in terms of the Act and the holder of a casino licence in terms of the Act who is authorised by the Board to operate the game of Bingo on his licensed premises and **"operator"** and **"Bingo licensee"** shall have a corresponding meaning;

**"physical card"** means a Bingo card, or shutter card or any other card approved by the board;

**"central Bingo centre"** means a Bingo centre at which number, picture or symbol selection takes place during a simultaneous game;

**"draw"** means selection of a number, picture or symbol to be marked off by players or a device during a game of Bingo;

**"electronic card"** means an electronic Bingo card or digital representation of a bingo card or a similar device approved by the board;

**"game"** means the game of Bingo or any particular game that is substantially similar;

**"linked Bingo centre"** means a Bingo centre linked to the central Bingo centre during a simultaneous game;

**"NRCS"** means the National Regulator for Compulsory Specifications;

**"Regulation"** means any regulation made in terms of section 84 of the Act;

**"Rules"** means the Gauteng Gambling Board rules;

**"simultaneous game"** means a game of Bingo played at more than one Bingo centre simultaneously; and

**"the Act"** means the Gauteng Gambling Act, 1995 (Act No. 4 of 1995) as amended.

**Rule 13.020 Application of Rules.**-These Rules shall be applicable to all Bingo operators and applicants for Bingo operator licences.

**Rule 13.030 Requirements for Bingo centres.**-Every Bingo centre shall contain the following equipment-

(1) A random number, picture or symbol selecting device or some other similar device approved by the Board, which shall operate either electronically or mechanically whereby the numbers, pictures or symbols drawn must be either called, displayed or distributed to the players.

(2) A control desk or designated room, with sufficient space for a random number, picture or symbol selecting device or some other similar device approved by the Board. If a control desk and an announcer is used it shall be elevated from the rest of the premises.

(3) If an announcer is used a public address system which shall ensure suitable audibility by all players, of all instructions and information from the control desk in relation to the conduct of the game.

(4) If the game is played using a physical card/s, one or more information panels or screens, they shall be clearly visible to all players, and shall display, at minimum the following information-

- (a) the face value of the card being played;
- (b) all numbers, pictures or symbols drawn in the game currently being played;
- (c) all prizes available in the game currently being played;
- (d) the amount of the applicable jackpot as well as the maximum amount of draws for the jackpot;
- (e) the amount of draws made in the game currently being played; and
- (f) the number of physical cards sold in respect of the game currently being played.

(5) If the game is played using electronic cards or similar devices the screens or similar devices shall be clearly visible to the player, on which shall be displayed the following minimum information-

- (a) a clear digital representation of the electronic card or cards;
- (b) the minimum stake per game or alternatively the denomination of device and any multiples of the denomination that can be staked per game;
- (c) the amount of the applicable jackpot as well as the maximum amount of draws for the jackpot; and
- (d) all numbers drawn in the game currently being played.

(6) A closed circuit television system or other device/system approved by the Board, of which at least one of the monitors or devices shall be clearly visible from each positions which may be occupied by a player, on which the numbers, pictures or symbols being selected or distributed are clearly displayed.

(7) If using a physical card or cards a cash desk or designated room, the physical characteristics of which shall be approved by the Board, in which the cashier shall be stationed and in which shall be kept-

- (a) all Bingo cards removed from the storage area in order to be sold;
- (b) all money paid by players for the purchase of Bingo cards;
- (c) any other equipment needed by the cashier to perform his functions;
- (d) any other items which the Board may require from time to time; and

(Editorial Note: Wording as per original *Provincial Gazette*.)

(8) A computer system, which shall be of a type identical to a system approved by the Board, which shall be used to record and store the game records, required in terms of Rule 13.140 of these Rules.

**Rule 13.040 Random number selecting devices.**-(1) A Bingo operator shall not use any random number, picture or symbol selecting device unless such a device has been certified by the NRCS and approved by the Board.

(2) Any number, picture or symbol selecting device shall be designed, manufactured and used in such a way that the randomness of the numbers, pictures or symbols selected, will be ensured at all times.

(3) The following requirements shall apply when a mechanical device or apparatus is used as random number, picture or symbol selecting device-

- (a) the number of balls used shall be equal to the total numbers of which the game consist and shall be marked accordingly, the lowest of which shall be number one and the highest of which shall be equal to the highest number being played, symbols or pictures can also be used where approved by the Board;
- (b) the balls used shall be identical to one another in respect of all its physical characteristics except for the colour and number, picture or symbol painted on each ball;
- (c) no two balls shall have the same number, picture or symbol;
- (d) each ball shall be legibly imprinted with its particular number, picture or symbol in such way and in such combination of colours to guarantee suitable visibility thereof on the closed circuit television monitors, if such ball is drawn by the ball drawing apparatus;
- (e) the set of balls to be used shall be identical to a set of balls previously approved by the Board in writing;
- (f) the complete set of balls shall be substituted at least on completion of 1000 games or on completion of such other number of games as determined by the Board;
- (g) notwithstanding the provisions of paragraph ( f ), the complete set of balls shall be substituted

before completion of 1000 games or such other number of games as determined by the Board, if it is discovered that any of the balls are not in perfect condition, in respect of its colour, numbering, weight, size or any other aspect; and

- (h) the replaced set of balls shall be kept in a box, which shall be sealed by the centre manager and kept on the licensed premises for inspection by the Board or any of its employees, for a period of three months.

(4) When using cards there shall be a reserve random number, picture or symbol selecting device in each Bingo centre, which shall be used in the event of a malfunction occurring in the random number selecting device normally used.

**Rule 13.050 Approval of floor plan.**-(1) Every applicant for a Bingo operator licence shall submit to the Board, for approval, a detailed floor plan, drawn to scale, of the premises on which the game of Bingo is to be conducted, on which plan shall be indicated the seating arrangement for the players, as well as the placement of all necessary equipment, referred to in Rule 13.030.

(2) If a licensee intends effecting any change to the floor plan as approved by the Board, he shall apply to the Board, in writing, for approval of such change(s), which application shall be accompanied by a revised floor plan, which shall incorporate the proposed changes. No such change may be made by a licensee without the prior approval of the Board.

**Rule 13.060 (a) Requirements for physical cards.**-(1) The game of Bingo shall be played using physical cards, or any other card approved by the Board.

(2) No two cards in a series shall be identical to one another with regard to their unique serial numbers or the numbers, pictures or symbols to be marked off by players.

(3) On each card shall be printed at least, the numbers, pictures or symbols to be marked off by the players, the series to which it belongs, its unique serial number within the series. Each card shall also contain a design, logo or the name of the Bingo centre at which the card is sold.

(4) Every Bingo card shall be valid for one game only, unless using shutter cards.

(5) Cards shall be manufactured in a material allowing the numbers, pictures or symbols to be marked or covered by the players.

**Rule 13.060 (b) Requirements for electronic cards.**-(1) Requirements for electronic cards or similar devices-

- (a) The game of Bingo may be played using electronic cards or any other device approved by the Board.
- (b) The electronic card or cards must be clearly visible or available to be viewed by the player.
- (c) No two cards in the same game may be identical in regard to the numbers, pictures or symbols to be marked on each card.

**Rule 13.070 Sale of physical Bingo cards.**-(1) Bingo cards may only be sold in the Bingo centre where the game for which such cards are sold, is to be conducted.

(2) Bingo cards shall be sold consecutively according to their serial number within each of the series. The sale of cards in each game shall begin with number one of a particular series, or the number following the number of the last card sold in a previous game, as the case may be.

If the number of cards in the series being sold is insufficient to satisfy the demand of the players, cards of a second series may be sold for the same game, subject to the following requirements-

- (a) the second series to be sold shall have the same selling price per card as the first;
- (b) the sale of the second series shall commence with the next consecutive number of such series; and
- (c) the cards of the second series shall be sold up to the serial number immediately preceding the serial number of the first card sold in the first series, to ensure that no two cards identical to one another in the numbers to be marked off by the players, may be sold or used in the same game of Bingo.

**Rule 13.080 Retention and destruction of physical Bingo cards.**-The following cards shall be dealt with in the manner described below-

- (a) all prize winning cards shall be attached to the record of the relevant game and kept for a period of three months;

- (b) any card which may constitute evidence of an offense or any contravention of the Act, Regulations or Rules, shall be retained and submitted to the Board on request and shall not be destroyed until the Board has approved, in writing, the destruction thereof;
- (c) any card which forms the subject of a dispute or which may lead to the resolution of a dispute, shall be retained and submitted to the Board on request thereof and shall only be destroyed with the prior written approval of the Board; and
- (d) any damaged or void card shall be kept for a period of three months.

**13.090 Receipt, storage and use of physical Bingo cards.**-(1) Bingo cards shall be packaged and supplied to operators in such manner that every series is individually packaged and sealed in order to prevent any tampering with the cards, before the opening of the packaging by the operator.

(2) All Bingo cards received by the operator from the manufacturer or supplier thereof, shall be checked by the centre manager or other designated key employee, immediately after arrival, to ensure that the packaging is intact and the seal free from tampering.

If the packaging of any series of cards is not intact or the seal has been tampered with in any way whatsoever, the operator shall immediately inform the Board thereof and store the relevant cards, together with the packaging and seal thereof, until the Board has determined the manner in which it will be dealt with.

(3) The cards received, of which the packaging is intact and the seals free from tampering, shall be stored in a locked storage area, the location and physical characteristics of which shall be approved by the Board.

(4) No Bingo cards shall be removed from the packaging thereof, prior to being removed from the storage area in order to be sold to players.

(5) The operator shall submit to the Board, for approval, procedures for the following-

- (a) the control of access to the Bingo cards;
- (b) removal of Bingo cards from the locked storage area;
- (c) return of unused cards to the locked storage area;
- (d) daily reconciliation of the Bingo cards received, sold and returned to the storage area;
- (e) weekly or monthly reconciliation and inventory of all Bingo cards;
- (f) a disaster recovery plan in the event of any of the Bingo cards being stolen or lost; and
- (g) control of all keys of the Bingo centre.

(6) If playing the game of Bingo using shutter cards or electronic cards 13.070, 13.080 & 13.090 do not apply.

**Rule 13.100 Type and format of Bingo to be approved.**-(1) Every applicant for a Bingo operator licence shall submit to the Board full details of the type and format of Bingo to be conducted in the premises for which the licence is sought, including the types of prizes and jackpots and the manner in which it may be won.

(2) Only that type and format of Bingo which has been approved by the Board to be conducted in a specific Bingo centre, shall be conducted in such Bingo centre.

(3) The holder of a Bingo operator licence shall apply to the Board in writing, before effecting any change to the type and format of Bingo, conducted in his Bingo centre including the types of prizes and jackpots and the manner in which it may be won and no such amendment shall be implemented until the Board has approved it.

**Rule 13.110 Conducting the game of Bingo using physical cards.**-(1) Every game of Bingo shall start with the sale of cards or tickets, for that particular game.

(2) The game of Bingo shall be conducted in the following manner-

- (a) before the commencement of the sale of physical cards, or a payment being made for the first game of each day, the desk manager or other designated employee shall inspect all equipment mentioned in Rule 13.030 in order to verify that it is in proper working condition;
- (b) the series (1 or more) of the cards to be sold, the face value of each card and the unique serial number of the first card to be sold shall be announced and/or displayed on the information panel, whereafter the cards shall be sold;
- (c) on completion of the sale of the cards, the following shall be announced-
  - (i) the total number of cards sold, using the following information: " \_\_\_\_\_cards sold, of series

- \_\_\_\_\_ numbered \_\_\_\_\_ to \_\_\_\_\_ and of series \_\_\_\_\_ numbered \_\_\_\_\_ to \_\_\_\_\_";
- (ii) the value of each type of prize available for the game and the way in which each prize is to be claimed;
  - (iii) in the case of a jackpot prize being available, the maximum number of draws for which the jackpot shall be awarded; and
  - (iv) the commencement of number, picture or symbol selection;
- (d) number, picture or symbol will be successively selected, using the random number selection device;
  - (e) every number, picture or symbol selected shall be announced on the public address system in a clearly audible manner and shall be displayed on the closed circuit television system as well as the information panel/panels;
  - (f) the first player or players to claim, having complete the combination necessary for a prize on his card and, where applicable, within the required number of draws, shall be entitled to the applicable prize, if he claims the prize within the time and in the manner provided for in these rules;
  - (g) the game shall be interrupted when any player claims a prize and the card for which the prize is claimed shall be collected by the centre manager or other designated employee, who shall check the card in order to verify whether the claim is legitimate;
  - (h) if the check reveals that the relevant prize has been won, this shall be announced on the public address system and/or display monitors. If the check reveals otherwise, the game will continue until all available prizes have been won;
  - (i) once the existence of a prize winning card has been verified and announced or displayed, the caller shall enquire from the players whether there are any other winning cards, allowing a reasonable time before ordering the game to be resumed or declaring it ended, as the case may be. Once the caller has announced the game to have ended, all rights to claim any prize in respect of said game, shall be lost; and
  - (j) when the last available prizes in a particular game has been claimed and positively verified, the caller shall declare the game closed and all prizes shall be paid to the winners.

**Rule 13.110A Conducting the game of Bingo using electronic cards or similar devices.**-(1) Every game of Bingo shall start with payment for that particular game.

(2) The players may have the option to choose the electronic bingo card/cards they wish to play or these may be chosen by the device.

(3) On the activation of the game the numbers, pictures or symbols will be displayed on the player screens or devices.

(4) Each release of one or more numbers, pictures or symbols will be matched on the electronic cards or device, the player on whose behalf the electronic or similar device first matches all the spaces on the card or similar device, or matches a specified set of numbers, pictures and symbols on the electronic card or similar device, wins a prize or more than one prize.

(5) After completion of the game the player may continue to play another game or continue in any additional or bonus game features that may be awarded.

(6) The electronic card or device used may offer an alternative electronic or mechanical display of the results, as long as the results of the alternative game are based on the outcome of the bingo game and that this display is for entertainment purposes only.

**Rule 13.120 Suspension of game and refunds for physical cards.**-(1) If, during the course of a game, and before commencement of number selection, any malfunction occurs in any of the equipment required in terms of Rule 13.030 of these Rules or any other incident occurs, which prevents the continuation of the game, the game shall be provisionally suspended and if the problem which has arisen cannot be resolved within a reasonable period of time, the game shall be abandoned, each player shall be refunded the full amount paid for each card purchased for that particular game and each card sold for that particular game, shall be returned to the licensee.

(2) If a malfunction of any of the equipment required in terms of in Rule 13.030 of these Rules or any other incident occurs which prevents the continuation of the game, after commencement of number selection, the game shall be provisionally suspended and if the problem which has arisen cannot be resolved within a reasonable period of time, the game shall be abandoned, each player shall be refunded the full amount paid for each card purchased for that particular game less the *pro rata* share of prizes paid and each card sold for that particular game shall be returned to the licensee: Provided that any prize which has been claimed and verified, before such malfunction or incident, shall be paid out to the winner.

(3) If any malfunction or incident, referred to in sub-rule (1) or (2), occurs, the duty manager or designated employee shall read the relevant sub-rule to the players before proceeding with any further steps.

(4) The withdrawal of a player during the course of a game shall not entitle such player to a refund of the purchase price or any part thereof, of the cards bought by such player: Provided that a player may transfer his cards to any other player if he so wishes.

(5) If an error occurs in the announcing of any of the numbers selected, such error shall be corrected immediately, a note made in the game record and the game shall be continued.

**Rule 13.130 Prizes.**-(1) No prize, other than money or such other prizes as may be approved by the Board, may be offered to any player of the game of Bingo.

