



**MPUMALANGA  
ECONOMIC REGULATOR**

*An Entity of the Department of Economic  
Development and Tourism*

## **MPUMALANGA GAMBLING RULES**

*Incorporating latest amendments: 12 November 2021  
(Provincial Notice 118 of 2021; Gazette No. 3325)  
(Effective 13 December 2021)*

## ARRANGEMENT OF RULES

### PART 1 GENERAL RULES

#### CHAPTER I CONSTRUCTION AND DEFINITIONS

- 1.010 Promulgation, amendment, modification and repeal
- 1.020 Applicability and condonation
- 1.030 Severability
- 1.040 Definitions in the Act
- 1.050 Definitions
- 1.060 Calculation of time periods

#### CHAPTER II GENERAL RULES

- 2.010 Reports of contraventions
- 2.020 Access to premises and production of records
- 2.030 Periodic payments
- 2.040 Record retention
- 2.050 Coinless gambling machines
- 2.060 Extension of time for reporting
- 2.070 Policy on self-exclusions
- 2.080 Internal control procedures

#### CHAPTER III ACCOUNTING RULES

- 3.010 Board audit procedures
- 3.020 Records of ownership

#### CHAPTER IV GAMBLING MACHINES, MODIFICATIONS, CONVERSIONS AND OTHER GAMBLING EQUIPMENT

- 4.010 Definitions
- 4.020 Approval of gambling machines: Applications and procedures
- 4.030 Technical standards for gambling machines
- 4.040 Modifications: Applications and procedures
- 4.050 Conversions: Notification and procedure
- 4.060 Maintenance of gambling machines
- 4.070 Duplication of program storage media
- 4.080 Marking, registration and distribution of gambling machines
- 4.090 Approval of promotional and tournament machines: Applications and procedures
- 4.100 Approval of games: Applications and procedures
- 4.110 Installation of other gambling equipment
- 4.120 Alterations to other gambling equipment
- 4.130 Distribution of gambling or associated equipment, devices or games

## **PART 2** **CASINO RULES**

### **CHAPTER V** **GENERAL CASINO RULES**

- 5.010 Definitions
- 5.020 Payoff schedules or award cards
- 5.030 Retention of unclaimed money
- 5.040 Mystery jackpots

### **CHAPTER IV** **SURVEILLANCE SYSTEMS**

- 6.010 Surveillance systems: Minimum standard
- 6.020 Surveillance system plans: Approval and alterations
- 6.030 Surveillance systems: General requirements
- 6.040 Surveillance rooms: General requirements
- 6.050 Surveillance systems: Count room and cash desk (cage)
- 6.060 Table games and card rooms
- 6.070 Surveillance systems: Gambling machines
- 6.080 Surveillance systems: Security offices
- 6.090 Surveillance systems: Equipment malfunctions
- 6.100 Surveillance systems: Recording requirements
- 6.110 Compliance with surveillance requirements

### **CHAPTER VII** **CENTRAL MONITORING SYSTEMS**

- 7.010 General requirements
- 7.020 CMS hardware and software
- 7.030 Meter wrap handling and meter width
- 7.040 Device configuration database
- 7.050 Password protection
- 7.060 Access by the Board
- 7.070 User interface: Documentation and reporting
- 7.080 Link to Board computing facilities
- 7.090 Facilities for Board's staff members

### **CHAPTER VIII** **CHIPS, PLAQUES, TOKENS, DICE, CARDS, ROULETTE WHEELS AND ROULETTE BALLS**

- 8.010 Gambling chips, value and non-value: Physical characteristics
- 8.020 Gambling plaques: Physical characteristics
- 8.030 Primary, secondary and reserve sets of gambling chips
- 8.040 Submission of gambling chips, plaques and promotional chips for approval
- 8.050 Nature and exchange of gambling chips, plaques and promotional chips
- 8.060 Receipt, inventory, security, storage and destruction of chips and plaques
- 8.070 Gambling machine tokens: Physical characteristics
- 8.080 Gambling machine tokens, promotional tokens and tournament tokens:  
Use and specifications
- 8.090 Wagering with gambling machine tokens, tournament tokens or any other method
- 8.100 Redemption of gambling machine tokens
- 8.110 Tokens: Receipt, inventory, security, storage and destruction
- 8.120 Redemption and disposal of discontinued chips and tokens

- 8.130 Destruction of counterfeit chips and tokens
- 8.140 Other value instruments
- 8.150 Dice: Physical characteristics
- 8.160 Dice: Receipt, storage, inspection and removal from use
- 8.170 Cards: Physical characteristics
- 8.180 Cards: Receipt, storage, inspection and removal from use
- 8.190 Roulette balls
- 8.200 Roulette wheels
- 8.210 Maintenance of card shufflers

## CHAPTER IX INTERNAL CONTROL PROCEDURES AND EPROM CONTROL

- 9.010 Internal control procedures
- 9.020 Gratuities
- 9.030 Patron credit
- 9.040 Patron deposits
- 9.050 Table game standards
- 9.060 Call bets and announced bets
- 9.070 Table fill and table credit standards
- 9.080 Gambling machine standards
- 9.090 Hand payments and jackpots
- 9.100 Promotional pay-outs and awards
- 9.110 EPROM control
- 9.120 Gambling machine hopper contents
- 9.130 Player tracking

## CHAPTER X ORGANISATIONAL STRUCTURE, AUDIT, STATISTICS AND ELECTRONIC DATA PROCESSING

- 10.010 Organisational structure
- 10.020 Mandatory departments
- 10.030 Jobs compendium submission
- 10.040 Electronic data processing: IT Department
- 10.050 Casino accounts
- 10.060 Internal audit
- 10.070 Cage accounting standards
- 10.080 Table games: Computer generated documentation
- 10.090 Statistics
- 10.100 Table games: Accounting/auditing procedures
- 10.110 Theoretical/actual hold
- 10.120 Gambling machines: Accounting/auditing procedures
- 10.130 Computerised gambling machine systems: General controls
- 10.140 Electronic data processing: General controls
- 10.150 Electronic data processing: Modems
- 10.160 Electronic data processing: Optical disk document storage

## CHAPTER XI CLEARANCE, COUNT AND KEY CONTROL STANDARDS

- 11.010 The soft count room
- 11.020 Marking of drop boxes
- 11.030 The hard count room: Requirements and equipment standards
- 11.040 ***Deleted***
- 11.050 Table clearance rules

- 11.060 Emergency clearance: Tables
- 11.070 Table soft count procedure
- 11.080 Gambling machine clearance: Hard and soft count
- 11.090 Emergency clearance: Gambling machines
- 11.100 Gambling machine hard count and wrap standards
- 11.110 Gambling machine soft count standards
- 11.120 Key control standards

## CHAPTER XII WIDE AREA PROGRESSIVE JACKPOTS

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

### **PART 3 BINGO RULES**

## CHAPTER XIII DEFINITIONS

- 13.010 Definitions

## CHAPTER XIV BINGO CENTRES

- 14.010 Requirements for bingo centres
- 14.020 Random number selecting devices
- 14.030 Approval of floor plan
- 14.040 Requirement for surveillance systems

## CHAPTER XV BINGO CARDS

- 15.010 Requirements for physical cards
- 15.010A Requirements for electronic cards
- 15.020 Sale of physical cards
- 15.030 Retention and destruction of physical cards
- 15.040 Receipt, storage and use of physical cards
- 15.050 Other devices
- 15.060 Marking, registration and distribution of electronic bingo devices

## CHAPTER XVI PROCEDURE FOR PLAYING THE GAME

- 16.010 Type and format of bingo to be approved
- 16.020 Conducting the game of bingo using physical cards
- 16.020A Conducting the game of bingo using electronic cards or similar devices
- 16.030 Suspension of game and refunds for physical cards
- 16.040 Prizes
- 16.050 Game records for physical cards
- 16.050A Game records for electronic cards or other devices
- 16.050B Electronic monitoring system for devices
- 16.050C Change control management
- 16.060 Complaints book
- 16.070 Distribution of electronic bingo devices and bingo servers
- 16.080 Electronic bingo devices and bingo server requirements

- 16.090 Installation, conversion and removal of electronic bingo devices and bingo servers
- 16.100 Monitoring and control system (MCS) for bingo
- 16.110 Monitoring and control system (MCS) access by the Board
- 16.120 Progressive jackpot displays, meters and limits
- 16.130 Progressive jackpots
- 16.140 Conversion and reduction of progressive jackpots
- 16.150 Monitoring and control system (MCS): Journal entries
- 16.160 Monitoring and control system: General controls
- 16.170 Computerised backups

## CHAPTER XVII SIMULTANEOUS GAMES

- 17.010 General
- 17.020 Equipment required for simultaneous games
- 17.030 Sale of cards and conduct of simultaneous games
- 17.040 Refunds

## CHAPTER XVIII ORGANISATIONAL STRUCTURE AND AUDIT

- 18.010 Organisational structure
- 18.020 Jobs compendium submission
- 18.030 Cash desk procedures
- 18.040 Internal audit
- 18.050 Retention of unclaimed money

## CHAPTER XIX INTERNAL CONTROL PROCEDURES

- 19.010 Internal control procedures
- 19.020 Gratuities

## **PART 4 RULES FOR ROUTE OPERATORS, SITE LICENSEES AND INDEPENDENT SITE OPERATORS**

## CHAPTER XX DEFINITIONS

- 20.010 Definitions

## CHAPTER XXI ORGANISATIONAL STRUCTURE, JOBS COMPENDIUMS

- 21.010 Organisational structure
- 21.020 Jobs compendiums
- 21.030 Mandatory departments
- 21.040 Internal audit

## CHAPTER XXII SITES

- 22.010 Minimum requirements for sites
- 22.020 Approval of floor plans
- 22.030 Minimum operational responsibilities for site licensees

- 22.040 Access to LPMs
- 22.050 Licences and signage to be displayed
- 22.060 Site licensee employees

## CHAPTER XXIII INTERNAL CONTROL PROCEDURES

- 23.010 Route operator and site licensee ICP

## CHAPTER XXIV TECHNICAL DEPARTMENT

- 24.010 LPM and SDL information records
- 24.020 Distribution of LPMs
- 24.030 LPM requirements
- 24.040 Installation, conversion and removal of LPM and SDL
- 24.050 LPM and communication malfunctions
- 24.060 Maintenance
- 24.070 RAM clear

## CHAPTER XXV FINANCE DEPARTMENT

- 25.010 Minimum responsibilities
- 25.020 Journal entries
- 25.030 LPM accounting
- 25.040 Monitored keys

## CHAPTER XXVI COMPLIANCE DEPARTMENT

- 26.010 Responsibilities
- 26.020 Reporting requirements

## CHAPTER XXVII GENERAL PROVISIONS

- 27.010 Employee cards
- 27.020 User access rights
- 27.030 CEMS employees to be appropriately licensed
- 27.040 Dispensations
- 27.050 Requirement for surveillance systems for Independent Site Operators and Site Licensees

## CHAPTER XXVIII INDEPENDENT SITE OPERATORS

- 28.010 Organisational structure
- 28.020 Jobs compendiums
- 28.030 Internal audit
- 28.040 Minimum requirements for sites
- 28.050 Approval of floor plans
- 28.060 Minimum operational responsibilities
- 28.070 Access to LPMs
- 28.080 Licence and signage to be displayed
- 28.090 Independent Site Operator employees

- 28.100 Internal control procedures
- 28.110 Key areas of responsibility for financial management
- 28.120 Journal entries
- 28.130 LPM accounting
- 28.140 Monitored keys
- 28.150 LPM and SDL information records
- 28.160 Distribution of LPMs
- 28.170 LPM requirements
- 28.180 Installation, conversion and removal of LPMs and SDLs
- 28.190 LPM and communication malfunctions
- 28.200 LPM and SDL maintenance
- 28.210 RAM clear
- 28.220 Compliance responsibilities
- 28.230 Compliance reporting requirements
- 28.240 General provisions

## **PART 5** **RACING AND BETTING RULES**

### **CHAPTER XXIX** **DEFINITIONS**

- 29.010 Definitions

### **CHAPTER XXX** **GENERAL PROVISIONS**

- 30.010 Rules made available
- 30.020 Dual Systems
- 30.030 Recording of verbal bets
- 30.040 Recognition of representative bodies or associations
- 30.050 Persons to accept or process bets
- 30.060 Time of acceptance of bets
- 30.070 Cut-off time to accept and process bets
- 30.080 Bets finally determined
- 30.090 Payment of bets
- 30.100 Collection of winning bets
- 30.110 Limits and other conditions
- 30.120 *Deleted*
- 30.130 Records made available
- 30.140 Records to be made available on cessation of operations, revocation or expiry of licence
- 30.150 Internal control procedures

### **CHAPTER XXXI** **RECORDING OF BETS ON LICENSED PREMISES BY THE HOLDER OF A BOOKMAKER LICENCE**

- 31.010 General provisions
- 31.020 Computer backups
- 31.030 Printouts
- 31.040 Tickets
- 31.050 Back-up procedure
- 31.060 Computerised wagering systems: General controls
- 31.070 Remote access
- 31.080 Contracts with third parties

**CHAPTER XXXII**  
**RECORDING OF BETS ON LICENSED PREMISES BY THE HOLDER OF A TOTALISATOR  
OPERATOR LICENCE**

- 32.010 General provisions
- 32.020 Computerised backups
- 32.030 Tickets
- 32.040 Commingling initiatives
- 32.050 Aggregate takeout
- 32.060 Notice: “20 or more runners”
- 32.070 Internal audit.