(2) All monetary prizes shall be paid to the winners thereof in cash or any other method approved by the board, unless one of the following occurs-

- (a) the winner requests or consents to the prize being given by cheque or electronic fund transfer (eft); or
- (b) the amount of the prize is more than R1000.00, in which case a cheque or eft, which shall not be post-dated, may be issued or transferred to the winner;
- (c) where prizes other than money are given it has to be announced before the commencement of the game;
- (d) the prize other than money may be given to a punter as a result of participating in the game of bingo.

(3) Promotional prizes may not be deducted from the gross gaming revenue.

**Rule 13.140 Game records for physical cards.**-(1) Each operator shall have a computer system, approved by the Board and linked to the control desk, on which shall be recorded, simultaneously with the playing of each game, all information relevant to each game of Bingo, including, but not limited to, the following-

- (a) the date;
- (b) the series and serial number of the first card sold;
- (c) the series and serial number of the last card sold;
- (d) the total number of cards sold;
- (e) details of unsold or damaged cards;
- (f) the amount of the face-value of the cards;
- (g) the amount accumulated in the jackpot, if any, after the sale of the cards;
- (h) the numbers, pictures or symbols selected up to each of the prizes awarded;
- (i) the serial number of the card or cards winning each of the prizes;
- (j) the net amount of the total of each prize;
- (k) the total number of numbers, pictures or symbols selected;
- (l) any incident which may have an effect on the result of the game shall be recorded in the computer system or log book; and
- (m) the time of each game, which shall include the start and finish times.

**Rule 13.140A Game records for electronic cards or other devices.**-(1) Each operator shall have a system, approved by the Board, on which shall be recorded, the following minimum information-

- (1) the date;
- (2) the total amount of cash staked per player position, electronic card or device;
- (3) the total amount of prize money paid out per player position, electronic card or device;
- (4) the total amount of cash hold per player position, electronic card or device;
- (5) percentage payout and hold per player position, electronic card or device;
- (6) total amount of cash staked;
- (7) total amount of prize money; and
- (8) total amount of cash hold.



(2) The information recorded in terms of sub-rule (1), shall be stored in electronic format for a minimum period of three months, in such a manner that it shall be incapable of being changed after being recorded and such information shall only be accessible to the Board, authorized staff members of the Bingo operator or its franchisor and the auditors of the operator and/or franchisor.

(3) In the event of a malfunction of the electronic recording device referred to in sub-rule (1), all relevant information with regard to every game of Bingo played shall be recorded in writing. Furthermore, in the event of a malfunction of the electronic recording device, such device shall be repaired or replaced within 24 hours of such malfunction occurring.

**Rule 13.150 Inspection and complaints book.**-(1) Every operator shall have an inspection and complaints book, with numbered pages, in which shall be recorded any complaint by any player.

(2) All player complaints shall be written in the complaint book and shall be signed by the complainant as well as the duty manager or such other designated person.

(3) The complaints book shall detail at least the following-

- (a) name and contact details of the complainant;
- (b) date and time of complaint;
- (c) nature of complaint; and
- (d) measures or steps taken to resolve the complaint.

#### RULE 13.160 - SIMULTANEOUS GAMES

**Rule 13.161 General.**-(1) The game of Bingo may be played simultaneously at the Bingo centres of more than one Bingo operator, subject to the provisions contained in these Rules in general and this Chapter specifically.

(2) Save where the context indicates otherwise, the rules as contained in the other Chapters of these Rules shall apply *mutatis mutandis* to a simultaneous game: Provided that in the event of a conflict between the other Chapters of these Rules, and this Chapter, this Chapter shall apply to a simultaneous game insofar as such conflict exists.

(3) Simultaneous Bingo shall be conducted at the Bingo centre of a Bingo operator, to which other Bingo operators shall be linked, in order that all significant events of the game are communicated to all participating players, simultaneously with the events taking place.

(4) The simultaneous games played must be indicated as such on all game records.

**Rule 13.162 Equipment required for simultaneous Bingo.**-(1) The equipment required in terms of rule 13.030 of these Rules, to be contained in a Bingo centre, may be used when conducting a simultaneous game.

(2) In addition to the equipment required in terms of Rule 13.030 of these Rules, the following equipment shall be contained in the Bingo centre in which simultaneous games are conducted-

- (a) the central Bingo centre shall have a random number, picture or symbol selecting device, which shall comply with the provisions of Rule 13.040 of these Rules;
- (b) if the random number selecting device consists of a ball drawing apparatus the following rules shall apply-
  - (i) the central Bingo centre shall have a system for the production and transmission of a visual and audio signal, for distribution to the linked Bingo centres, which system shall be approved by the Board, prior to the use thereof in any simultaneous game;
  - (ii) all the draws of each game shall be recorded, which shall be kept as an annexure to the record of each game; and
  - (iii) the central Bingo centre shall have a system, approved by the Board which shall transmit a visual or audio signal by means of a direct link to each linked Bingo centre, in order to ensure that each draw made a displayed to or announced to the players in each linked Bingo centre, simultaneously with the draw being made in the central Bingo centre; and
- (c) if an alternative number, picture or symbol selecting device is used, there shall be a direct link between the central Bingo centre and each linked Bingo centre, which shall ensure that the numbers, pictures and symbols selected and the audio signal in the central Bingo centre shall be transmitted and shall be displayed to each linked Bingo centre, simultaneous with the selection thereof.

(3) (a) The central bingo centre-

- (i) shall provide a link between the central Bingo centre and every linked Bingo centre;
- (ii) shall cause data, audio and visual information to be sent and received between the central Bingo centre and each linked Bingo centre, on a real time on line basis;
- (iii) shall automatically prepare all game records; and
- (iv) shall have sufficient computer capacity (processing, memory, communications interfaces and hard disk storage) to efficiently monitor and log all significant events taking place in every simultaneous game.

(b) The hardware and software configuration of the distribution network used for simultaneous bingo shall be approved by the Board; and any upgrade or change to the systems shall be approved by the Board prior to such upgrade or change taking place.

**Rule 13.163 Sale of physical cards and conduct of games.**-(1) A simultaneous game shall start with commencement of number selection.

(2) The central Bingo centre shall determine the types of prizes available, the type of Bingo to be played and the starting times of each game.

(3) The sale of cards for a simultaneous game shall cease no later than 3 minutes before such scheduled start may start no earlier than two hours before the scheduled start of the simultaneous game and shall cease no later than 3 minutes before such scheduled start.

(4) All Bingo cards to be used in simultaneous games shall have serial numbers which shall be different to any of the serial numbers used in ordinary Bingo and shall be clearly distinguishable as Bingo cards for the purpose of a simultaneous game and or it shall be indicated and shall be displayed to the player on the information panel or monitor that a simultaneous game is being played.

(5) Before commencement of the sale of cards, the linked Bingo centre shall obtain permission from the central Bingo centre, which permission shall only be granted after it has been established by the central Bingo centre that no two identical cards will be sold to any two players who will participate in a simultaneous game.

(6) Bingo cards for simultaneous games may be sold in the rest periods between ordinary games of Bingo.

(7) Before the start of a simultaneous game, the central Bingo centre shall order the linked Bingo centre to cease the sale of cards and the duty manager or designated employee of each linked Bingo centre shall record the number of cards sold for that particular game and send the information to the central Bingo centre via the central distribution network.

(8) The information received from the linked Bingo centres shall be processed at the central Bingo centre, where after the information to be displayed on the information panels or monitor in the linked Bingo centres, shall be sent to the linked Bingo centres from the central Bingo centre via the distribution network.

(9) The commencement of the game shall be announced, followed by the random number selection.

(10) All prizes shall be paid out at the linked Bingo centre where that prize has been won, at the end of every simultaneous game.

(11) Simultaneous Bingo may take place utilizing electronic cards or similar devices and shall be conducted in terms of Rule 13.110A.

**Rule 13.164 Refunds.**-(1) In the event of a malfunction of the central distribution network or the link between linked bingo centres after commencement of the game, the full purchase price of all tickets sold at the linked Bingo centre or centres where such malfunction occur, shall be paid back to every player.

(2) Notwithstanding the provisions of sub-rule (1), the game shall continue in the linked Bingo centres where no malfunction of the central distribution network has occurred and the prizes available to the players shall remain the same as those announced at the beginning of the game.

#### RULE 13.170 - MINIMUM INTERNAL CONTROL STANDARDS

**Rule 13.171 Organisational structure.**-(1) All Bingo operators shall develop and implement an organizational structure which shall provide for-

- (a) a chain of command that permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility;
- (b) the segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties;

and

- (c) areas of responsibility which are not so extensive as to be impractical for one person to monitor.

(2) Subject to the provisions of sub-rule (1), each Bingo operator's organisational structure and system of internal controls shall include, at a minimum, the following departments and supervisory positions, each of which shall co-operate with, yet perform independently of, all other departments and supervisors-

- (a) an internal audit department, supervised by a person referred to herein as an internal audit manager, who shall report directly to the audit committee of the Board of directors of the Bingo operator, or in the absence of an audit committee, an independent member of the Board of directors of the Bingo operator. Where a company has more than one Bingo operator licence, it is not required to have multiple internal audit departments. The internal department shall be responsible for, without limitation, the following-
- (i) the review and evaluation of the adequacy of the operator's internal controls;
  - (ii) monitoring the operator's compliance with the minimum internal control standards provided for in the Act, Regulations and these Rules;
  - (iii) reporting to the Board of directors of the Bingo operator or the audit committee thereof, the executive management of the Bingo operator, the licensee and the Board, in respect of instances of non-compliance with the minimum internal control standards provided for in the Act, Regulations and these Rules;
  - (iv) reporting to the Board of directors of the Bingo operator, or the audit committee thereof, executive management of the Bingo operator and the Board, of any material weaknesses in the system of internal control; and
  - (v) recommending to the management of Bingo operator, procedures to eliminate any material weakness in the system of internal control.
- (b) An electronic data processing department, supervised by a person referred to herein as the EDP department manager, which department shall be responsible for the quality, reliability and accuracy of all computer systems used by the Bingo operator including, without limitation, specifications of appropriate computer software, hardware and procedures for security, physical integrity, audit and maintenance of-
- (i) access codes and other data related security controls used to ensure appropriately limited access to computers and the reliability of data;
  - (ii) computer tapes, disks or other electronic storage media containing data relevant to Bingo operations; and
  - (iii) computer hardware, communications equipment and software used in the conduct of all Bingo operations.
- (c) A security department, supervised by a person referred to herein as the security manager, which department shall be responsible for the overall security of the establishment, including, without limitation, the following-
- (i) enforcement of the law;
  - (ii) the physical safety of patrons in the establishment;
  - (iii) the physical safety of personnel employed by the establishment;
  - (iv) the protection of patrons and the establishment's property from any illegal activity;
  - (v) the identification and removal of any person who is required to be excluded or who may be excluded or rejected or of any person who is prohibited from entering a Bingo centre; and
  - (vi) all other functions assigned to it by the Bingo operator and approved by the Board.
- (d) A Bingo operations department, supervised by a person referred to herein as the center manager, which shall be responsible for the operation of the game of Bingo, including the cash desk and whose staff members shall include, at minimum, the persons referred to in rule 21 (4) of these Rules; and
- (e) A Bingo accounts department, which shall be independent of the Bingo operations department, supervised by a person referred to herein as the Bingo accounts manager, which shall be responsible, without limitation, for the following-
- (i) daily verification of the reconciliation by the cash desk, in accordance with the reconciliation procedures approved by the Board;
  - (ii) the control over unsold Bingo cards as well as money at hand;
  - (iii) control over security stationary;
  - (iv) the day to day accounting functions with regard to the operation of the Bingo operations department, including the cash desk; and

- (v) the monthly audit of the cash desk by a member of the Bingo accounts department, after which all variances must be reported to the Bingo accounts department. The Bingo accounts manager will authorize all journal entries and ensure that revenue, expenses, assets and liabilities are reconciled to the general ledger on a monthly basis.

**Rule 13.172 Jobs compendium submission.**-(1) Each Bingo operator and applicant for a Bingo operator licence shall prepare and maintain a jobs compendium, consistent with the requirements of this chapter, detailing job descriptions and lines of authority for all positions in the operation of the Bingo centre. Unless otherwise directed by the Board, a jobs compendium shall be submitted to the Board for approval at least 60 days prior to the projected date of commencing operation.

(2) The Board shall review each job's compendium and shall determine whether the job descriptions and tables of organisation contained therein conform the licensing or registration and chain-of-command requirements of the Act, Regulations and Rules. If the Board finds any insufficiencies, it shall specify the same in writing to the Bingo operator or licence applicant, who shall make the appropriate alterations. When the Board determines a submission to be adequate with respect to licensing or registration and chain-of-command, it shall notify the Bingo operator licence applicant accordingly. No Bingo operator shall commence gaming operations unless and until its jobs compendium is approved by the Board.

(3) A jobs compendium shall include the following sections-

- (a) an alphabetical table of contents listing the position, title and job code for each job description included in sub-rule (3) (c) below and the page number on which the corresponding job description may be found;
- (b) an organogram for each department and division illustrating, by position and title, direct and indirect lines of authority within the department or division. Each page of the organogram shall specify the following-
  - (i) the date of its submission;
  - (ii) the date of the previously submitted organogram which it supersedes; and
  - (iii) a unique title or other identifying designation for that organogram;
- (c) a description of each employee position which accurately corresponds to the position title as listed in the organogram and as listed in the table of contents. Each position description shall be listed on a separate page, organised by departments or divisions, and shall include, at a minimum, the following-
  - (i) position title and corresponding department;
  - (ii) duties and responsibilities;
  - (iii) detailed descriptions of experiential or educational requirements;
  - (iv) access to secured or sensitive areas and keys to such areas;
  - (v) the date of submission of each employee position job description and the date of any prior job description it supersedes; and
  - (vi) the date of submission and page number of each table of organisation on which the employees position title is included.

(4) The following types or classes of occupation shall be included in the Bingo operations department, and shall be Bingo occupations, for which certificates of approval as employees will be required-

- (a) the desk manager, who shall be responsible for preparing the record of each game, the checking of the condition of all apparatus to be used during a game, the keeping of accounts of the game, the complaints book and the checking of prize winning;
- (b) the cashier, who shall be responsible all Bingo cards removed from the locked storage area for sale, the handing over thereof to the sellers, the collection of cards from the sellers, the calculation of the amount of each prize available in each game, communication thereof to the desk manager and the paying of all prizes to winning players;
- (c) the caller, who shall be responsible for controlling the random number selecting device and call out each number selected as and when such number is selected;
- (d) the seller, who shall collect Bingo cards from the cashier, sell it to the players, and deliver the purchase price to the cashier; and
- (e) any other type or class of job determined by the Board to be a Bingo occupation.

(5) Any proposed amendment to a previously approved jobs compendium shall be submitted to and approved by the Board before such amendment is implemented by the Bingo operator. Unless otherwise directed by the Board, any amendment required to be pre-approved in terms of this rule shall be submitted to the Board at least 60 days prior to the proposed effective date of the amendment.

(6) Notwithstanding any other requirement of this rule, each Bingo operator shall submit a complete and up-to-date jobs compendium to the Board 24 months after issuing of its licence and every 24 months thereafter, unless otherwise directed by the Board.

**Rule 13.173 Cashier station procedures.**-(1) Procedures for the reconciliation of Bingo card floats and money, by the cash desk, shall be submitted to the Board for approval, prior to implementation of such procedures. Any amendment to the approved procedures shall be submitted to the Board for approval, prior to implementation of such amendment.