**CHAPTER XXXIII**  
**WAGERING RECORD-KEEPING SOFTWARE**

- 33.010 Approval of betting devices and computer software programmes
- 33.020 Minimum standards for betting
- 33.030 Change control management
- 33.040 Time of computerised record-keeping systems

## **PART 1 GENERAL**

### **CHAPTER I CONSTRUCTION AND DEFINITIONS**

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

The Board has made the following rules in terms of section 84 of the Act, which shall be called the Mpumalanga Gambling Rules. 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) Part 1 shall be applicable to all applicants for and holders of all types of licences;
  - (b) Part 2 shall be applicable to all applicants for and holders of casino licences as well as all holders of manufacturer, maintenance or supplier licences who deal with casino licensees;
  - (c) Part 3 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) Part 4 shall be applicable to all applicants for and holders of route operator licences and site licences as well as all holders of manufacturer, maintenance or supplier licences who deal with route operators or site licensees;
  - (e) Part 5 shall be applicable to all applicants for and holders of bookmaker, totalisator operator, totalisator agency and branch licences as well as holders of manufacturer, maintenance or supplier licences who deal with bookmaker and totalisator operator licensees.
- (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 Severability**

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

#### **1.040 Definitions in the Act**

In these rules, any word or expression defined in the Act shall have the meaning ascribed to it in the Act, unless it is defined in these rules or the context indicates otherwise.

#### **1.050 Definitions**

In these Rules, unless the context indicates otherwise –

**“business year”** means the annual period used by a licensee for internal accounting purposes;

**“card game”** means a casino 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, black-jack, twenty-one, bridge, whist, solo, panguingui and other non-banking casino games;

**“funds”** means money or any other instrument of value;

**“gambling day”** means an accounting period for a casino licensee beginning at a time specified by the licensee and approved by the Board or the actual time when the casino opens to the public, whichever is later, and shall terminate at the aforementioned time on the next calendar day;

**“gambling table”** means a table used for a table game;

**“rake-off”** means a percentage of the total amount anted and wagered by players during a hand in a card game;

**“SANS”** means the South African National Standards set by the NRCS;

**“table game”** means any casino game other than bingo and a game played on a gambling machine;

**“the Act”** means the Mpumalanga Gambling Act 1995, (Act no 5 of 1995) as amended;

**“the Regulations”** means the Mpumalanga Gambling Regulations, 2014, published on 29 May 2014;

**“wager”** means a sum of money or thing of value risked on the outcome of a casino game.

#### **1.060 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.

## **CHAPTER II** **GENERAL RULES**

### **2.010 Reports of contraventions**

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 24 hours of such knowledge or suspicion, which report shall include the actions taken or being taken as a result of such contravention.

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

- (1) Without limiting any of the powers of police officers and inspectors, conferred upon them in terms of Chapter 5 of the Act, every licensee shall -
  - (a) upon request by any authorised member of the staff of the Board, immediately make available for inspection to such staff member, any gambling device in the licensee's possession and any object, book, record, or other document required to be kept in terms of the licensee's licence or pursuant to the Act, the Regulations or these Rules; and
  - (b) allow immediate access by any authorised member of the staff of the Board, to any portion of the licensed premises, or in the case of the holder of a manufacturer, maintenance and/or supplier licence, the premises where gambling devices are manufactured, sold or distributed, for the purpose of inspecting or examining such portion of such premises, any gambling device in the licensee's possession, and any object, book, record, or other document required to be kept in terms of the licensee's licence or pursuant to the Act, the Regulations or these Rules: Provided that the member of the staff of the Board is able to adequately identify himself as such.

### **2.030 Periodic payments**

- (1) Subject to the provisions of sub-rule (2), the total winnings and prizes won by a player in any casino game, gambling tournament, gambling contest, or gambling promotional activity shall be remitted by the licensee to the winner thereof upon validation of the win.
- (2) Any deferred payment of winnings by a licensee shall take place according to the method and under the conditions and circumstances approved by the Board on written application by the licensee wishing to make deferred payment of winnings: Provided that no deferred payment of winnings shall be allowed if the prize money or the value of the prize to be deferred is less than R400 000.00 (Four Hundred Thousand Rand).

### **2.040 Record retention**

Each licensee shall provide the Board, upon its request, with the records required to be maintained in terms of the Act, the Regulations and Rules. Unless the Board approves or requires otherwise in writing, each licensee shall retain all such records within the Republic for at least 5 years after they are made.

### **2.050 Coinless gambling machines**

Any provision in these Rules which pertains to specific requirements relating to the use of coins and/or tokens, shall not apply to gambling machines that operate without the use of coins and/or tokens, as the case may be: Provided that this exclusion shall not derogate from any other applicable requirements relating to gambling machines.

## **2.060 Extension of time for reporting**

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

## **2.070 Policy on self-exclusions**

- (1) All licensees shall develop a policy on self-exclusions and submit same to the Board.
- (2) The Board may publish by Notice minimum requirements for the self-exclusion policy.

## **2.080 Internal control procedures**

- (1) The Board may publish by Notice, minimum requirements for licensees' internal control procedures.
- (2) Each applicant for a licence and each licensee shall submit internal control procedures to the Board prior to commencement of gambling operations, unless otherwise approved by the Board

## **CHAPTER III** **ACCOUNTING RULES**

### **3.010 Board audit procedures**

- (1) The Board shall conduct periodic audits and reviews of the books and records of any licensee at such times the Board's deems fit, in order to –
  - (a) determine that levies paid are accurate and complete in terms of the Mpumalanga gambling legislation;
  - (b) review and observe methods and procedures used by the licensee to count and handle cash, chips, tokens, negotiable instruments, and credit instruments;
  - (c) examine and review the licensee's internal control procedures;
  - (d) examine all gambling related accounting and bookkeeping records and ledger accounts of the licensee and any such records and accounts pertaining to the licensee's activities held by a person controlling, controlled by, or under common control with the licensee; and
  - (e) examine the books and records of any licensee when conditions indicate the need for such action or upon the request of the chief executive officer or the Board.