**Rule 13.174 Internal audit.**-(1) The internal audit department shall conduct a full audit of the Bingo operations of every Bingo centre, at least once every three months.

(2) The results of every audit shall be reported to the audit committee of the Board of directors of the licence holder or, in the absence of an audit committee, an independent member of the Board of directors of the licence holder and copies of these reports shall be submitted to the Board.

(3) Every Bingo operator shall submit an internal audit programme to the Board for approval.

#### RULE 13.180 - SURVEILLANCE REQUIREMENTS

**Rule 13.181 Definitions.**-The following words and terms, when used in this Rule, shall have the following meanings unless the context clearly indicates otherwise-

"**CCTV**" means closed circuit television;

"**Control unit**" means a device that shall have the capability to select any camera to any monitor in the surveillance system and control all recorders in the surveillance system;

"**Dedicated camera**" means a video camera, which is required to monitor and record a specified activity continuously;

"**Matrix**" means a microprocessor controlled switching device, which shall enable the system to direct any number of inputs to any number of outputs;

"**Titler**" means a device that has the capability to superimpose time, date and a title onto a video signal;

"**Video Loss Detector**" means a device that has the capability to detect loss in video and or generate an alarm when video loss is experienced;

"**Satellite monitoring equipment**" means a surveillance remote station with access to the surveillance system that has the capability to monitor and switch between signals only.

**Rule 13.182 Surveillance systems: Minimum standards.**-(1) The surveillance system shall contain at a minimum, the following equipment-

- (a) a control unit that shall have the capability to select any video camera to any monitor in the surveillance system and control all video recorders in the surveillance system;
- (b) dedicated cameras which are cameras that monitor a specified activity continuously, the placement of which shall be subject to approval by the Board;
- (c) a matrix which is a microprocessor controlled switching device which shall enable the system to direct any number of inputs to any number of outputs;
- (d) a titler with the capability to superimpose time, date and a title onto a video signal without obstructing the recorded view;
- (e) video loss detectors with the capability to detect loss in video and or generate an alarm when video loss is experienced;
- (f) video recorders which shall record the video signals from the system; and
- (g) monitors on which the views recorded by the surveillance system shall be displayed.

(2) All equipment that may be utilised to monitor or record views obtained by the surveillance system must be and remain located in a room used exclusively for surveillance purposes and the entrance to the surveillance room must be located away from the view of other employees and the general public. A bingo operator may with the prior approval of the Board have one surveillance room monitoring the number of bingo premises.

(3) Surveillance room equipment must have total override capability over any other satellite monitoring

equipment in other offices.

(4) The Board and its agents shall at all times be provided immediate access to the surveillance room and other surveillance areas.

(5) The surveillance system and its equipment must be directly and securely wired in a way that prevents tampering and an auxiliary power source must be available, which is and capable of providing uninterrupted power to the surveillance system in the event of power loss and provide sufficient lighting to operate the surveillance system.

(6) Each monitor screen in the surveillance system must be at least 30 centimetres measured diagonally.

(7) Each camera in the surveillance system located in public areas must be placed behind a smoked glass dome, a one-way mirror or other similar material which conceals the camera from view.

(8) The licensee must have the capability of creating first generation copies of video surveillance recordings on a format approved by the Board.

(9) All video recording must be made in real time or extended play time and not at time lapsed recording mode.

(10) The bingo operators must retain all video recording for at least seven (7) days after the recordings produced.

(11) A minimum of one (01) monitor for every ten (10) cameras covering the gaming area shall be fitted in the surveillance room.

**Rule 13.183 Surveillance system plans: Approval and alterations.**-(1) Every applicant for a licence shall submit to the Board upon its request surveillance system plan for approval by the board.

(2) The surveillance system plan shall include the following-

- (a) a floor plan that shows the placement of all surveillance equipment;
- (b) details of the camera views;
- (c) identification of the gaming areas and electronic bingo devices covered by the cameras; and
- (d) a detailed inventory of the surveillance system, which shall include number of cameras, monitors, equipment specifications including cameras and the detailed matrix plan including the procedures covering alarmed areas, entrances and exits.

(3) The surveillance plan in respect of camera installation shall require the approval of the Board and signed off on completion of the installation of the cameras. In respect of all other issues, Board approval shall be required prior to installation.

(4) Every licensee shall within 24 hours notify the Board of the installation of additional cameras for the purpose of covert recording of gaming operations.

**Rule 13.184 Surveillance systems: General requirements.**-(1) Only high-resolution monitors with audio capabilities shall be used in the surveillance room.

(2) Each monitor shall have the capability to display any selected view.

(3) A minimum of one monitor for every 25 cameras in the gaming areas shall be fitted in the surveillance room.

(4) Cameras shall be fitted in such a way to prevent tampering by patrons or employees.

(5) Each camera, which forms part of the surveillance system approved by the Board, shall be dedicated to its own video recorder.

(6) Cameras of different resolutions shall be used in different conditions and for different purposes in order to provide optimal clarity.

(7) Each camera shall have the capability of having its picture displayed on a video monitor.

(8) A video recorder shall have the capability to be selected and controlled from the control unit in the surveillance room.

(9) In addition to any other video recording requirements that are or may be imposed by this Chapter every licensee shall record all views, activities, and locations as the Board may from time to time require, which shall also include all entrances and reception areas.

(10) Every licensee shall video record and maintain a written log of all activities observed by surveillance personnel that appear unusual or irregular, or that violate or appear to violate any law of the Republic, the Act, the

Regulations or Rules promulgated thereunder, and notify the Board within 72 hours.

(11) All video recordings produced by a surveillance system must present a clear and unobstructed view of the scene depicted thereon.

(12) Every licensee must retain all video recordings for at least seven (7) days after the recording is produced, unless a longer time period is required by order of the board.

(13) Every video recording must be labeled by surveillance personnel with the date and time period of the recording and the areas covered by the recording, and signed by the person who made the recording.

(14) All video recordings must be made in real time or extended play time and not in a time lapse recording mode.

**Rule 13.185 Surveillance rooms: General requirements.**-(1) Access to the surveillance room shall be limited to authorised personnel only.

**Rule 13.186 Surveillance systems: Cash desk (cage).**-(1) The surveillance system shall monitor and record clear unobstructed views of all areas and transactions.

**Rule 13.187 Surveillance systems: Electronic devices.**-(1) Cameras recording electronic bingo devices shall be positioned in such a manner that opened device doors do not obstruct the view to the inside of the device cabinet and a maximum of 12 electronic bingo devices shall be covered by one camera. (Note that this chapter is based on the room that would be taken up by 12 standard electronic bingo devices installed next to each other. Therefore gaps between electronic bingo devices shall be taken into account when reviewing the required number of cameras).

**Rule 13.188 Surveillance systems: Equipment malfunctions.**-(1) Every licensee shall establish and maintain a written log of any and all surveillance system equipment malfunctions, and retain the log for at least one year after the date of the most recent entry in the log.

(2) Each malfunction must be repaired within 72 hours of the malfunction.

(3) Each malfunction together with the corrective measures taken will be reported to the Board within 72 hours of the recovery of the malfunction.

(4) If repair is not completed within 72 hours, the licensee shall immediately submit a written report to the Board that sets forth the reason for the delay in repair and retain the report for at least 30 days after submission to the board.

(5) The Board may in its discretion order that all activity in the area affected by the malfunction be suspended pending repair.

(6) In the event of a malfunction of a dedicated camera, recorder or monitor, the activity, being viewed must be suspended or closed pending repair.

**Rule 13.189 Compliance with surveillance system requirement.**-(1) A licensee shall comply with the requirements set forth in this Chapter no later than seven (7) days prior to the start of its gaming operations.

(2) The Board may, in its discretion, require a licensee to comply with surveillance system requirements that are more stringent than those set forth in this Chapter.

**Rule 13.190 Retention of unclaimed money.**-(1) Every licensee shall maintain a register of all gaming prizes which have not been claimed after a period of 24 hours and should be retained in the licensee's books for a minimum period of 12 months.

(2) Should punters not claim their credits at the end of the 12 month period, the licensee will receive the unclaimed credits as revenue and will have to pay the Board the tax portion of the unclaimed credits.

(3) In the event that a punter claims the gaming credits after a period of 12 months, the licensee will pay the punter and request a refund of the tax from the Board.

(4) The procedures with regards to money or prizes won by a person who is less than eighteen years old shall be submitted to the Board for approval.

**Rule 13.200 Clearance.**-(1) Clearance will be done in terms of Rule 11.

(2) A minimum of three employees shall be involved in the clearance, at least one of whom is from the security department. If more than one clearance team is used, a representative from the security department shall be assigned to each clearance team for the duration of the clearance.

(3) Proper security shall be provided at all times over the drop boxes/canisters or similar removed from the gaming device prior to being transported to, and secured in, the count room, as the case may be.

(4) If more than one clearance trip is required, the filled trolleys shall be locked and secured immediately in the count room or secured in another equivalent manner. These trolleys shall be under continuous surveillance coverage.

(5) The surveillance department shall observe and record the entire clearance process and note it in the occurrence book.

(6) The procedures relating to the physical clearance and the responsibilities of each person involved shall be submitted by the licensee to the Board for approval at least one month prior to implementation.

**Rule 13.210 Promotional prizes.**-(1) Promotional payouts and awards are supplemental payouts or awards. Compliance with the following rule is required for all such promotional payouts and awards.

(a) The payout form/documentation shall include, at a minimum, the following information-

(i) date and time;

(ii) rand amount of payout or description and value of the prize awarded if not cash;

(iii) type of promotion;

(iv) signature of a supervisor and at least one other employee authorising and completing the transaction.

**Rule 13.220 Link games.**-(1) Actual prize money paid for link games must be allocated between the various sites in proportion to the percentage of revenue generated by the particular site.

(2) Link revenue must be accounted for at the branch it is generated.

(3) Reports documenting link procedures above shall be developed and documented in the internal control procedures as approved by the Board.

## RULE 14 FIXED ODDS BETTING

### **14.010 Definitions**

In these Rules, unless the context otherwise indicates-

**"betting slip"** means a betting slip referred to in rule 14.043;

**"betting slip book"** means a betting slip book referred to in rule 14.043;

**"bookmaker's stake"** in relation to any bet laid by a licensed bookmaker, means the amount of money a bookmaker will forfeit, excluding the punter's stake, if he loses such bet;

**"combination bet"** means a bet involving more than one horse or participant;

**"combined betting slip and statement of account book"** means a combined betting slip and statement of account book as contemplated in rule 14.048;

**"cubicle holder"** means a licensed bookmaker who is the lawful occupier of a cubicle in any Tattersalls;

**"double bet"** means a bet on whether or not a specified horse in each of the two legs constituting the designated races of the double pool, will finish first;

**"dupla bet"** means a bet on whether or not two specified horses in dupla designated race will finish as the first two horses in any order;

**"exacta bet"** means a bet on whether or not two specified horses in an exacta designated race, will finish first and second in that order;

**"field book"** means a field book as contemplated in rule 12.044;



**"field sheet"** means a field sheet as contemplated in rule 12.044 (1);

**"forecast bet"** means a bet on whether or not two or more specified horses finish in a specified order in a certain race;

**"hold"** means the total of all punter's stakes in bets laid by a bookmaker, less the total of all take-back bets placed by him;

**"jackpot bet"** means a bet whether or not specified horses will finish first in each race of the jackpot designated races;

**"lay"** in relation to a bet, means the acceptance by any person of a bet placed with him;

**"Act"** means the Gauteng Gambling Act, 1995 (No 4 of 1995) as amended;

**"pick 6 bet"** means a bet whether or not specified horses will finish first in each race of the pick 6 designated races;

**"place"** in relation to a bet, means the placing of a bet with a licensed bookmaker and in relation to a race, it means any one of the first specified number of horses which will finish before the other horses in a certain race;

**"place accumulator bet"** means a bet whether or not specified horses will run a place in each race of the designated place accumulator races;

**"place bet"** means a bet on whether or not a specified horse will run a place in a certain race;

**"price"** means betting odds;

**"regulation"** means the Regulations made in terms of section 84 of the Act;

**"punter"** means the person placing a bet with a licensed bookmaker or on a totalizator;

**"punter's stake"**, in relation to any bet placed by a person, means the amount of money such a person, including a bookmaker in respect of a take-back bet, will forfeit to a bookmaker, if such person loses such bet;

**"quartet bet"** means a bet on whether or not four specified horses in a race designated as a quartet race will, in the order selected, finish first, second, third and fourth;

**"settling book"** means a settling book as contemplated in rule 12.045;

**"statement of account book"** means a statement of account book as contemplated in rule 12.047;

**"starting price bet"** means a bet the price whereof is only determined at the commencement of the race concerned and calculated on the ruling bookmakers' price on the race-course concerned at the time of such commencement;

**"superfecta bet"** means a bet on whether or not six specified horses in a race designated as a superfecta race will, in the order selected, finish, first, second, third, fourth, fifth and sixth;

**"swinger bet"** means a bet on whether or not two specified horses in a certain race finish amongst the first three horses in such race in any order;

**"take back bet"** means a bet placed on a race or other sporting event by a licensed bookmaker with any other licensed bookmaker or on a totalizator, either in or outside this Province;

**"take-out"** in relation to any bet means the aggregate of the bookmaker's stake and the punter's stake;

**"trifecta bet"** means a bet on whether or not three specified horses in a race designated as a trifecta race will, in the order selected, finish first, second and third;

**"trio bet"** means a bet on whether or not three specified horses in a race designated as a trio race will, in any order, finish in the first three places;

**"win bet"** means a bet on whether or not a specified horse or participant will win a certain race or other sporting event,

and any other word or expression has the meaning assigned thereto in the Act.

#### **14.020 Bookmakers**

Note: Except where specifically indicated these Rules apply to both On-course and Off-course bookmakers.

#### **14.030 Bookmakers - General**

#### **14.031 Information to be displayed**

The following shall be displayed conspicuously at a bookmaker's licensed premises:

- (a) the name of the licensed bookmaker;
- (b) a board identifying the events on which bets are accepted and the names of the participants competing in such events together with the respective odds for each participant; and
- (c) a notice that all bets are subject to the bookmaker's betting rules which are available on request.

#### **14.040 Books to be kept**

##### **14.041 Books to be kept - General**

- (1) A bookmaker shall in addition to the books and records referred to in regulation 266 keep such further books and records referred to in these rules.
- (2) The books and records referred to in sub-rule (1) shall be kept for a period of at least 5 years from the date of the last entry therein.
- (3) A bookmaker shall preserve all his bank statements and paid cheques for a period of at least 2 years from the date to which they relate.

##### **14.042 Cash book**

The cash book shall be in a recognised format which shall be approved by the Board and shall contain all the information required by these rules.

##### **14.043 Betting slip book - Off-course only**

- (1) The pages of a betting slip book shall be permanently bound together, and each page shall at least be in duplicate.
- (2) One of the copies of each page of the betting slip book shall not be perforated or weakened in any manner whatsoever.
- (3) The other copies of each page of a betting slip book shall be perforated in such a manner as to allow for easy detachment.
- (4) The copies referred to in sub-rule (3) may be perforated so as to subdivide such copies each into two or more betting slips and, if not so subdivided, each copy shall constitute a betting slip.
- (5) The name of the bookmaker concerned shall appear on each betting slip.
- (6) The betting slip shall be numbered consecutively in the order in which they will be detached from the book and every betting slip and its duplicates shall bear the same number.