### **3.020 Records of ownership**

- (1) Each company licensee shall keep on its licensed premises or registered offices, or shall provide to the Board on its request, the following records or documents or equivalent –
  - (a) a copy of the memorandum of incorporation of the company, including any amendments;
  - (b) a copy of the company's certificate to commence business;
  - (c) a register of all current and former management staff and directors;
  - (d) minutes of all meetings of the shareholders;
  - (e) minutes of all meetings of the directors and committees of the Board of directors; and
  - (f) a register of all shareholders listing each shareholder's name, address, the number of shares held and the date the shares were acquired.
- (2) Each partnership licensee shall keep on its licensed premises or the premises of its gambling establishment, or provide to the Board upon its request, the following documents pertaining to the partnership –
  - (a) a copy of the partnership agreement and, if applicable, the certificate of limited partnership;
  - (b) a list of the partners, including their names, addresses, the percentage of interest held by each, the amount and date of each capital contribution of each partner, the date the interest was acquired, and the salary paid by the partnership; and
  - (c) a record of all withdrawals of partnership funds or assets.
- (3) Each sole proprietorship licensee shall keep on its licensed premises or the premises of its gambling establishment, or provide to the Board upon its request, a schedule showing the name and address of the proprietor and the amount and date of the proprietor's original investment and of any additions and withdrawals.

## **CHAPTER IV** **GAMBLING MACHINES, MODIFICATIONS, CONVERSIONS AND OTHER GAMBLING EQUIPMENT**

### **4.010 Definitions**

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

**“conversion”** means one or more of the following -

- (a) a change in a gambling machine from one pre-approved game type to another pre-approved game type;
- (b) a change in the theoretical hold percentage of a gambling machine;
- (c) a change of the denomination of a gambling machine;

Provided that the certification status of the gambling machine is not affected by such change;

**“EPROM”** means any storage device of data, machine instructions or programmatical information that meets the criteria of erasable, programmable, read only memory, whether volatile or not;

**“funds”** means money or any other instrument of value;

**“gambling day”** means an accounting period for a casino licensee beginning at a time specified by the licensee and approved by the Board or the actual time when the casino opens to the public, whichever is later, and shall terminate at the aforementioned time on the next calendar day;

**“gambling table”** means a table used for a table game;

**“handle”** means, the total Rand value wagered in a gambling machine;

**“in meter”** means a counting device in a gambling machine which automatically registers all cash, tokens and credits wagered on that gambling machine;

**“jackpot meter”** means a counting device in a gambling machine which registers all winnings on that gambling machine which are not registered on the out meter;

**“machine repairs”** means the adjustment of a part, component, module or approved variable element of a Gambling Machine, where such is designed and intended to be adjusted, or, the replacement of a part, component, module or approved variable element of a gambling Machines with a like part, component, module or approved variable element of a Gambling Machine, in such a manner as to ensure the Machine under repair is maintained in an Approved configuration and proper working order.”;

**“machine move”** means the transfer of an approved gambling machine from an allocated gambling position to another gambling position or replacement thereof with another approved gambling machine.

**“modification”** means any changing or alteration of an approved gambling machine, other than a conversion or the replacement of components with identical components;

**“other gambling equipment”** means any gambling device as defined in the Act, excluding a gambling machine;

**“Out meter”** means a counting devise in a gambling machine which automatically registers all winnings paid by that gambling machine; and

**“promotional machine”** means a contrivance that resembles a gambling 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 Approval of gambling machines: Applications and procedures**

- (1) No person shall distribute a gambling machine in the Province or offer a gambling machine for play unless it has been certified according to the standards set by the certifying authority and approved by the Board.
- (2) Applications for approval of a new gambling machine shall be made and processed in such manner and using such forms as determined or approved by the Board and each application shall include, in addition to such other items or information as may be required, a complete, comprehensive, and technically accurate description and explanation in both technical and lay language of the manner in which the machine operates.
- (3) Only persons licensed to manufacture, distribute or supply gambling machines may apply for approval of new gambling machines.

#### **4.030 Technical standards for gambling machines**

- (1) This chapter applies to all gambling machines offered for play in the Province to the extent they do not conflict with the standards set by the certifying authority. In any cases of conflict, the standard set by the certifying authority shall prevail unless the Board determines otherwise.
- (2) Changes to pay-out percentage:
  - (a) For gambling machines with single game EPROM's, the theoretical payback percentage of a game shall not be capable of being changed without changing the EPROM's in the gambling 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 soft meters of the gambling machine; and
    - (iii) details of the change, such as the EPROM identification codes; and
  - (b) ***Deleted***
  - (c) 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 gambling machine.
- (3) Soft Meters:
  - (a) All gambling machines shall be equipped with electronically stored digital meters and shall provide the means for on demand display of the stored information.
  - (b) Gambling machines with note acceptors shall be equipped with a meter giving the total value of notes accepted, in units equal to the denomination of the note accepted or Rand value.
  - (c) Gambling machine "in" meters shall accumulate all credit transactions that result in wagers.
  - (d) The "out" meters shall accumulate all coin and credit transactions paid by the gambling machine for winning combinations.
  - (e) The "drop" meters shall accumulate the number of credits or Rand value thereof that has been diverted into a drop box or downloaded to the gambling machine.

- (f) The jackpot meter shall accumulate the number of credits or their equivalent, forming part of a player's winnings, but not paid out by the gambling machine.
- (g) Gambling machines shall have electronically stored digital meters of at least 6 digits for the number of plays since power on and the number of plays since door closure. When the maximum value has been reached, the meters shall remain at that value until reset by occurrence of the appropriate event (power on and number of plays since door closure). The gambling machine shall provide the means for on-demand display of the stored information.

#### **4.040 Modifications: Applications and procedures**

- (1) A modification to a gambling 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 or bingo operator on whose licensed premises the gambling machine or electronic bingo device is offered for play or in the case of a gambling machine on the licensed premises of a site licensee or independent site operator, the route operator to whom the site is linked or the independent site operator on whose gambling floor the machine is offered for play.
- (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 gambling machine as modified is in accordance with the standard approved by the certifying authority.

#### **4.050 Conversions and machine moves: Notification and procedure**

- (1) A conversion may only be performed by a licensee who is authorised in terms of his license to manufacture or maintain the gambling machine being converted or a licensed employee of the licensee whose gambling machine is being converted.
- (2) A conversion shall only be performed following a written application by a licensee and the subsequent notification of the conversion or machine move to the Board. The licensee on whose licensed premises the gambling machine is offered for play shall lodge a written application to the Board no less than 7 days prior to the conversion or machine move being performed.
- (3) The notification referred to in sub-rule (2) shall include a complete, comprehensive, and technically accurate description and explanation of the conversion or machine move in both technical and lay language signed by the person doing the conversion or machine move.
- (4) A licensee shall not install or use other gambling equipment without prior written approval of the Board.

#### **4.060 Maintenance of gambling machines**

- (1) A licensee shall not alter the operation of approved gambling machines and may only allow maintenance on gambling machines by persons licensed by the Board to do so.
- (2) Licensees shall maintain gambling machines available to the public for play in a suitable condition.
- (3) Each licensee shall keep a written list of repairs made to gambling 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.