##### **14.044 Field book**

- (1) Each page of a field book, hereinafter also referred to as a field sheet, shall indicate the name of the bookmaker concerned and shall have spaces wherein the race for which it is used, the venue of the race and the date such race is run can be entered.
- (2) Below the information required to be furnished in terms of sub-rule (1), the field sheet shall be divided into columns and each column shall be subdivided into at least five subcolumns.
- (3) The field sheets shall be-
  - (a) permanently bound together; and
  - (b) at least in duplicate; and
  - (c) numbered consecutively and every field sheet and its duplicates shall bear the same number.
- (4) The original field sheets shall not be perforated or weakened in any manner whatsoever but duplicate field sheets shall be perforated to allow for easy detachment.

##### **14.045 Settling book**

The settling book shall be in a recognised format which shall be approved by the Board and shall contain all the information required by these rules.

#### **14.046 Debtors ledger**

The debtors ledger shall be in a recognised format which shall be approved by the Board and shall contain all the information required by these rules.

#### **14.047 Statement of account book**

- (1) The pages of a statement of account book shall be-
  - (a) permanently bound together;
  - (b) at least in duplicate; and
  - (c) numbered consecutively and every page and its duplicates shall bear the same number.
- (2) One of the copies of each page of the statement of account book shall not be perforated or weakened in any manner whatsoever.
- (3) The other copies of each page of the statement of account book shall be perforated to allow for easy detachment.

#### **14.048 Combined betting slip and statement of account book**

A betting slip book may be used as a combined betting slip and statement of account book.

#### **14.049 ABC Book**

The ABC book shall be in a recognised format which shall be approved by the Board and shall contain all the information required by these rules.

#### **14.050 Use of books**

##### **14.051 Use of books - General**

- (1) All prenumbered stationery shall be used in numerical order.
- (2) Every entry or alteration in a book referred to in rule 12.041 shall be made with indelible ink and in respect of books referred to in sub-rule (1), shall be duplicated by means of carbon paper on every duplicate page and nothing shall appear on the original page which does not appear on the duplicate pages and vice versa.
- (3) No alteration shall be made in any book in such a manner that the original entry is rendered illegible.
- (4) A spoilt page or betting slip shall be cancelled by writing the word "cancelled" in bold letters across every copy of such page or betting slip, and all copies of such page or slip shall be attached to one another.
- (5) No page or duplicate page shall be removed from any book referred to in these rules except as provided for in these rules.
- (6) In the event of any page or duplicate page accidentally becoming detached from any book referred to in these rules, it shall immediately be replaced in the book and attached thereto in its proper place.

##### **14.052 Use of betting slip book - Off-course only**

- (1) Immediately upon laying or placing any bet a bookmaker shall-
  - (a) record full details thereof on a betting slip, including the date and time the bet was made;
  - (b) in the case of a credit bet, also record the name of the person with whom such bet was made;
  - (c) in the case of a bet placed by him draw a circle around the entry of his stake in any such bet recorded on such betting slip; and

- (d) in the case of a bet laid over the counter, issue the original betting slip to the person placing such bet.
- (2) Provided that, in the case of credit bets, the details may be recorded directly in the field book. Particulars of more than one bet with the same person may be recorded on the same betting slip.

#### **14.053 Use of betting slips or tickets - On-course only**

- (1) A bookmaker shall keep betting slips or tickets which shall be consecutively numbered.
- (2) A bookmaker shall, immediately upon laying a cash bet, issue to the person placing such bet, a betting slip or ticket recording full details of such bet.
- (3) A bookmaker shall issue all betting slips or tickets in numerical sequence.

#### **14.054 Use of field book**

- (1) The field book shall be used to record each win or place bet made by a bookmaker.
- (2) All entries on a field sheet shall be made in such a manner that a clear carbon copy appears on the duplicates thereof.
- (3) No field sheet shall relate to more than one event, and the number, date and venue of the event shall be entered thereon in the appropriate spaces before any further entry is made.
- (4) No column on a field sheet shall relate to more than one horse or other participant and the name of every such horse or participant shall be entered at the top of the column before any entry is made therein: Provided that any column may be subdivided to form two or more shorter columns, the one under the other, each of which shall be clearly demarcated and shall, for the purposes of this rule, be deemed to be a separate column.
- (5) The first four subcolumns of a field sheet referred to in rule 12.044 (2) shall from left to right, be used solely for the following entries:
  - (a) total take-out in respect of the horse or participant concerned;
  - (b) bookmaker's stake in respect of each individual bet;
  - (c) punter's stake in respect of each individual bet; and
  - (d) total hold in respect of the horse or participant concerned, indicated in units of one rand or a fraction thereof,and the fifth subcolumn shall be used for the betting slip number and the particulars hereinafter provided.
- (6) If entries on a field sheet relating to place bets and win bets on the same participant are made in the same column, such entries relating to win bets shall be made in the upper portion of the column and those relating to place bets shall be made in the lower portion.
- (7) A bookmaker shall-
  - (a) forthwith upon laying or placing any win or place bet, enter on the field sheet in the subcolumns concerned, the bookmaker's and the punters stakes in relation to such bet and the progressive total of the take-out and hold, inclusive of such bet;
  - (b) in the case of a bet placed by him forthwith draw a circle around the entry of his stake in such bet;
  - (c) in the case of a starting price bet, clearly indicate such fact on the field sheet;
  - (d) forthwith upon laying or placing a credit bet, enter the name of the person with whom he laid or placed such bet in the fifth subcolumn against the details of the bet;
  - (e) where the take-out or the hold entered by a bookmaker in terms of this rule represents a negative quantity, draw a circle around such entry; and
  - (f) where he lays or places a cash bet with another bookmaker enter the name of such other bookmaker in the fifth subcolumn against the details of such bet.
- (8) Where any win or place bet forms part of a combination bet, the bookmaker shall indicate in the fifth subcolumn against the particulars of the win or place bet-
  - (a) that it forms part of a combination bet;
  - (b) the number of the betting slip on which particulars of the combination bet were entered;

- (c) if the combination bet was laid by such bookmaker, the amount of the original punter's stake;
  - (d) if the combination bet was placed by such bookmaker, his original stake; and
  - (e) particulars of the next leg of such combination bet,
- and such combination bets shall be carried forward until the outcome is determined.

**14.055 Use of statement of account book**

- (1) The name and address of the person to whom an account is rendered and the particulars of every bet to which the account applies shall be entered in the statement of account book.
- (2) A duplicate copy of each statement of account shall be retained in the statement of account book.
- (3) Immediately upon a statement being rendered, the amount due by the person concerned shall be transferred to the settling book referred to in rule 12.088.

**14.056 Use of combined betting slip and statement of account book-**

- (1) The combined betting slip and statement of account book may be used in respect of credit bets.
- (2) Whenever a bookmaker makes use of a combined betting slip and statement of account book, he shall immediately after laying or placing a bet on credit record full details thereof on a combined betting slip and statement of account, in which case the provisions of rule 12.082 (1) (a) and (d) shall not apply in respect of such bet.
- (3) If the combined betting slip and statement of account of any one punter exceeds one page, the balance of the first page shall be carried forward to the next page being used and both the balance carried forward and brought forward shall be properly cross-referenced.
- (4) A bookmaker referred to in sub-rule (2) shall, not later than the first working day after the day on which a bet entered in the combine betting slip and statement of account book has been determined, compile his account on the combined betting slip and statement of account and render such account of the original combined betting slip and statement of account, in which case the provisions of rule 12.140 shall not apply in respect of such account.
- (5) The details of the person to whom an account is rendered shall be entered thereon.
- (6) A duplicate copy of each combined betting slip and statement of account shall be retained in the combined betting slip and statement of account book.
- (7) Immediately upon an account being rendered in terms of sub-rule (4), the amount due by the person concerned shall be transferred to the settling book referred to in rule 12.088.
- (8) The provisions of rule 12.082 (1) (c) shall apply *mutatis mutandis* to bets entered in a combined betting slip and statement of account book.

**14.057 Use of ABC book**

- (1) The ABC book shall contain the following information in respect of credit bets laid or placed by a bookmaker:
  - (a) the name of the person with whom the bet was laid or placed;
  - (b) the net amount won or lost by the bookmaker on each credit bet entered into with the person together with the number of the race to which the bet relates; and
  - (c) the total amount for the day won or lost by the bookmaker in respect of credit bets with that person.
- (2) The amount due by or to every person in terms of sub-rule (1) (c) shall immediately be transferred to the settling book referred to in rule 12.088.

**14.058 Use of settling book**

- (1) Every bookmaker shall record in the settling book full particulars of all outstanding amounts payable to or by him in terms of rule 12.085, 12.086 and 12.087 and he shall use such book for that purpose only.
- (2) All entries in the settling book shall upon settling be cross-referenced to the cash book, or to a cash control book.

- (3) Every amount not settled shall be transferred to the relevant debtor's account in the debtors ledger referred to in rule 12.089 and be properly cross-referenced.

#### **14.059 Use of debtors ledger**

- (1) The debtors ledger shall contain a separate account for every debtor/creditor.
- (2) Every account shall reflect the full name of the debtor/creditor as well as a reference number.
- (3) Every bookmaker debtor/creditor shall be clearly identified as such.
- (4) The debtors ledger shall contain the following details in respect of the debtor's/creditor's winnings or losses:
  - (a) the date of the race or other event;
  - (b) the amount won or lost; and
  - (c) the settling book reference number.
- (5) The debtors ledger shall contain the following details in respect of receipts from debtors:
  - (a) the date received;
  - (b) the amount received; and
  - (c) the cash book reference number.
- (6) The debtors ledger shall contain the following details in respect of payments made to creditors:
  - (a) the date of payment;
  - (b) the amount paid; and
  - (c) the cash book reference number.

#### **14.060 Use of cash book**

- (1) The cash book shall contain the following details in respect of all receipts: the date received;
  - (a) the debtor's name and settling book/debtors ledger reference number (in respect of cheque receipts from debtors);
  - (b) the cash control form/book reference number (in respect of cash receipts);
  - (c) the particulars of all sundry receipts; and
  - (d) the total amount banked for the day.
- (2) The cash book shall contain the following details in respect of all payments:
  - (a) the date of payment;
  - (b) the cheque number/bank transfer details;
  - (c) the name of the payee;
  - (d) the settling book/debtors ledger reference number in respect of settling payments;
  - (e) the cash control form/book reference number in respect of cash float replenishment; and
  - (f) the particulars of all sundry payments.
- (3) The cash book shall be reconciled to bank statements on a monthly basis and documentary evidence of such reconciliation shall be retained.

#### **14.070 Prohibition against recording bets elsewhere than in prescribed book**

Subject to the provisions of rule 12.120, no person shall record any particulars relating to a bet elsewhere than in a book prescribed in these rules and in the manner likewise prescribed or as approved by the Board.

#### **14.080 Use of computers**

- (1) No bookmaker shall make use of any form of computerised record keeping or bookmaking unless authorised to do so by the Board as determined in regulation 266 (3) of the Regulations.

- (2) The system contemplated in sub-rule (1) must comply both with regulation 266 of the Regulations and these rules.
- (3) The authority granted in terms of sub-rule (1) is subject to the conditions endorsed thereon.

#### **14.090 Settling of betting debts**

- (1) As far as possible settling should be done by way of cheque or bank transfers.
- (2) Where cross-settling takes place full details of such cross-settling shall be recorded in the cash book.

#### **14.100 Credit bets**

- (1) A bookmaker shall not later than the first working day after he has laid or placed any credit bet record the particulars of every such bet in:
  - (a) the statement of account book referred to in rule 12.085; or
  - (b) the ABC book referred to in rule 12.087.

### **RULE 15: LIMITED PAYOUT MACHINE ("LPM") RULES**

**Rule 15.010 Definitions.**-Any word or expression used in these Rules which is defined in the Act or the Regulations made in terms thereof shall have the meaning ascribed to it in the Act or Regulations, unless it is otherwise defined in these Rules or the context indicates otherwise. In these Rules, unless the context indicates otherwise-

**"Act"** means the Gauteng Gambling Act (Act No. 4 of 1995), as amended;

**"authorised"** means authorised in terms of the Act or ICP;

**"bet"** means the amount of credits risked or staked by a player at the commencement or during a gambling game;

**"Board"** means the Gauteng Gambling Board;

**"cash or cash equivalent"** means a physical coin, note, ticket, any other thing of value, magnetic or smart card or any other representation of money used directly or indirectly in the gambling activity as approved by the Board;

**"CEMS"** means the central electronic monitoring system contemplated in section 27 of the National Gambling Act;

**"CEMS operator"** means the entity operating the central electronic monitoring system and established in terms of section 27 of the National Gambling Act;

**"CEMS Site Interface"** means an interface used on an LPM site to convey messages to the data logger;

**"credits"** means the number of betting units standing to the credit of a player displayed on the credit meter of an LPM;

**"data collection"** means the successful transfer of LPM soft meter and significant event information from an DL to the CEMS database;

**"data logger"** means a device or other intermediate data collector for the CEMS situated on an LPM site that collects, stores and sends data;

**"designated area"** means the area within an LPM site where LPMs are authorised to be exposed for play;

**"dispute"** means any unresolved disagreement between a patron and a route operator, the CEMS operator or an LPM site relating to a gambling-related procedure, the outcome of a gambling game or the payment of winnings allegedly due;

**"DL"** means a data logger;

**"employee card"** means a card used by a registered employee to initiate and terminate gambling on an LPM site by inserting or removing such card;

**"exterior"** bears the wide meaning and shall include anything external to the (immediate outer edifice wall) of the LPM site, all other outer buildings, erections or any other fixture external to the site;

**"fair play"** means the conduct of a gambling or of any gambling-related transaction between an LPM site and a patron where value is exchanged for value, in accordance with all approved procedures and the provisions of these Rules in respect of such gambling or exchange;

**"gambling-related"** means having, in the view of the Board, a direct or indirect influence on gambling tax or fair play;

**"handle"** means the total rand value of all credits bet on an LPM within a specified period;

**"help desk operator"** means a member of staff employed by a route operator to render support to LPM site employees via a help desk;

**"ICP"** means the approved internal control procedures of the holder of a route operator licence containing the gambling-related provisions prescribed by the Act or required by the Board and includes, without limitation, all gambling-related policies, operating, administrative and accounting procedures and standards to be adhered to by the route operator or on licensed site;

**"incompatible function"** means a function which places any employee or department in a position both to commit an error or irregularity or to perpetrate a fraud and to conceal such error, irregularity or fraud. Employees may be considered to have incompatible functions if such employees are members of separate departments that are not supervised independently of one another;

**"journal entry"** means any alteration made to gambling-related computerised records;

**"LPM"** means a limited payout machine in respect of which the stakes and prizes are limited as prescribed by the National Gambling Act;

**"LPM drop"** means the cash or cash equivalent cleared from an LPM for count purposes;

**"LPM site"** means a licensed site on which LPMs may be exposed for play in terms of section 48 of the Act;

**"LOC"** means a letter of certification issued by the NRCS, certifying that a device or equipment complies with the national norms and standards applicable thereto;

**"logic area"** means a secure cabinet within an LPM that houses the master processing unit and electronic components having the potential to influence the outcome of the game or the communication between the LPM and the CEMS;

**"manufacturer"** means the holder of a licence specified in section 64 of the Act;

**"multi-game software"** means gaming software that offers more than one LPM game on a single LPM;

**"National Gambling Act"** means Act No. 7 of 2004, as amended;

**"National Gambling Regulations"** means any Regulations in respect of Limited Payout Machines promulgated in terms of the National Gambling Act;

**"NRCS"** means the National Regulator for Compulsory Specifications;

**"operating hours"** means all hours during which LPMs are exposed for play;

**"public area"** means any area to which the public has unrestricted access;

**"RAM"** means random access memory;

**"registered employee"** means an employee employed by the holder of an LPM site licence and registered by the Board to perform gambling-related activities on an LPM site;

**"RTP %"** means return to player percentage in respect of LPMs, which is calculated by dividing the total win by the total handle;

**"route operator"** means an operator licensed in terms of section 48 of the Act;

**"significant events"** means a set of operational conditions recorded by the CEMS for LPMs during a game, during idle mode or during data interchange with another gaming device;

**"site owner key employee"** means a natural person, duly authorised to represent the owner of a primary business which has entered into an agreement with a route operator to expose LPMs for play on business premises licensed in terms of section 48 of the Act, and registered as a key employee by the Board;

**"smart card"** means an integrated electronic circuit card issued to a patron for use on an LPM site as an instrument by means of which-

- (a) funds are deposited by such a patron to the credit of such card;
- (b) funds standing to the credit of such card are withdrawn or redeemed by such patron, or
- (c) gambling transactions are conducted by such patron against funds standing to the credit of such card;

**"smart keypad"** means an input device located on an LPM site used to convey instructions to the DL;

**"win"** means the total rand value of coins and credits won on an LPM.



**Rule 16.010 Organisational structure.**-(1) A route operator shall implement and maintain an organisational structure and shall submit a diagrammatical illustration thereof reflecting-

- (a) the executive management of the organisation, each of its departments and functions;
- (b) the segregation of incompatible functions into different departments and functions;
- (c) the direct and indirect lines of authority within the organisation, departments and functions, including the LPM site, and
- (d) the titles of each position within the organisation and mandatory departments and functions.

(2) The holder of a route operator licence shall not commence any gambling or gambling-related activities prior to the approval of its organisational structure by the Board.

(3) The holder of a route operator licence shall not amend or implement any amendments to its approved organisational structure without the prior written approval of the Board.

**Rule 16.020 Jobs compendium.**-(1) The holder of a route operator licence shall prepare and maintain a jobs compendium that complies with the provisions of this Chapter in respect of all personnel and LPM site employees engaged in gambling and gambling-related activities.

(2) A jobs compendium shall contain-

- (a) a description of each job, reflected on a separate page, organised by department or function, including-
  - (i) the position title and the department or division under which it falls;
  - (ii) the position titles of the head of the relevant department and the immediate supervisor and subordinates in respect of the relevant job;
  - (iii) the duties, responsibilities, authority and the limitations in respect of the relevant job;
  - (iv) where registration is required in respect of the relevant position, the type of licence required to be issued, and
  - (v) where registration is not a requirement in respect of the relevant position, no registration is required.

(3) The jobs compendium shall-

- (a) clearly reflect the segregation of incompatible operational functions-
  - (i) into different departments, and
  - (ii) between the route operator and LPM site, specifying the duties of each such department and function;
- (b) illustrate by title, the direct and indirect lines of authority within the operation, clearly reflecting a chain of command in terms of which management and supervisory personnel are held accountable for actions or omissions within their areas of responsibility;
- (c) reflect primary and secondary supervisory positions, where applicable, within the organisational structures and the operational functions contemplated in paragraph (a), so as to ensure the continuous authorisation or supervision of all gambling and gambling-related transactions at all relevant times, and
- (d) reflect the division of responsibility and accountability so as to ensure that no area of responsibility or accountability is so extensive that it becomes impractical for one employee to monitor or control.

(4) The holder of a route operator licence shall not commence any gambling or gambling-related activities prior to the approval of its jobs compendium by the Board.

(5) The holder of a route operator licence shall not amend or implement any amendments to its approved jobs compendium without the prior written approval of the Board.

**Rule 16.030 Staffing.**-(1) A route operator organisational structure and jobs compendium shall provide for the following independent mandatory departments providing for the following categories of staff-

- (a) Technical-

- (i) LPM Technicians, who shall install and maintain LPMs and DLs and perform such other functions as are prescribed by the Rules and the LPM operator's ICP, and
  - (ii) An LPM Technical Manager, who shall-
    - (a) supervise and manage the overall operation of the Technical Department, and participate in the appointment and termination of employment of all technical employees, and
    - (b) ensure that the structure and operation of the Technical Department complies with the LPM operator's ICP and the Act.
- (b) Administration-
- (i) Administration Clerks, who shall-
    - (a) ensure that gambling-related financial information, including the compilation of monthly tax returns, is accurate and reliable, and
    - (b) perform such other functions as are prescribed by the Rules and the route operator's ICP, and
  - (ii) an Administration Manager, who shall-
    - (a) supervise and manage the overall operation of the Administration Department, and participate in the appointment and termination of employment of all administration employees, and
    - (b) ensure that the structure and operation of the Administration Department complies with the route operator's ICP and the Act;
  - (c) Compliance-
    - (i) Compliance Officers, who shall-
      - (aa) monitor, audit and report on compliance with the route operator's ICP and the Act, and
      - (bb) perform such other functions as are prescribed by the Rules and the route operator's ICP, and
    - (ii) a Compliance Manager, who shall-
      - (aa) supervise and manage the overall operation of the Compliance Department and participate in the appointment and termination of employment of all investigation personnel, and
      - (bb) ensure that the structure and operation of the Compliance Department complies with the route operator's ICP and the Act.

(2) The Board may approve the combination of certain categories of employees, functions or departments if the route operator is able to demonstrate that there are no incompatible functions and that the proper conduct and effective supervision and control of gambling and gambling-related activities will not be prejudiced thereby.

(3) A route operator may not outsource any of the functions assigned to its employees by the route operator's ICP or the Act without prior written approval of the Board.

(4) The holder of a route operator licence shall at all times maintain its level of staffing in a manner which ensures the proper operation and effective supervision of all gambling and gambling-related activities.

(5) The Board may order the holder of a route operator licence to utilise higher levels of staffing if, in the opinion of the Board, it is necessary for the proper conduct and effective supervision and control of any gambling-related activity.

(6) No person shall simultaneously perform incompatible gambling-related functions allocated to more than one position without the prior written approval of the Board.

(7) The route operator shall ensure that only adequately trained and experienced employees are utilised in the positions reflected in the organisational structure.

(8) This Rule does not preclude the holder of a route operator licence from utilising additional categories of employees or the Board from ordering a route operator to utilise additional categories of employees where it deems this necessary for the proper conduct and effective supervision and control of any gambling-related activity.

**Rule 16.040 LPM site.**-(1) A minimum of two registered employees who are permanently based at the site, shall be appointed on each LPM site, who shall during all operating hours-

- (a) supervise gambling and gambling-related activities;
- (b) ensure that all gambling and gambling-related activities are conducted in accordance with the Act and the route operator's ICP;
- (c) ensure the proper functioning of LPMs, insofar as prescribed by the Act and the route operator's ICP, and

- (d) attend to patron disputes.

**Rule 16.050 Internal audit.**-(1) A route operator shall appoint an internal auditor to perform the internal audit function prescribed by this Rule.

(2) The internal audit function shall-

(a) On a six-monthly basis-

- (i) assess the route operator's compliance with its ICP and the Act;
- (ii) assess the effectiveness and adequacy of the day-to-day gambling-related operations of the Technical, Administration and Compliance Departments;
- (iii) compile and review an operational risk profile in respect of the mandatory departments;
- (iv) determine whether gambling and gambling-related financial and operating information is accurate, current, timeously generated, complete, valid and reliable, including the reconciliation of such information with tax returns submitted to the Board;
- (v) determine whether all gambling-related taxes are current and accurate;
- (vi) assess the integrity, adequacy, accuracy and reliability of all gambling-related information and systems, and
- (vii) to the degree required by the circumstances, assess the route operator's compliance with any operational conditions of the licence imposed by the Board.

(b) For the second six monthly review of the year, also evaluate the route operator's-

- (i) ICP in order to determine the effectiveness and adequacy thereof, and
- (ii) fulfilment of its bid commitments.

(3) Where a route operator utilises an external auditing company to perform the internal audit function, such company may not also perform the external audit function.

(4) The head of the internal audit function shall report directly to the board of directors of the route operator, a committee of the board of directors or to the executive management.

(5) A route operator must ensure that the persons responsible for the performance of the internal audit function, submit and present an internal audit report to the Board, of each six-monthly audit conducted, by-

- (a) 28 February each year for the period July to December of the preceding year, which is to include the annual requirements indicated under (2) (b) above; and
- (b) 31 August each year for the period January to June of that year.

(6) The internal audit report contemplated in sub-rule (5) shall address-

- (a) any contravention of the route operator's ICP or the Act revealed by the audit;
- (b) all the areas of responsibilities referred to in sub-rule (2) (a) and (b), and
- (c) any weaknesses in the route operator's ICP or the Act revealed by the audit.

(7) The Board may approve different reporting lines to those prescribed in sub-rule (4) above, upon demonstration by the route operator that no incompatible functions will be occasioned as a result thereof.

(8) All reports shall be in writing and shall be kept for a period of at least two (2) years for Board inspection.

**Rule 16.060 ICP.**-(1) Every route operator shall develop, implement and maintain ICP to ensure-

- (a) the integrity of its gambling operation;
- (b) that adequate controls are in place to effectively manage and minimise gambling-related risks;
- (c) that gambling-related devices, documents and information are properly controlled and safeguarded;
- (d) that financial and other gambling-related records are accurate and reliable;
- (e) that gambling-related transactions are performed with the necessary authorisation;
- (f) that gambling-related transactions are recorded in sufficient detail;
- (g) the proper reporting of gambling revenue, taxes and other fees due, and
- (h) that gambling-related functions, duties and responsibilities are appropriately segregated and

performed in accordance with sound practices by competent and appropriately qualified employees.

(2) A route operator's ICP shall contain only those procedures and provisions required in terms of the Act and such further procedures and provisions as the Board may from time to time determine or approve.

(3) The holder of a route operator licence shall not commence any gambling or gambling-related activities prior to the approval of its ICP by the Board.

(4) The holder of a route operator licence shall not amend its ICP or implement any new or revised policies, procedures or standards not contained or required to be contained in its ICP without the prior written approval of the Board.

(5) The holder of a route operator licence shall submit amendments to its approved ICP in the manner and format determined by the Board.

(6) The Board may order the holder of a route operator licence to amend its ICP if in the opinion of the Board it does not comply with the requirements of sub-rule (1).

(7) The holder of a route operator licence shall conduct its operations in terms of its ICP.

(8) If the holder of a route operator licence contravenes any provision or procedure of its ICP or omits to amend its ICP within the period specified by the Board to do so, such contravention or omission shall be deemed to be a contravention of these Rules.

(9) The ICP shall clearly distinguish between the responsibilities assigned to a route operator and a LPM site respectively.

(10) A route operator shall immediately inform all its LPM sites of any amendments to its ICP.

(11) At a minimum a route operator's ICP shall contain provisions and procedures relating to-

- (a) its organisational structure;
- (b) its jobs compendium;
- (c) measures for the maintenance of designated areas to ensure compliance with the provisions of the Act;
- (d) control measures to preclude persons under the age of 18 years from having access to designated areas;
- (e) the maintenance of site and employee records;
- (f) the management of prescribed LPM information records;
- (g) the commissioning and de-commissioning of LPMs, including the set up and testing thereof;
- (h) access to all LPM areas, including LPM logic area and DL access;
- (i) the resolution of patron disputes;
- (j) manual payments, including the recording thereof;
- (k) the maintenance of LPMs and DLs, including the detection of LPM, DL and CEMS malfunctions;
- (l) the recording and correction of RAM clears, meter wraps and LPM soft meter violations;
- (m) the detection and investigation of exceptions and unusual events, including-
  - (i) significant events, and
  - (ii) the integrity of CEMS and LPM meters;
- (n) the clearance and count of LPM drop;
- (o) the investigation of variances between estimated and actual LPM drop and the reporting thereof;
- (p) the detection and investigation of LPM RTP percentages that are below 75%;
- (q) control measures in respect of controlled stationery, including provisions for-
  - (i) the ordering thereof;
  - (ii) the receipt thereof;
  - (iii) the storage thereof;
  - (iv) the issue thereof;
  - (v) the method of completing entries in controlled stationery registers;
  - (vi) the personnel involved in controlled stationery transactions;

- (vii) the comparison of a signature listing to signatures on the controlled stationery documents;
- (viii) the method of checking for completeness and accuracy of controlled stationery registers;
- (ix) the collection of completed controlled stationery registers;
- (x) the method of filing of all controlled stationery, and
- (xi) the reconciliation and auditing of controlled stationery registers;
- (r) monitored key controls, including provisions for-
  - (i) the ordering thereof;
  - (ii) the receipt thereof;
  - (iii) the storage thereof;
  - (iv) the issue thereof;
  - (v) the method of completing entries in monitored key registers;
  - (vi) the personnel involved in monitored key transactions;
  - (vii) procedures in respect of duplicate keys;
  - (viii) procedures in respect of lost keys;
  - (ix) dual control procedures relating to keys;
  - (x) the destruction of keys, and
  - (xi) the reconciliation and auditing of monitored key registers;
- (s) journal entries and any adjustments to stored data on the CEMS;
- (t) controls relating to user access levels and rights assigned to persons authorised to access the CEMS;
- (u) the issue, activation and retrieval of employee cards, including password reset;
- (v) the calculation, compilation and verification of the Monthly Gaming Revenue Tax Return, including the verification and reconciliation of computerised reports used to calculate LPM gambling revenue so as to ensure the integrity and accuracy and the collection thereof;
- (w) the documentation, investigation and manner of reporting of all breaches of procedure and illegal activities;
- (x) the training of registered employees with regard to-
  - (i) LPM site procedures;
  - (ii) the Responsible Gambling Programme, and
  - (iii) the maintenance of LPMs;
- (y) the performance of audits pertaining to-
  - (i) game and communication software installed in LPMs;
  - (ii) software installed in DLs;
  - (iii) user right access levels to the CEMS and other gambling-related software, including password control;
  - (iv) procedural compliance with the Act and the route operator's ICP;
  - (v) registered employees;
  - (vi) monitored keys;
  - (vii) controlled stationery, and
  - (viii) the verification of the accuracy and integrity of information on the CEMS.

(12) At a minimum a route operator's ICP applicable to a LPM site, shall contain provisions and procedures relating to-

- (a) its organisational structure;
- (b) its jobs compendium;
- (c) measures for the maintenance of designated areas to ensure compliance with the provisions of the Act;
- (d) control measures to preclude persons under the age of 18 years from having access to designated

areas;

- (e) the maintenance of site and employee records;
- (f) the commissioning and de-commissioning of LPMs, including the set up and testing thereof;
- (g) access to all LPM areas and the DLs, including LPM logic area and DL access;
- (h) the resolution of patron disputes;
- (i) manual payments, including the recording thereof;
- (j) the maintenance of LPMs and attendance to LPM error codes;
- (k) the detection and reporting of LPM, DL, CEMS site interface and CEMS malfunctions;
- (l) the recording of RAM clears;
- (m) the reporting of exceptions and unusual events, including-
  - (i) significant events, and
  - (ii) the integrity of LPM and CEMS meters;
- (n) the clearance and count of LPM drop;
- (o) the detection of variances between estimated and actual LPM drop and the reporting thereof;
- (p) the reporting of LPM RTP percentages that are below 75%;
- (q) control measures in respect of controlled stationery, including provisions for-
  - (i) the receipt thereof;
  - (ii) the storage thereof;
  - (iii) the return thereof;
  - (iv) the method of completing entries in controlled stationery registers;
  - (v) the personnel involved in controlled stationery transactions, and
  - (vi) the method of checking for completeness and accuracy of controlled stationery registers;
- (r) monitored key controls, including provisions for-
  - (i) the receipt thereof;
  - (ii) the storage thereof;
  - (iii) the method of completing entries in monitored key registers;
  - (iv) the personnel involved in monitored key transactions;
  - (v) procedures in respect of duplicate keys, and
  - (vi) procedures in respect of lost keys;
- (s) controls relating to user access levels and rights assigned to persons authorised to access the CEMS;
- (t) the issue, activation and retrieval of employee cards, including password reset, and
- (u) the reporting of all breaches of procedure and illegal activities.