#### **4.070 Duplication of program storage media**

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

#### **4.080 Marking, registration and distribution of gambling machines**

- (1) No gambling 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 millimetres 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 gambling machine within, into or out of the Province or transport any gambling 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 gambling machines being distributed out of or within the Province, the full name, province of residence, address, telephone number, licence number, business registration number, identification number or passport number of both the purchaser and the person to whom the shipment is being made;
  - (b) in the case of gambling 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 gambling machines being transported through the Province, the full name, province of residence, address, telephone number, licence number, business registration number, identification number or passport number of the person from whom the gambling machine 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 gambling machines to be distributed or transported;
  - (g) the serial number of each gambling machine;
  - (h) the model number, game type and EPROM number of each gambling 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

- (1) 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 gambling machines to a destination where possession of a gambling machine is unlawful.
- (4) The Board may inspect all gambling machines prior to distribution out of, into, within or through the Province. Licensees shall make such gambling 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 gambling 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 gambling machine to a destination where possession of a gambling machine is unlawful.

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

- (1) A manufacturer or distributor shall not distribute a promotional machine for use in the Province and a licensee shall not offer a promotional machine for play to the public unless the promotional machine has been approved by the Board.
- (2) The provisions governing the approval, distribution into and out of the Province, modification and conversion of gambling machines shall apply *mutatis mutandis* to promotional machines.

#### **4.100 Approval of games: Applications and procedures**

- (1) A licensee shall not offer a casino game played on a gambling machine for play unless such game has been certified as conforming to the standard set by the certifying authority and approved by the Board: Provided that the Board may at its discretion give temporary approval for the operation of such a game, subject to certification in terms of the SANS standard and any other conditions as determined by the Board.
- (2) Applications for approval of a game referred to in sub-rule (1) shall be made and processed in such manner and using such forms as may be approved by the Board and shall include a description of the game, including the rules of play, the proposed schedule of pay-outs, and a statistical evaluation of the theoretical percentages of the game.

#### **4.110 Installation of other gambling equipment**

- (1) The Board will maintain a list of other gambling equipment, and shall supply a copy thereof to any of its licensees upon the request.
- (2) A licensee shall not install or use other gambling equipment without prior written approval of the Board.
- (3) Applications for approval to install or use other gambling 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 gambling equipment by other gambling regulatory jurisdictions in his determination of the approval.

#### **4.120 Alterations to other gambling equipment**

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

#### **4.130 Distribution of gambling or associated equipment, devices or games**

- (1) No person shall distribute, within, into or out of the Province, any gambling equipment, devices or games, which requires approval and registration for use in the Province in terms of regulation 126 of the Regulations, without the prior written approval of the Board: Provided that approval shall only be applied for in respect of gambling or associated equipment, devices or games, which require approval for use and registration in the Province in terms of the Act, Regulations or the relevant SANS technical standards: Provided further that the Board will determine the manner and form in which the distribution of replacement and maintenance components or parts of gambling or associated equipment or devices will take place.
- (2) The prior written approval shall be obtained in the manner and form, as determined by the Board.

## PART 2 CASINOS

### CHAPTER V GENERAL CASINO RULES

#### 5.010 Definitions

For the purposes of this Part (Part 2) of these rules, the following words and phrases shall have the following meanings, unless the context indicates otherwise –

**“announced bet”** means a wager made without chips, plaques or cash;

**“cage”, “cashier’s cage” and “cash desk”** means a physical structure immediately adjacent to the gambling 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, gambling 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 gambling in conformity with these rules;
- (c) the receipt, distribution, and redemption of gambling 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;

**“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;

**“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, floor persons, pit bosses, casino shift managers, the assistant casino manager, and the casino manager;

**“coin vault”** means a separate area for the storage of the coin, prize tokens and gambling machine tokens in locations outside the cage or master coin bank;

**“drop”** means –

- (a) for gambling machines, the total value of coins, gambling machine tokens and notes located in the gambling 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;

**“hard count”** means the counting of coins and tokens removed from the drop boxes of gambling machines;

**“incompatible function”** means a function that places any person or department in a position to perpetrate and conceal errors or irregularities in the normal course of duties;

**“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 specific winning combination(s) of characters indicated on a gambling machine;

**“Monitoring and Control System (MCS)”** means a host, site data logger and communications interface to each gambling machine and the connections between the machines;”.

**“mystery jackpot”** means an additional win which does not form part of the certified and approved game software of a gambling machine which is triggered by an external device connected to the machine, the result of which is not displayed to the player on the prize table of the gambling machine;

**“soft count”** means the counting of all wagering instruments removed from the drop boxes and/or note acceptors of gambling tables and gambling machines, other than coins and tokens, including, but not limited to cash notes, chips, plaques and markers; and

**“unclaimed winnings”** shall include unclaimed credits, jackpots, cash and/or credits of any instrument of value.

#### **5.020 Payoff schedules or award cards**

- (1) Payoff schedules or award cards applicable to every casino game including a gambling machine shall be displayed or easily accessible at all times, either on the table at which such casino game is played or on each gambling 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 gambling 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.

#### **5.030 Retention of unclaimed money**

- (1) Every licensee shall maintain a register of all unclaimed winnings, which have not been claimed after a period of 24 hours after steps have been taken by the licensee to locate the owner of the unclaimed winnings.
- (2) Particulars of unclaimed winnings are to be secured on document storage media so that the particulars are restricted to authorised personnel only and the following particulars are to be recorded –

- (a) date and time;
- (b) description;
- (c) the amount;
- (d) the name of the employee or person who found the unclaimed winnings; and
- (e) steps taken to identify the owner of the unclaimed winnings.

(3) Access to the particulars of all unclaimed winnings shall be provided to the Board.

(4) Should players not claim their winnings within a period of three years, the licensee will receive the unclaimed winnings as revenue and shall pay to the Board the levies on the revenue portion of the unclaimed winnings.

**5.040 Mystery jackpots**

- (1) All mystery jackpots and subsequent changes thereto must be submitted to the Board for approval in the manner and form determined by the Board prior to implementation.
- (2) Subrule (1) excludes mystery jackpots that are part of the certified and approved game software.