#### RULE 17 - TECHNICAL DEPARTMENT

**Rule17.010 LPM and DL information records.**-(1) The Technical Department of a route operator shall record and maintain accurate and current records in the route operator's inventory in respect of-

- (a) each LPM, reflecting-
  - (i) the date on which the LPM cabinet and game software was received;
  - (ii) the serial number assigned to that LPM cabinet by the manufacturer thereof;
  - (iii) a unique asset number assigned to that LPM cabinet shall remain unchanged for the entire duration of the period during which such LPM is owned by or in the possession of the route operator;
  - (iv) the location to which the LPM has been assigned;

- (v) the number assigned to the position of the LPM at the LPM site;
  - (vi) the name of the licensed manufacturer of the LPM cabinet and game software;
  - (vii) the LPM game software memory device number;
  - (viii) the LPM game name;
  - (ix) the LPM theoretical and actual return to player percentages;
  - (x) the LPM denomination;
  - (xi) the method and date of disposal of the LPM cabinet and game software;
  - (xii) the total number of LPMs in use at each LPM site and in storage, and
  - (xiii) LPM permit numbers, where applicable;
- (b) each DL, reflecting-
- (i) the date on which the DL was received;
  - (ii) the serial number assigned to that DL by the manufacturer thereof;
  - (iii) a unique asset number assigned to that DL which shall remain unchanged for the entire duration of the period during which such DL is owned by or in the possession of the route operator;
  - (iv) the site or location to which the DL has been assigned, and
  - (v) the DL model number.

**Rule 17.020 LPM requirements.**-(1) Each LPM shall electronically record, store and send to the CEMS the meter information specified by the applicable SANS standard.

(2) Each LPM shall electronically record, store and send to the CEMS at a minimum the following significant event information-

- (a) authorised and unauthorised LPM cabinet door, drop box door and banknote storage area open and close;
- (b) authorised and unauthorised access to the LPM logic area while power off;
- (c) authorised and unauthorised access to the DL;
- (d) communication failure with the CEMS, and
- (e) software validation or signature failure.

(3) An LPM shall require manual reactivation and shall perform a signature check in the event of-

- (a) unauthorised access to the LPM logic box door;
- (b) unauthorised access to the DL, or
- (c) a signature failure by the LPM and or DL.

(4) The Technical Department shall maintain all LPMs and DLs in a good working condition in accordance with the approved norms and standards for such devices.

(5) The route operator or LPM site shall not possess, install or make available for play any gambling or gambling-related device which has not been approved by the Board.

(6) All LPMs that are exposed for play shall be linked to the CEMS at all times.

(7) A number shall be assigned to each LPM at an LPM site, which shall be clearly visible on the front of the LPM.

(8) The LPM number referred to in sub-rule (7) shall correspond with the number reflected on the CEMS for that specific LPM.

(9) A plate shall permanently be affixed to the cabinet of every LPM, reflecting-

- (a) the unique serial number of the LPM, and
- (b) the name of the manufacturer of such LPM.

**Rule 17.030 Commissioning, alteration and de-commissioning of LPMs and DLs.**-(1) Whenever an LPM or DL is commissioned or altered, the Technical Department shall perform tests to ensure that the components of such LPM or DL have been set up properly in respect of-

- (a) software validation;
- (b) coin acceptance;
- (c) bill acceptance;
- (d) significant events;
- (e) soft meter increment, and
- (f) such other components and tests as the Board may specify prior to any gambling activity taking place on the LPM.

(2) The Technical Department shall-

- (a) document the results of the tests conducted in terms of sub-rule (1) in the format determined or approved by the Board and such document shall be signed by a representative from the Technical Department and a registered employee of the relevant LPM site, and
- (b) maintain the significant event and meter test documentation, including system reports in respect of the tests contemplated in sub-rule (1) for a period of at least two (2) years for Board inspection.

(3) The Technical Department shall ensure that CEMS is updated reflecting any commissioning, alteration or de-commissioning of LPMs at the time of such occurrence.

(4) The Technical Manager or authorised representative shall authorise the commissioning, alteration or de-commissioning of all LPMs upon approval by the Board.

(5) The route operator shall ensure that full data collection has been completed by the CEMS prior to de-commissioning an LPM.

(6) An LPM may not be exposed for play before the tests referred to in sub-rule (1), have been successfully completed and the information on the CEMS has been verified as being correct.

(7) Any change to an LPMs theoretical RTP percentage shall result in such LPM being treated as a different LPM for purposes of preparing statistical reports.

(8) In respect of a multi-game LPM, the provisions of this Rule shall apply, with the necessary changes, to each game offered by such LPM.

**Rule 17.040 LPM and communication malfunctions.**-(1) The LPM shall be powered down and may not be available for play if a malfunction has occurred which-

- (a) has a fair play implication, or
- (b) affects the integrity of the LPM or CEMS information and which cannot be repaired immediately.

(2) An LPM as described in 3.4 (1) above shall be removed from the designated area, with the relevant approval in the event that it has been powered down for a period of five consecutive trading days.

(Editorial Note: Wording as per original *Provincial Gazette*.)

(3) In the event that data collection has not been performed from an LPM site over a continuous 72-hour period, the Technical Department shall implement measures to ensure that such data collection is performed and shall inform the Board in writing within 24 hours after the expiry of the 72 hour period.

(4) The Technical Department shall, if requested in writing by the Board to do so, immediately disable an LPM for a period determined by the Board or until such time as the malfunction has been repaired.

**Rule 17.050 Maintenance.**-(1) The Technical Department shall maintain a detailed maintenance register in respect of all malfunctions and maintenance performed on LPMs and DLs.

(2) Preventative and routine maintenance on an LPM and DL may be performed only by-

- (a) a licensed LPM Technician;
- (b) a licensed employee of the CEMS operator, or
- (c) a licensed employee of an LPM manufacturer, licensed in terms of the Act.

In the presence of a licensed employee of the relevant LPM site or a licensed employee of the route operator.

(3) Sub-rule (2) does not preclude a registered employee of the LPM site from performing routine maintenance to ensure the proper operation of the LPMs on its site, including attending to coin-in and coin-out errors, bill disputes, hopper fills and cash collections.

(4) If a specific malfunction on an LPM recurs on a regular basis, the Technical Department shall attend to the



problem.

**Rule 17.060 RAM clear.**-(1) Only representatives of the Technical Department and the CEMS operator shall be allowed to perform a RAM clear on an LPM and DL.

(2) A RAM clear on an LPM or DL may be performed only by accessing the logic area of such LPM or secure housing of the DL.

(3) Immediately prior to and after performing a RAM clear on an LPM, the LPM Technician or CEMS operator representative shall record the LPM soft meter readings on the prescribed RAM Reset Document, and-

- (a) communicate this information to the Administration Department or Help Desk Operator as the case may be, and
- (b) ensure that the LPM soft meters have been archived on the CEMS.

(4) Representatives of both the relevant LPM site and the Technical Department shall attest to the accuracy of the information contained in the RAM Reset Document.

(5) The Help Desk Operator or Administration Department shall ensure that full data collection has been completed by the CEMS prior to performing a RAM clear on the DL, as prescribed by the route operator's ICP.

**Rule 17.070 Additional gambling devices.**-(1) The holder of a route operator licence may, at its office or such other premises approved for this purpose by the Board, possess an additional number of gambling devices, which-

- (a) shall not exceed 10% of the total number of gambling devices authorised to be exposed for play in terms of the route operator's licence;
- (b) may not be utilised to conduct gambling, and
- (c) shall not be located within any public area.

(2) The holder of a route operator licence may possess additional LPMs in excess of the number prescribed in sub-rule (1) (a) only upon the prior written approval of the Board.

## RULE 18 - ADMINISTRATION DEPARTMENT

**Rule 18.010 Responsibilities.**-(1) The Administration Department of a route operator shall-

- (a) develop, implement and review financial controls;
- (b) reconcile gambling revenue on a monthly basis;
- (c) prepare and control financial records and data;
- (d) capture data, other than the data required to be captured by the Technical Department, on the CEMS;
- (e) store financial records;
- (f) authorise the allocation of user access rights;
- (g) order, receive, secure, issue and be responsible for the storage of all controlled stationery and monitored keys;
- (h) verify the integrity and validity of all financial information, and
- (i) prepare all financial reports.

**Rule 18.020 Journal entries.**-(1) In the event of incorrect information being reflected on the CEMS, the Administration Department shall make printouts prior to and subsequent to changes being effected thereto, reflecting an audit trail of the amendments made and the reason for such amendments.

(2) The Administration Department shall request the CEMS operator, in writing on the prescribed Journal Entry Register, to effect the necessary adjustments.

(3) All journal entries shall be authorised and signed by the Administration Manager, his or her authorised representative or such other person authorised in the route operator's ICP.

(4) The route operator shall request a written approval from the Board prior to the authorised representative contemplated in sub-rule (3) above performing such delegated function, if there is no provision for such delegation

in the route operator's ICP.

**Rule 18.030 LPM accounting.**-(1) The Administration Department shall, on a monthly basis, review the CEMS reports used for calculating taxable revenue to verify the accuracy thereof.

(2) The Administration Department shall verify that the data contemplated in Rule 3.2 (1) and (2) has been collected in respect of all LPMs within 24 hours of the period allowed for the collection thereof.

(3) The Administration Department shall immediately inform the Technical Department if the data collection contemplated in sub-rule (2) has been unsuccessful, and the Technical Department shall accordingly investigate.

(4) A weekly reconciliation shall be prepared by the Administration Department in respect of the taxable revenue pertaining to all LPMs exposed for play by the route operator.

(5) All LPM reconciliation procedures and any follow-up actions performed in respect thereof, shall be documented and retained for Board inspection.

(6) The weekly tax return shall be signed by the Administration Manager, his or her authorised representative or such other person authorised in the route operator's ICP.

**Rule 18.040 Controlled stationery.**-(1) The Administration Department or designated registered employee shall be responsible for ordering, receiving, storing and issuing the following controlled stationery-

- (a) Machine Book for each LPM, to be used and retained at the site to which it pertains to document each time an LPM is accessed, reflecting the relevant-
  - (i) LPM site;
  - (ii) LPM number;
  - (iii) date and time of access;
  - (iv) reason for access, and
  - (v) signature and name or registration number of the LPM Technician or registered LPM site employee accessing the LPM;
- (b) Malfunction and Maintenance Register, to be used and retained by the route operator to document all malfunctions of and maintenance performed on LPMs and DLs, reflecting the relevant-
  - (i) LPM site;
  - (ii) LPM or DL number;
  - (iii) date and time of the malfunction;
  - (iv) date and time of the maintenance;
  - (v) description of the malfunction and the action taken to repair it, and signatures and names or registration numbers of the LPM Technician and registered LPM site employee performing or witnessing the maintenance;
- (c) RAM Reset Documentation to be used and retained by the route operator in the event of a RAM clear, reflecting the relevant-
  - (i) date and time;
  - (ii) LPM number;
  - (iii) soft meter readings prior to the RAM clear;
  - (iv) soft meter readings subsequent to the RAM clear, and
  - (v) signatures and names or registration numbers of the LPM Technician or CEMS operator representative and registered LPM site employee performing or witnessing the RAM clear;
- (d) Payout Register, to be used and retained at an LPM site to document all prescribed payouts made by the LPM site to patrons, reflecting the relevant-
  - (i) date of payment;
  - (ii) value of the payment; and
  - (iv) signature and name or registration number of the registered LPM site employee who made the payout;
- (e) Dispute and Incident Register, to be used and retained at an LPM site to register all patron disputes, including resolved disputes, reflecting the relevant-

- (i) date, time of the dispute or incident;
  - (ii) nature of the dispute or incident;
  - (iii) the relevant LPM number, where applicable;
  - (iv) the patron's name, telephone number, address and signature;
  - (v) remedial steps taken to resolve the dispute or incident;
  - (vi) details regarding the resolution or referral of the dispute or incident, as the case may be, and
  - (vii) signature and name or registration number of the registered LPM site employee to whom the dispute or incident was reported;
- (f) Journal Entry Register, to be used and retained by the route operator to record the detail of all adjustments made to stored data on the CEMS, reflecting the relevant-
- (i) date and time of the entry;
  - (ii) LPM number, where applicable;
  - (iii) LPM site name;
  - (iv) reason for the adjustment;
  - (v) description of the adjustment made, and
  - (vi) signatures and names or registration numbers of the Administration Department employee requesting the adjustment and the Administration Manager, his or her authorised representative or such other person as may be designated for this purpose in the route operator's ICP;
- (g) CEMS Operator's Access Application Form, to be used and retained by the route operator for the application of user access rights on the CEMS, reflecting the relevant-
- (i) date of application;
  - (ii) applicant's name and surname;
  - (iii) position or job function of the applicant;
  - (iv) Board licence number, where applicable;
  - (v) LPM operator's name;
  - (vi) LPM site name, where applicable;
  - (vii) user access rights to be allocated to the applicant, and
  - (viii) signature and name or registration number of the Administration Department employee authorising the application;
- (h) Stationery Registers, to be used and retained by the route operator documenting controlled stationery in stock as well as all controlled stationery issued, reflecting the relevant-
- (i) number of stationery books received;
  - (ii) range of stationery received;
  - (iii) signature and name or licence number of the employee receiving the stationery;
  - (iv) LPM site at which the stationery is used, where applicable;
  - (v) date and time issued;
  - (vi) current stock level, and
  - (vii) signatures and names or licence numbers of the employees receiving and issuing the controlled stationery;
- (i) Monitored Key Control Registers, to be used and retained by the route operator documenting each time monitored keys or combinations thereof are issued, duplicated or destroyed, reflecting the relevant-
- (i) type of key or combination of keys;
  - (ii) number of keys made, duplicated or destroyed;
  - (iii) signatures of all persons involved in the creation, duplication or destruction of such keys;
  - (iv) date and time issued;
  - (v) relevant LPM site, where applicable;

- (vi) signature and name or licence number of the employee issuing the keys;
- (vii) signature and name or licence number of the employee receiving the keys, and
- (viii) date and time returned by the custodian of the monitored key.

(2) All the unused and completed registers contemplated in sub-rule (1) shall be kept in a secure area controlled by the Administration Department.

(3) The issue and receipt of all controlled stationery shall be registered in stationery registers.

(4) Information required to be reflected on controlled stationery shall be recorded in ink or such other permanent medium as the Board may require or approve.

(5) Corrections to information recorded on controlled stationery shall be made by drawing a single line through the error and entering the correct detail whereupon at least one employee involved in the transaction shall append his or her initials alongside the changes, specifying his or her name or employee ID number.

(6) All the completed registers contemplated in sub-rule (1) shall be retained-

- (a) on the relevant LPM site, for a period of at least three years from the date of the last entry therein,
- (b) at its registered office, by the route operator for a period of at least five years from the date of the last entry therein, and
- (c) for Board inspection.