## **CHAPTER VI** **SURVEILLANCE SYSTEMS**

### **6.010 Surveillance systems: Minimum standards**

- (1) Every casino licensee shall install, maintain and operate at all times a surveillance system which shall conform to the requirements of this Chapter and be subject to the Board's approval: Provided that the Board may, on reasonable grounds, determine additional requirements for such surveillance system to those set forth in this Chapter.
- (2) A licensee may install and operate surveillance coverage of gambling and non gambling activities in addition to the surveillance system as approved by the Board as contemplated in this Chapter, unless the approved surveillance system and its operation is negatively affected by such additional surveillance coverage.
- (3) The surveillance system referred to in sub-rule (1) shall contain at a minimum, the following equipment –
  - (a) a control that shall have the capability to select any image recording camera to any monitor in the surveillance system and control PTZ cameras at a variable speed;
  - (b) dedicated cameras which are image recording cameras that monitor and record a specified activity continuously, the placement of which shall be subject to approval by the Board;
  - (c) PTZ cameras which are also image recording cameras with, at a minimum, the capability to pan (rotate) 360° at a minimum speed of 120° per second, tilt 180° with the capability to orientate itself, zoom in and out and shall have pre-set capabilities with a minimum pre-set speed of 360° per second, the placement and number of which shall be subject to the Board's approval;
  - (d) image recorders and/or any other recording device as approved by the Board which shall record the image signals from the system;
  - (e) monitors on which the views recorded by the surveillance system shall be displayed;
  - (f) a time synchronization accuracy or loss detector with the capability to detect the loss of day, date and time synchronization with the MCS and the day, date and time maintained within the surveillance system for purposes of titling as contemplated in paragraph (e), and the ability to generate a titled notification when –
    - (i) synchronisation with the MCS is lost;
    - (ii) the surveillance system time has varied by more than 2 seconds from the MCS time; and
    - (iii) a detected variance has been restored.
  - (g) The Board may at its discretion approve a deviation from the minimum specified equipment or the use of alternatives upon the submission of an application requesting such a deviation.
- (4) Any surveillance remote station or remote digital review station shall have only the capability to monitor and switch between signals: Provided that in the case of a remote digital review station, it shall be able to recall previously recorded images for review purposes only.

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

- (1) Every applicant for a licence shall submit to the Board a surveillance system plan with his or her licence application for approval by the Board.

- (2) 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 gambling 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.
- (3) 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.
- (4) No applicant or licensee shall alter or modify the approved surveillance system contemplated in this chapter, without the prior approval of the Board: Provided that additional surveillance coverage installed and operated by the licensee in terms of rule 6.010(2), shall not be subject to prior approval of the Board, if the approved surveillance system and its operation is not negatively affected by such additional surveillance coverage.
- (5) An applicant or a licensee shall apply to the Board in writing for an alteration to the surveillance system, no later than 7 days prior to the proposed alteration and if such alteration is approved by the Board, submit an amended plan reflecting such alteration within 30 days of the approval. This will also be applicable for temporary installations.
- (6) Every casino licensee shall inform the Board of the installation of cameras for the purposes of gambling covert operations, within 24 hours of such installation.

#### **6.030 Surveillance systems: General requirements**

- (1) The surveillance system and its equipment shall be directly and securely wired in a way to prevent tampering.
- (2) The surveillance system shall be connected to an auxiliary power source capable of providing uninterrupted power to the surveillance system in the event of a power loss and the power supply shall provide sufficient lighting to operate the surveillance system.
- (3) A lightning protection unit shall be fitted to safeguard the surveillance system against lightning.
- (4) Each monitor screen in the surveillance system shall be at least 30 centimetres measured diagonally.
- (5) Only high-resolution monitors with audio capabilities shall be used in the surveillance room.
- (6) Each monitor shall have the capability to display any selected view.
- (7) A minimum of one monitor for every 25 cameras in the gambling machine area, and one monitor for every 15 cameras for the tables area shall be fitted in the surveillance room; or such other number of cameras as the Board may approve.
- (8) Each camera in the surveillance system located in a public area shall be placed behind a dome.
- (9) Cameras shall be fitted in such a way to prevent tampering by patrons or employees.
- (10) Cameras shall be selected and controlled from the surveillance room by means of a control unit.

- (12) Each camera, which forms part of the surveillance system approved by the Board, shall be dedicated to its own digital storage device and/or channel.
- (13) Cameras of different resolutions shall be used in different conditions and for different purposes in order to provide optimal clarity.
- (14) Each camera shall have the capability of having its picture or image displayed on a monitor.
- (15) All cameras forming part of the surveillance system shall record in colour.
- (16) The licensee shall have the capability of creating first generation copies of surveillance image recordings or footage in a format approved by the Board.
- (17) An image recorder and/or any other recording device as approved by the Board shall have the capability to be selected and controlled from the control unit in the surveillance room.

#### **6.040 Surveillance rooms: General requirements**

- (1) All surveillance equipment, excluding equipment for approved satellite-monitoring stations, that may be utilised to monitor or record views obtained by the surveillance system shall be and remain located in a room used exclusively for surveillance purposes, which shall be referred to as the surveillance room.
- (2) The entrance to the surveillance room shall be located away from the general view of the casino employees and general public .
- (2A) There shall be access control to the surveillance room which shall be exclusively for the use of surveillance personnel.
- (3) The surveillance room equipment shall have total override capability over any other satellite monitoring equipment in other offices.
- (4) The Board and its authorised staff members shall at all times be provided immediate access to the surveillance room and other surveillance areas.
- (6) The inside of the surveillance room including the working areas as well as employees and their movements shall be recorded on audio and image\_and the image of the\_entrance to the data storage area and/or the surveillance server room shall be recorded on an image recording device at all times.

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

- (1) The surveillance system shall monitor and record clear unobstructed views of all areas and transactions within –
  - (a) the count room and any area where uncounted moneys are stored during the drop and count process, including walls, doors, scales, wrapping machines coin sorters, vaults, safes and general work surfaces;
  - (b) counting equipment in the count room, other than equipment exclusively used for verification of the count, which shall be interfaced with the surveillance system;
  - (c) the administration office or designated administration area of the count room including the walls, doors, equipment and employees and their movements, (the administration office of the count room shall have a panic alarm which shall be interfaced to the surveillance system);
  - (d) the count room, including walls, doors, drop boxes vaults, safes, note counters and transparent counting surfaces, with a dedicated camera on the counting surface and a dedicated camera on the stacked currency;

- (e) the count room note counters, other than equipment exclusively used for verification of the count, which shall be interfaced with the surveillance system; (the count room shall have a panic alarm which shall be interfaced to the surveillance system); and
- (f) the cash desk (cage), including customer windows and close-up view of the transaction areas to identify chip values and currency, employees' windows, cash drawers, vaults, safes, counters, chips storage and fill windows; (the cash desk transaction areas shall have a panic alarm which shall be interfaced to the surveillance system).

- (2) All transactions within the count room, and cash desk (cage), shall be recorded with sufficient clarity to permit identification of each employee and his or her movements, and to permit identification of all currency, coins and types of paperwork.
- (3) The count room, administration office or designated administration area of the count, and each transaction window in the cash desk (cage) shall have audio monitoring.
- (4) The count room recordings shall be retained for a minimum of 30 days.

#### **6.060 Table games**

- (1) All table game and card room areas shall be covered by the image recording cameras of the surveillance system with sufficient clarity to permit identification of all dealers, patron, spectators and pit personnel, including, but not limited to the following –
  - (a) all table games and card tables surfaces, including table bank trays, shall be covered with sufficient clarity to permit identification of all chips, cash and card values and the outcome of the game and dice values shall be identified by the use of audio and/or image recording capabilities on the dice table;
  - (b) every roulette table shall have audio coverage and be recorded by a dedicated static camera which permits views of at least the betting area of the table, half of the roulette wheel, the chip float and the hand movements of the dealer and the patrons over the table on one monitor screen;
  - (c) all drop and tip box slots;
  - (d) table numbers may be displayed on the monitor by the titler; and
  - (e) all card room, pit desk or podium banks, including any drawers, cabinets and safes contained therein.
- (2) There shall be a minimum of one additional 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.
- (3) The surveillance system shall view and record simultaneously both the table game area and the table game surface.

#### **6.070 Surveillance systems: Gambling machines**

- (1) The surveillance system shall monitor and record clear, unobstructed, overall and continuous views of all areas that contain gambling machines with sufficient clarity to identify all patrons and employees and their movements.
- (2) Cameras recording gambling machines shall be positioned in such a manner that opened machine doors do not obstruct the view to the inside of the gambling machine cabinet and a maximum of 12 gambling machines shall be covered by one camera. (Note that this chapter is based on the room that would be taken

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

- (3) The surveillance system shall be directly or indirectly interfaced with the gambling machines.

#### **6.080 Surveillance systems: Security offices**

- (1) The surveillance system shall include audio and image recording coverage of all areas of security and/or surveillance office or any other location where any person may be detained, questioned, interviewed or interrogated and shall be recorded at all times.
- (2) The recordings made in terms of sub-rule (1) shall be retained by the licensee for at least 30 days after the recorded event.
- (3) In each office or room covered by the rule, a sign shall be conspicuously displayed which states that the area is under constant audio and image recording surveillance.

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

- (1) Every licensee shall establish and maintain a log of any and all casino surveillance system equipment malfunctions, and retain the log for at least five years after the date of the most recent entry in the log.
- (2) Each malfunction to the approved surveillance system shall be repaired within 24 hours of the malfunction.
- (3) If the malfunction is not repaired within 24 hours, the licensee shall immediately submit a separate written report in the form of a letter to the Board that sets forth the reason for the delay in repair and retain the report for at least 5 years after submission to the Board.
- (4) Each malfunction together with the corrective measures taken will be reported to the Board within 24 hours.
- (5) The Board may in its discretion order that all activity in the area affected by the malfunction be suspended pending repair.

#### **6.100 Surveillance systems: Recording requirements**

- (1) In addition to any other image 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.
- (2) Every licensee shall record and maintain a log of all activities observed by casino surveillance personnel that appear unusual or irregular, or that violate or appear to violate any law of the Republic, the Act, the Regulations or these Rules, and notify the Board thereof in a daily report.
- (3) All image recordings produced by the surveillance system shall present a clear view of the scene depicted thereon.
- (4) Every licensee shall retain all image recordings for at least 7 days after the recording is produced, unless a longer time period is required by another rule in this Chapter or as required by the Board.
- (5) The procedures used for storing and record keeping of image recordings shall be submitted in writing to the Board for approval, no less than 7 days prior to the commencement of casino operations or 7 days prior to the amendment to the existing approved method.”
- (6) All image recordings shall be made in real time and not in a time lapse recording mode.

#### **6.110    Compliance with surveillance requirements**

Every applicant for a casino licence and casino licensee shall comply with the requirements set forth in this Chapter no later than 7 days prior to the start of gambling operations.

## **CHAPTER VII** **CENTRAL MONITORING SYSTEMS**

### **7.10 General requirements**

- (1) Every casino licensee shall implement a computerised on-line monitoring and control system (MCS) capable of meeting the requirements contained in the SANS standard as well as any other requirement as determined by the Board.
- (2) No person or licensee shall import, distribute, install, convert or modify any MCS unless the MCS has been certified by the NRCS, approved by the Board for use and approved for installation.

### **7.020 MCS hardware and software**

- (1) The hardware and software configuration of the MCS shall be certified to conform to the standard set by the certifying authority 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, security and maintenance of time keeping.
- (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**

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 (i.e. to detect and correctly handle meter wraps), and so preserve the true total statistics.

### **7.040 Device configuration database**

- (1) The MCS shall maintain the following information for each gambling device which it monitors –
  - (a) position;
  - (b) device description (i.e. serial number, manufacturer);
  - (c) configuration (i.e. 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 MCS, 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 MCS 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 MCS 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 MCS.

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

- (1) The Board is to be able to access the MCS program and data memory at any time using either the electronic links or remote access to the Board, or from a facility on the licensed premises.
- (2) The MCS 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 MCS 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, events and logs sufficient and there shall be sufficient capacity (processing, memory and hard disk storage) 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
- (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 MCS as the Board may require from time to time.
- (2) The electronic link shall include all necessary equipment.
- (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 MCS and print or download all information obtained from the MCS.

#### **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 MCS; and
- (b) facilities and equipment, including working space.