(7) Notwithstanding the provisions of this rule, where a route operator utilises a computerised system and electronic signature identification, the Board may approve different requirements and provisions in respect of controlled stationery, upon demonstration by the route operator to the satisfaction of the Board that there are sufficient controls in place to ensure the integrity and validity of the computerised system and the reports generated.

(8) The route operator may combine certain of the registers specified in this Rule with computer-generated reports, provided that the route operator is able to prove to the Board-

- (a) the validity and correctness of the information contained in the registers and reports, and
- (b) that the integrity of the documentation is not prejudiced by such combination.

**Rule 18.050 Monitored keys.**-(1) The Administration Department or Designated Registered Employee shall maintain detailed records in respect of each monitored key that is made, duplicated or destroyed.

(2) The Administration Department, Designated Registered Employee or Help Desk Operator shall receive, secure, issue, control and dispose of the following monitored keys-

- (a) LPM cabinet door keys;
- (b) logic area door keys;
- (c) DL keys;
- (d) such other keys that are required to be monitored or controlled in terms of the Act and ICP, and
- (e) each duplicate key to the keys contemplated in paragraphs (a) to (d) above.

(3) All monitored keys shall be kept in a secured area, in such a manner as to prevent unauthorised access thereto.

(4) Access to the secure area referred to in sub-rule (3) shall be limited to representatives of the Administration Department, Designated Licensed Employee or the Help Desk Operator.

(5) All key transactions shall be recorded in key control registers.

(6) Monitored keys shall at all times remain under the control of the custodian of such keys or secured in a manner approved by the Board.

(7) In addition to the provisions of this rule, the following provisions shall apply with regard to the control of-

- (a) Logic area keys-
  - (i) shall be accessible only to authorised representatives of the Technical Department and,
  - (ii) may be kept at a site if in the ICP, the route operator demonstrates adequate control to ensure that the keys are not accessible by the site employees.
- (b) DL keys-
  - (i) shall be issued only to an LPM Technician or a representative of the CEMS operator;
- (c) LPM cabinet door keys may be issued only to a registered employee of the LPM site or a representative of the Technical Department.

## RULE 19 - COMPLIANCE DEPARTMENT

**Rule 19.010 Investigations.**-(1) The Compliance Department of the route operator shall, on a weekly basis, review the CEMS meter readings and significant events in order to detect exceptions and unusual events, including-

- (a) unauthorised access to secured areas of the LPM and DL;
- (b) configuration changes to LPM and DL software;
- (c) LPM and DL software validation or signature failure;
- (d) meter violations, meter wraps and RAM clears, and
- (e) variances in excess of R100-00 or 20% per gaming day between actual and metered LPM drop, in the event that the actual LPM drop counted exceeds the metered drop.

(2) The Compliance Department shall, on a weekly basis, ensure that the exceptions and unusual events referred to in sub-rule (1) are investigated.

(3) The Compliance Department shall inform the Technical Department of any unresolved exceptions and unusual events referred to in sub-rule (1).

(4) The Compliance Department shall inform the Administration Department regarding the outcome of the investigation of the variances contemplated in sub-rules (1) (d) and (e).

(5) The results of the investigations referred to in this Rule and the actions taken to prevent a recurrence thereof, shall be documented.

(6) All reports contemplated in this Rule shall be in writing and kept for a period of at least two (2) years from the date of completion thereof, for Board inspection.

**Rule 19.020 Audits.**-(1) The Compliance Department shall be responsible for the performance of quarterly audits-

- (a) to verify that only approved game and communication software is installed in LPMs;
- (b) to ensure that access to the CEMS has been allocated to authorised personnel only;
- (c) assessing procedural compliance by the route operator and LPM site with the Rules and the route operator's ICP;
- (d) to verify that all employees performing gambling-related functions are correctly registered;
- (e) on the LPM RTP percentages which are below 75% over a continuous 12-month period;
- (f) to ensure that journal entries have been performed correctly and with the necessary authorisation;
- (g) on monitored key registers for accuracy;
- (h) on controlled stationery registers for accuracy and stock levels, and
- (i) to verify the accuracy and integrity of information on the CEMS.

(2) Any discrepancies found during the audits referred to in sub-rule (1) shall be investigated and the results and actions taken to prevent a recurrence thereof shall be documented.

(3) This quarterly compliance audit report is to be submitted to the Board within 30 days of the end of each quarter as per calendar year.

(4) The Compliance Department shall, on an annual basis, compile or review a risk analysis in respect of the day-to-day gambling and gambling-related activities conducted by the route operator and on LPM site.

(5) Such report is to be submitted to the Board on or before 31 January of each year.

**Rule 19.030 Reporting requirements.**-(1) The Compliance Manager shall report directly to the General Manager or Managing Director of the route operator.

(2) The Board may approve different reporting lines to those prescribed in sub-rule (1) above, upon demonstration by the route operator that there are no incompatible functions.

(3) The Compliance Department shall, on a monthly basis, provide the Board with a report reflecting, in respect of the period reviewed-

- (a) any contraventions of the route operator's ICP or the Act;

- (b) any discrepancies detected during the prescribed audits and investigations;
- (c) detail of all journal entries;
- (d) a summary of all patron disputes arising;
- (e) any cheating activities detected;
- (f) a summary of all bannings effected;
- (g) confirmation that only approved software is installed in DLs;
- (h) details of all machine movements and game changes;
- (i) theft or robberies at sites and,
- (j) such other detail as may be required by the Board.

(4) The monthly reports referred to in sub-rule (3), shall be submitted within five working days after the conclusion of every month.

(5) In addition to the provisions of sub-rule (3), the Compliance Department shall submit additional reports to the Board relating to-

- (a) gambling-related activities and procedures;
- (b) any material weaknesses identified in the route operator's ICP, and
- (c) instances of possible non-compliance with the provisions of the route operator's ICP or the Act within 14 days from the time the anomaly has been identified.

(6) All reports contemplated in this rule shall be in writing and kept for a period of at least two years for Board inspection.

(7) The Compliance Department shall ensure that all matters of non-compliance in respect of the route operator and the sites are reported to the Board in writing within 72 hours of becoming aware thereof and such report shall set out-

- (a) The reason for the non-compliance.
- (b) The outcome, results or effect of such non-compliance.
- (c) Why the relevant controls were not adequate to prevent such non-compliance.
- (d) The corrective action taken by either the route operator or the site key employee to prevent a re-occurrence of such non-compliance.
- (e) Whether such non-compliance has the potential to occur at other licensed sites, and if so, whether such sites will be advised accordingly.

**Rule 19.040 Movement of LPMs.**-(1) The Compliance Department shall ensure the following in respect of LPMs-

- (a) Written approval is obtained from the Board prior to an LPM being moved anywhere outside of the province and a notification within the province.
- (b) Written approval is obtained from the Board for an increase in the number of machines at the site as well as the activation thereof.

(2) The Compliance Department shall ensure that no LPM is moved to a site five (05) days prior to the scheduled date of activation of the LPM.

(3) No LPM shall remain in the designated area if such LPM has been non-operational for a period of five consecutive trading days.

**Rule 19.050 Non-Operation of LPMs at a licensed site.**-(1) The Compliance Department will ensure that whenever LPMs are to cease operating at a site, whether temporary or permanently, that the relevant approval is obtained from the Board.

(2) If a licensed site is to cease operations permanently in respect of the LPMs, the Compliance Department shall submit the following written notification to the Board within fourteen (14) days-

- (a) reasons why operations are to cease;
- (b) request to remove the LPMs from the licensed site.

(3) Within 24 hours of the gambling equipment being removed from the site, the Compliance Department

shall provide confirmation to the Board in writing that all registered employees associated with that site, have either had their employee access cards deactivated or that the CEMS operator has been requested to deactivate their employee access cards.

(4) In the case of a planned temporary discontinuation of operations in respect of any LPM site, the Compliance Department shall request approval prior to such operations being discontinued.

(5) The Compliance Department shall report all sites to the Board, which have failed to trade for five consecutive days, within 24 hours of becoming aware of such occurrence.

#### RULE 20 - LPM SITE

**Rule 20.010 ICP.**-(1) The provisions and procedures prescribed in a route operator's ICP, including its organisational structure and jobs compendium shall be complied with on all licensed LPM sites on which it exposes LPMs for play.

(2) No gambling or gambling-related activities shall be conducted on an LPM site prior to the approval of the relevant route operator's ICP by the Board.

(3) All operations on an LPM site shall be conducted in terms of the relevant route operator's ICP.

(4) A copy of these Rules and the relevant route operator's ICP shall, at all times be retained on an LPM site.

(5) If any provision or procedure of the route operator's ICP is contravened on an LPM site, such contravention shall be deemed to be a contravention of these Rules, and the route operator shall be liable for the penalties prescribed in respect thereof in these Rules, or such penalties together with such other sanction as the Board may impose in terms of the Act; provided that-

(a) where the holder of the route operator licence to which an LPM site relates does not exercise control over the site for the purposes of the contravention, the Board may require the site owner key employee to pay the penalties stipulated in these Rules in respect of such contravention, and

(b) where a penalty is imposed pursuant to paragraph (a), the Board may exempt the holder of the relevant route operator licence to which the site relates from paying the penalty specified if it is satisfied that that the holder of the relevant route operator licence could not reasonably have prevented the contravention.

(6) For the purposes of sub-rule (5) (b), a route operator may not be regarded as having been unable reasonably to prevent a contravention where-

(a) the route operator has previously been alerted to the commission of a similar contravention on the relevant LPM site;

(b) the route operator has undertaken to take steps to prevent a repetition of similar contraventions on the relevant LPM site, and has not taken sufficient steps to do so, or

(c) the same or similar contraventions take place on the relevant LPM site on a regular basis.

(7) If any provision of these Rules is contravened on an LPM site, the provisions of sub-rules (5) and (6) shall apply *mutatis mutandis* in respect of the imposition of penalties regarding such contravention.

**Rule 20.020 Minimum requirements for LPM site.**-(1) The operation of LPMs on the LPM site shall constitute the secondary form of business provided on such site.

(2) All business conducted on the LPM site shall be lawful and registered for tax purposes and comply with all applicable laws.

(3) The Board shall approve the floor plan of the LPM site prior to any gambling activity being conducted on such site.

(4) The approved gaming floor plan in respect of an LPM site may not be altered without the prior written approval of the Board.

(5) The route operator or any other person may not, on an LPM site, expose for play LPMs in not authorised or in excess of the maximum number authorised for such site by the Board.

(6) The designated area of an LPM site shall be constructed in such a manner as to ensure restricted access thereto.

(7) The designated area of an LPM site shall not be less than three (3) square meters per LPM, unless otherwise approved by the Board.

(8) The wiring to and from the LPM, DL and CEMS site interface shall be installed in a manner as to prevent tampering therewith.

(9) The LPMs shall not be visible to the general public from outside the LPM site.

(10) Advertising of gambling on the exterior of an LPM site is prohibited, other than the display of the corporate logo of the route operator, as approved by the Board.

(11) The adoption or use of a name or signage in respect of an LPM site which promotes or incorporates a reference to gambling is prohibited.

(12) All LPMs shall be placed and remain within the designated areas approved by the Board, unless otherwise prescribed by these Rules.

(13) All DLs and SKPs shall be placed and remain in the area approved by the Board for this purpose.

(14) The route operator or any other person on an LPM site shall not expose an LPM for play outside the approved designated area.

**Rule 20.030 Responsibilities pertaining to LPM site.**-(1) In the event of an LPM or CEMS malfunction that cannot be repaired within one hour, the registered employee on the LPM site shall as soon as possible inform the route operator.

(2) LPMs that are not exposed for play shall not be stored in a designated or public area without the prior written approval of the Board.

(3) An LPM may not be stored on an LPM site for a period longer than one month without the prior written approval of the Board.

(4) A registered employee on an LPM site shall perform a count of all the LPM drop proceeds at least once every week and record the value of the drop proceeds on the CEMS.

(5) All manual payments made by the LPM site shall be recorded in the prescribed Payout Register providing the following minimum information-

(i) the date of payment;

(ii) the value of the payment;

(iii) the patron's name, surname and signature, and

(iv) the signature and name or registered number of the licensed LPM site employee who made the payout.

(6) All LPMs within the LPM site shall be monitored, observed and supervised by a registered employee during operating hours in order to-

(a) ensure that no person under the age of 18 years-

(i) enters or remains in any designated area with LPMs;

(ii) takes part in an LPM game, or

(iii) operates an LPM;

(b) effectively monitor and control the designated area and areas in which the DL and CEMS site interface are placed, and

(c) ensure that all LPMs and the DL, and their wiring, are not-

(i) tampered with or damaged;

(ii) altered in any way, or

(iii) accessed by unauthorised persons.

**Rule 20.040 Access to LPMs.**-(1) Only an authorised licensed employee of the route operator, a registered employee on an LPM site and a licensed manufacturer may access an LPM.

(2) The employee card of the registered employee of the relevant LPM site, shall be inserted in the CEMS site interface each time an LPM is accessed.

(3) No registered employee shall use another person's employee card to access the LPMs, or to conduct gambling-related activities at an LPM site.

(4) The registered employee on an LPM site shall ensure that all doors of the LPMs and DL are secured at all times.

(5) The relevant entries shall be made in the Machine Book each time an LPM is accessed.



**Rule 20.050 Licence and signs to be displayed.**-(1) The following shall be prominently displayed within or at the entrance to the designated area of each LPM site-

- (a) a valid copy of the current licence issued to the LPM site;
- (b) a valid copy of the route operator's licence, and
- (c) signage-
  - (i) stating that no persons under the age of 18 are allowed to enter or remain in the designated area;
  - (ii) that Responsible Gambling Brochures are available on the LPM site, and
  - (iii) providing the information required in terms of the legislation with regard to the National Responsible Gambling Programme.

(2) The signage referred to in this Rule shall be in the format determined by the Board.

(3) Responsible Gambling Brochures shall be available at an LPM site at all times.

(4) Each LPM shall display Responsible Gambling stickers required or prescribed by the Board located in a place visible to patrons.

(5) The procedure pertaining to the resolution of patron disputes must be conspicuously displayed in the LPM site's designated area, specifying-

- (a) that all disputes should be immediately reported on the LPM site;
- (b) the procedure in respect of the completion of the Dispute and Incident Register;
- (c) the helpline number of the route operator, and
- (d) contact details in respect of the Board.

**Rule 20.060 Monitored keys and controlled stationery.**-(1) All monitored keys and controlled stationery must be kept in a secure area on the LPM site or in the possession of a registered employee to prevent unauthorised access thereto.

**Rule 20.070 Patron disputes.**-(1) A registered employee at an LPM site shall record all patron disputes in a Dispute and Incident Register and immediately perform such investigations as may be required to resolve the dispute.

(2) If the investigation contemplated in sub-rule (1) reveals that credits are legally owed to a patron, such credits shall immediately be paid out at the relevant LPM site.

(3) The LPM site shall, within 24 hours inform the route operator of any patron dispute arising at such site.

(4) The route operator shall make available a helpline number for the purpose of registering patron disputes.

(5) The route operator shall perform follow-ups in respect of all patron disputes to ensure the resolution thereof. Should a dispute remains unresolved it shall be referred to the Board in terms of Regulation 24.

(6) The route operator shall document the information in respect of the follow-ups performed and retain such documentation for a period of at least five (5) years for Board inspection.

## RULE 21 - GENERAL PROVISIONS

**Rule 21.010 Offices of the route operator.**-(1) The offices of the holder of a route operator licence, at which its administrative and accounting functions are conducted, shall be based within the borders of the Gauteng Province.

**Rule 21.020 Credit facility.**-(1) The LPM site, route operator or any other person shall not, directly or indirectly, extend credit, in any form whatsoever, to any person, for the purpose of playing on, or operating, an LPM.

(2) For the purposes of this Rule, credit extension includes the advancement of cash by an LPM site, route operator or any other person against a person's credit card, cheque, travellers cheque, money order or any other negotiable instrument whatsoever.

**Rule 21.030 Game features, stakes and prizes.**-(1) No bets in respect of which the stake exceeds the maximum amount being R5.00 may be offered or accepted on an LPM site.

(2) No person shall in their own name or on behalf of any third party, offer any prize in excess of or in addition to the maximum prize being R500.00, prescribed in terms of the National Gambling Regulations.

(3) Progressive jackpots and double-up features are not permitted in respect of LPMs.

(4) All prizes shall be paid in cash or a cash equivalent approved by the Board.

**Rule 21.040 Monetary instruments.**-(1) Betting on LPMs may only take place by means of cash or a cash equivalent approved by the Board.

(2) Any cash equivalent used by an LPM site for betting is evidence of a debt which that LPM site owes to the person legally in possession of such cash equivalent.

(3) The LPM site shall immediately redeem its monetary instrument used for betting, including credits registered on the LPM, for cash or a cash equivalent upon request of a patron, unless the monetary instrument was obtained or is being used unlawfully.

**Rule 21.050 DL controls.**-(1) The DL shall be placed in such a manner that it cannot be tampered with by the public.

**Rule 21.060 Employee cards.**-(1) Employee cards shall be issued to and used only by authorised registered employees.

(2) Prior to accessing an LPM or DL, a registered employee shall insert his or her employee card in the SKP.

(3) Employee cards issued to registered employees at an LPM site shall be valid only in respect of the specific LPM site.

(4) Employee cards issued to licensed employees of a route operator shall be valid only in respect of the specific LPM site linked to such route operator.

(5) An employee card may be used only by the employee to whom it has been issued.

(6) An employee shall insert a password prior to performing any function or maintenance on an LPM or DL.

(7) Employee cards shall not be left unattended in the SKP.

(8) An employee card shall immediately be deactivated in the event that it is lost or when the employee to whom it relates has resigned.

(9) Employee cards shall contain the following printed information-

(a) a photograph of the relevant employee;

(b) the name of the employee to whom the card relates;

(c) the name of the licensed LPM site to which the card relates;

(d) the name of the relevant route operator;

(e) the job title of the route operator employee to whom the card relates, where applicable, and

(f) the registration number assigned to the relevant employee by the Board.

**Rule 21.070 LPM site and employee records.**-(1) The holder of a route operator licence shall, in respect of each site at which it has been authorised to expose LPMs for play, maintain current and accurate LPM site records reflecting-

(a) the business name of the site;

(b) the physical address of the site;

(c) the postal address of the site;

(d) all other available contact details in respect of the site, and

(e) details of each registered employee at the site, including the employee's-

- (i) name and surname;
- (ii) type of licence, and
- (iii) Board registration number.

(2) A route operator shall, within five working days after the conclusion of every month, submit an LPM site employee reconciliation report to the Board specifying, in respect of the preceding quarter, the details of-

- (a) all newly appointed gambling-related employees;
- (b) all new LPM licensed (LPM) sites;
- (c) details of all LPM site registered whose contracts were terminated or expired;
- (d) all gambling-related employees who left the employment of the route operator or ceased employment on an LPM site;
- (e) all promotions or demotions in respect of gambling-related employees of the Route operator or persons registered to be employed on an LPM site, and
- (f) proof that either an application to the CEMS operator has been submitted to have access rights revoked of resigned employees, or confirmation that such access rights have been revoked.

(3) A site owner key employee licence shall within 72 hours inform the route operator of any employee resignations. The route operator shall within fourteen (14) days return the licence to the Board.

**Rule 21.080 Change of ownership.**-(1) Where there is a change in ownership at a licensed site, the relevant licensing procedure required by the Board must be complied with prior to such change of ownership taking effect.

(2) Where there has been a change in ownership at a licensed site, the LPMs at a site shall be disabled when the change of ownership result in-

- (a) no employee being registered as a key employee of that site, or
- (b) no registered employees available to supervise the LPMs.

**Rule 21.090 User access rights.**-(1) All application forms for access to any gambling-related software, including amendments thereto, shall be signed by a representative of the Administration Department or such other authorised department.

(2) The User Access Rights Application Form shall clearly indicate the user access rights for which the applicant has applied.

(3) The route operator shall ensure that user access rights on the CEMS are requested to be allocated to authorised registered employees only.

(4) The user access rights matrix shall indicate all types of user groups registered on the CEMS and all the user rights allocated to such users.

(5) The user access rights matrix shall be approved and signed by the General Manager of the Route operator and the Administration Manager.

(6) Any amendments to the pre-approved user access rights matrix shall be signed by the persons contemplated in sub-rule (5).

(7) The Administration Department shall request the CEMS operator, in writing, to allocate on employee's user rights in terms of the pre-approved user access rights matrix by supplying the following information-

- (a) the employee's name and surname;
- (b) the user access rights to be allocated;
- (c) the route operator name;
- (d) the LPM site name, where applicable, and
- (e) the Board registration number.

(8) User access rights on the CEMS shall be allocated to appropriately registered employees in accordance with the user access rights matrix.

(9) The prior written approval of the Board is required in respect of all other persons for whom user access rights are requested on the CEMS.

(10) A route operator shall within 72 hours of being advised of the resignation of an employee inform the CEMS operator, whereupon the relevant employee's user access rights shall be immediately disabled on the CEMS.

**Rule 21.100 Employees to be appropriately registered.**-(1) Only appropriately registered persons may perform gambling-related functions on behalf of a route operator, CEMS operator or on an LPM site.

(2) An application for registration as an LPM employee shall-

- (a) be submitted to the Board as prescribed in the legislation;
- (b) be in such format and contain such information, and
- (c) be accompanied by such registration fee.

Or in such a manner the Board may from time to time determine.

(3) Any person who has the authority to-

- (a) perform journal entries;
- (b) allocate user access rights on the CEMS, and
- (c) perform maintenance or change the functionality of the CEMS,

shall be licensed as a key employee in terms of the Act.

**Rule 21.110 Restrictions on advertising.**-(1) The holder of any licence issued in respect of an LPM site shall not conduct any interview with or provide any information or any opportunity to create or reproduce any photographic image to any section or representative of the media, or permit any member of staff of its business or any other person to conduct such interview or provide such information or opportunity, in relation to-

- (a) any details of the contractual arrangement entered into between the primary business conducted on such site or such licence holder and the holder of the relevant route operator licence;
- (b) any proposed report, photographic image, article or communication which is intended, or can reasonably be expected to-
  - (i) attract members of the public to the licensed site, or
  - (ii) place the particular licensed site to be named, reflected or referred to in any such proposed report, photographic image, article or communication at any advantage, whether real or perceived, over any other licensed LPM site in the Province or elsewhere.

**Rule 21.120 Dispensation.**-(1) The Board may approve alternative criteria or procedures other than those prescribed in these Rules, if the route operator is able to prove to the Board that, notwithstanding such criteria or procedures, there are sufficient controls in place to ensure the integrity of the operation.

## RULE 22 - OFFENCES AND PENALTIES

**Rule 22.010 Breach of the licence conditions.**-(1) A route operator and a site owner key employee, where applicable, shall be in breach of the licence conditions and liable for a disciplinary action if-

- (i) it fails to comply with the provisions of these rules or its ICP relating to its organisational structure and jobs compendium or to implement the organisational structure and jobs compendium approved by the Board;
- (ii) it fails to comply with the provisions of these rules or its ICP relating to the keeping or maintaining of any book, account, record, register, ledger, inventory or other document required to be kept or maintained in terms of these rules or its ICP or if such books, accounts, records, registers, ledgers, inventories or other documents are not up to date or in the correct format, or
- (iii) it fails to comply with the provisions of these rules or its ICP relating to any procedure to be followed;
- (iv) notwithstanding the provisions of sub-rule (1) (a), it fails to comply with the provisions of these Rules or its ICP relating to-
  - (aa) minors found in designated areas;
  - (bb) resolution of patron disputes;
  - (cc) signs and information to be displayed at the LPM site;
  - (dd) credit extension;
  - (ee) maximum stakes and prizes;

(ff) investigations and audits to be performed, and

(gg) journal entries;

(v) it fails to maintain LPMs and the CEMS in accordance with the provisions of the rules, and

(vi) it fails to maintain or produce financial records utilised for the purpose of calculating taxable revenue.

(2) For the purposes of this rule a route operator's ICP shall be limited to those provisions of its ICP that are required to be incorporated into its ICP in terms of the Act.

(3) The imposition of any penalty in terms of this rule shall not preclude the Board from instituting any further or alternative disciplinary action against a route operator or other licence holder.

(4) Any penalty imposed in terms of this Rule shall be payable within thirty days of the imposition of such penalty.

## RULE 23 GUARANTEES

[R. 23 inserted by Sch. A of General Notice No. 524 of 2019 w.e.f. 1 June 2019.]

### **Rule 23.010 Definitions**

As used in these Rules, unless the context otherwise indicates-

**"guarantees"** means a formal assurance by the applicant or the holder of a licence in a form acceptable to the board in respect of potential liabilities relating to gambling debts and taxes required in terms of section 32 of the Act;

[R. 23.010 inserted by Sch. A of General Notice No. 524 of 2019 w.e.f. 1 June 2019.]

### **Rule 23.020 Application of Rules**

These Rules shall be applicable to licensees and applicants for licenses.

[R. 23.020 inserted by Sch. A of General Notice No. 524 of 2019 w.e.f. 1 June 2019.]

### **Rule 23.030 Applicability**

(1) The guarantees shall be applicable to the following license applications-

- (a) Casinos
- (b) Bingo
- (c) Route Operator
- (d) Bookmaker
- (e) Totalizator

[R. 23.030 inserted by Sch. A of General Notice No. 524 of 2019 w.e.f. 1 June 2019.]

(Editorial Note: Numbering as per original *Provincial Gazette*.)

### **Rule 23.040 Guarantee Format**

- (1) The guarantee shall be in the form of an original bank guarantee document; or
- (2) In any other form acceptable to the board.

[R. 23.040 inserted by Sch. A of General Notice No. 524 of 2019 w.e.f. 1 June 2019.]

### **Rule 23.050 Calculation of guarantee**

#### **(1) Casino**

- (a) Obtain copy of projected revenue for the casino for the year.
- (b) Calculate 4 months worth of potential tax revenue at the current applicable tax rate.
- (c) Confirm the number of gaming positions exposed for play from the beginning of the financial year.

- (d) Gaming machines are considered single seat and deemed a single gaming position.
- (e) Tables are considered 14 playing positions.
- (f) The casino will be required to provide this breakdown.
- (g) Based on the breakdown provided-
  - (i) calculate the total number of gaming machines to be made available and multiply by cost per gaming machine as contemplated in regulation 84 (1) (a) of the Regulation to provide total cost for gaming machines,
  - (ii) calculate the total number of tables to be made available and multiply by cost per table as contemplated in regulation 84 (1) (a) of the Regulation to provide total cost for tables.
- (h) The cumulative total comprising, the 4 months worth of potential tax revenue, the total cost for gaming machines and the total cost for tables must be provided as a guarantee for a casino.

## **(2) Bingo**

- (a) Obtain copy of projected revenue for the Bingo for the year.
- (b) Calculate 4 months' worth of potential tax revenue at the current applicable tax rate.
- (c) Confirm the number of gaming positions approved as per license issued in terms of-
  - (i) Traditional Bingo Seats
  - (ii) Electronic Bingo Terminal (EBT)
- (d) The Bingo will be required to provide the following breakdown based on the breakdown provided-
  - (i) calculate the total number of traditional bingo seats to be made available and multiply by cost per seat as reflected in regulation 133 (1) of the Gauteng Gambling Regulations to provide total cost for traditional bingo seats.
  - (ii) The cumulative total comprising, the 4 months' worth of potential tax revenue the total cost for traditional bingo seats and the total cost for EBT's must be provided as a guarantee for a Bingo.

## **(3) Route Operator/ Independent Site Owner (ISO)**

- (a) Obtain a copy of projected revenue for the Route Operator/ISO for the year.
- (b) Calculate 4 months of potential tax revenue at the current applicable tax rate.
- (c) Confirm the number of gaming positions approved as per Licence Issued in terms of:
  - (i) Limited Payout Machine (LPM)  
(Editorial Note: Numbering as per original *Provincial Gazette*.)
- (d) The Route Operator/ISO will be required to provide this breakdown (as per licence issued):
  - (i) calculate the total number of gaming machines to be made available and multiply by cost per gaming machine as contemplated in regulation 169 (a) of Regulation to provide total cost for gaming machines.  
(Editorial Note: Numbering as per original *Provincial Gazette*.)
- (e) The cumulative total comprising, the 4 months' worth of potential tax revenue and the total cost for LPM must be provided as a guarantee for a Route Operator/ISO.

## **(4) Bookmakers**

- (a) Obtain copy of projected hold or total bet wagered for the Bookmaker for the year.
- (b) Calculate 5% of hold or total wager for a period of 4 months' worth of potential tax revenue at the current applicable tax rate;
- (c) The bookmaker will be required to provide this breakdown of maximum payout limit per Market Type, including amongst others but not limited to the following
  - (i) Horse Racing
  - (ii) Sports
  - (iii) Lucky Number
  - (iv) Any lawful contingency
- (d) The cumulative total comprising, the 5% of 4 months' worth of hold or total bets wagered and the single maximum payout for each of the markets offered must be added together and provided as a guarantee for a Bookmaker.

**(5) Totalizator**

- (a) Obtain copy of projected revenue for the Totalizator for the year.
- (b) Calculate 4 months' worth of potential tax revenue at the current applicable tax rate.
- (c) Confirm the number of outlets licensed for the Totalizator.
- (d) Based on the number of licensed outlets provided-
  - (i) Multiply the total number of outlets by cost per outlet as reflected in Regulation 242 (1) of the Regulations to provide total cost for outlets.
  - (ii) The cumulative total comprising, the 4 months' worth of potential tax revenue, the total cost for outlets must be provided as a guarantee for a Totalizator.

[R. 23.050 inserted by Sch. A of General Notice No. 524 of 2019 w.e.f. 1 June 2019.]

**Rule 23.060 Review of assessment of guarantee**

- (1) The guarantee shall be reviewed in the following manner:
  - (a) The guarantee is required per licensee as per the calculation set out on Rule 23.050 above.
  - (b) The guarantees shall be reviewed annually by reviewing the necessary actual values from the previous financial year.
  - (c) An average monthly figure shall be calculated and applied to the "4 month" calculation as required.
  - (d) Where changes to the operating environment is considered and approved a recalculation of the guarantee will be required.

[R. 23.060 inserted by Sch. A of General Notice No. 524 of 2019 w.e.f. 1 June 2019.]

(Editorial Note: Numbering as per original *Provincial Gazette*.)

**Rule 23.070 Additional or further guarantees**

- (1) The board may in terms of section 32 (2) of the Act, if any circumstances come to its notice which increase the risks relating to the settlement by the holder of a licence of any liability contemplated in subsection (1) (b), require such holder to furnish guarantees other than or additional to any guarantee contemplated in that subsection, the calculation provided for herein is not limited and may be reviewed on its own case.

[R. 23.070 inserted by Sch. A of General Notice No. 524 of 2019 w.e.f. 1 June 2019.]

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