**CHAPTER VIII**  
**CHIPS, PLAQUES, TOKENS, DICE, CARDS**  
**ROULETTE WHEELS AND ROULETTE BALLS**

**8.010 Gambling chips, value and non-value: Physical characteristics**

- (1) Each gambling chip issued by a casino shall be round in shape, be at a minimum of 39 mm in diameter and at maximum 45 mm in diameter and have clearly and permanently impressed, engraved or imprinted thereon, the name of the casino or trade name on each side of each chip and the city or locality where the casino is located on at least one side of each chip, other than chips used exclusively at roulette. Gambling chips with a value contained thereon shall be known as “value chips” and gambling chips without value contained thereon shall be known as “non-value chips”. The manufacturer’s logo or other marking identifying the manufacturer shall be inscribed on at least one side of each chip, other than non-value chips used at roulette.
- (2) Value chips may be issued by a casino licensee in denominations of R1-00, R2-50, R5-00, R10-00, R12.50, R20-00, R25-00, R50-00, R100-00, R500-00, R1 000-00, R5 000-00, R10 000-00 and such other denominations as may be approved by the Board. It, however, shall be within the discretion of the casino licensee to determine which of these denominations will be necessary for the conduct of gambling operations.
- (3) Each denomination of value chips shall have a different primary colour from every other denomination of value chip.
- (4) In conjunction with the aforementioned primary colours, each casino licensee shall utilise contrasting secondary and optional third colours for the edge and spots on each denomination of value chip. Unless otherwise approved by the Board, no casino licensee shall use a second colour on a specific denomination of chips identical to the secondary colour used by another casino licensee on that same denomination of chip. However if the licensee makes use of the optional third colour, then the secondary colour may be identical to that of another casino licensee’s secondary colour provided that the third colour is then different.
- (5) Each denomination of value chip utilised in a casino shall, unless otherwise authorised by the Board –
  - (a) have the outer rim contain the value of the denomination of the chip;
  - (b) have the casino name and location, clearly and permanently impressed, engraved or imprinted on the centre portion of the chip;
  - (c) the manufacturer’s name or logo shall appear on all value chips. This may be accomplished by making use of invisible ultra violet printing process;
  - (d) be designed so that when stacked with chips of other denominations which are viewed on surveillance system, the denomination of the chips can be distinguished from that of the others in the stack; and
  - (e) be designed and manufactured so as to prevent, to the greatest extent possible, the counterfeiting of such chips.
- (6) Each non-value chip other than promotional or tournament chips utilised in a casino shall be issued solely for the purpose of gambling 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.
- (7) 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.
- (8) 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 gambling or redeemed as any other value chip.
- (9) Each casino licensee shall have the discretion to permit or prohibit the use of value chips in gambling 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.
- (10) Each casino licensee shall make available to the Board at its request 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.
- (11) 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.
- (12) 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.
- (13) 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.
- (14) At least one side of each promotional chip shall conspicuously bear the inscription: “No Cash Value”; or such other inscription as approved by the Board.

#### **8.020 Gambling plaques: Physical characteristics**

- (1) In addition to the issuance of chips, a casino licensee may issue gambling plaques in the denominations of R50-00, R100-00, R500-00, R1 000-00, R5 000-00, R10 000-00, R25 000-00, R50 000-00 and R100 000-00 or any other denominations as the Board may approve.
- (2) Unless authorised by the Board, each gambling plaque shall be square, rectangular, oval or round in shape and no smaller than the following, which, in the case of oval gambling plaques, shall be measured at points of greatest length and width –
  - (a) R50-00 and R100-00: 45 mm in length by 45 mm in width;
  - (b) R500-00 and R1 000-00: 70mm in length by 45mm in width;
  - (c) R5 000-00 and R10 000-00: 80mm in length and 55mm in width;
  - (d) R25 000-00 and R50 000-00: 95mm in length and 65mm in width; and

- (e) R100 000-00: such length and width as approved by the Board.
- (3) Each gambling plaque shall have clearly and permanently imprinted, impressed or engraved thereon, the value of the plaque in numerals, the name of the casino issuing it, a serial number and the manufacturer's initials.
- (4) No casino licensee shall issue or cause to be utilised in its casino, any gambling plaques unless and until such plaques are approved by the Board.
- (5) No gambling plaque shall be issued until the casino licensee has submitted to the Board and the Board has approved a system for accounting for gambling plaques and cage procedures.
- (6) 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 gambling 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 colour and design specification contained in these rules.
- (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 for all the roulette tables in the casino 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 gambling 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.

#### **8.040 Submission of gambling chips, plaques and promotional chips for approval**

- (1) A casino licensee shall submit to the Board the final artwork of each denomination of gambling 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 gambling purposes until approved by the Board.
- (2) Once the final artwork has been approved by the Board and the chips, plaques and promotional chips ordered, a sample of each shall be supplied to the Board prior to said chips or plaques being utilised for gambling purposes.

#### **8.050 Nature and exchange of gambling chips, plaques and promotional chips**

- (1) All wagering on casino games, other than on gambling 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.
- (2) Gambling 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, unless otherwise approved by the Board.

- (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 gambling transaction.
- (4) Gambling 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 gambling chips may be exchanged by a patron at a cashiering booth for currency, coin or gambling machine tokens in order to play a gambling machine.
- (5) Each gambling chip and plaque is sole evidence of a debt that the casino licensee owes to the person legally in possession of the gambling chip or plaque and shall remain the property of the issuing casino licensee.
- (6) Each casino licensee shall redeem promptly, its own genuine gambling chips and plaques, except when the gambling chips or plaques were obtained or are being used unlawfully. A casino licensee shall redeem gambling chips or plaques by exchanging them for an equivalent amount of cash or upon request by a patron who surrenders gambling 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 gambling 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 gambling 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 licensee's internal control procedures. 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 gambling 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.
- (9) Notwithstanding anything to the contrary contained in this rule, gambling chips and plaques may be utilised for the purchase of goods and services on the casino floor.

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

- (1) When gambling 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 gambling 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 gambling chips or plaques received from such manufacturer or distributor are to be held in reserve and not utilised for active gambling 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 gambling chips received from such manufacturer or distributor that are part of the secondary 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 gambling 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 gambling 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 utilised 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 incorporate the sealing of the locked compartments, and that such seals have not been broken during that period.
- (7) Prior to the destruction of gambling 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 gambling 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, as the names and addresses of all non-casino personnel involved.
- (8) A casino licensee shall ensure that at all time there is adequate security, as approved by the Board, for all gambling chips and plaques in its possession.

#### **8.070    Gambling machine tokens: Physical characteristics**

- (1) Each gambling machine token issued by a casino licensee shall be round in shape and have clearly and permanently impressed or inscribed on at least one side thereof the name or the trade name of the casino licensee issuing the token, the city or locality where the casino is located, the value of the token and the manufacturer's name or a distinctive logo or other mark identifying the manufacturer of the token.
- (2) Gambling machine tokens may be issued by a casino licensee in denominations of 25c, 50c, R1-00, R2-00, R5-00, R10-00, R25-00, R50-00, R100-00, R250-00, R500-00 and R1 000-00: Provided that it shall be within the discretion of the casino licensee to determine which of these denominations will be necessary for the conduct of gambling operations.
- (3) Subject to the provisions of sub-rule (1), all gambling machine tokens used in a casino shall conform to the applicable SANS standard.

#### **8.080    Gambling 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) gambling machine tokens that shall be –

- (i) designed for use in the hoppers of the casino licensee's gambling machines;
- (ii) capable of activating the play of a gambling machine operated by the casino licensee that issued the gambling machine token, upon insertion into the coin acceptor of the gambling machine being played;
- (iii) issued to a patron only from a cashiering booth, cash desk (cage), a change machine or a gambling machine;
- (iv) exchanged by a patron at the casino where the gambling 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 gambling 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 gambling 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 gambling machine play at any gambling machine which is capable of accepting coins or gambling 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 at least one side of each token depicting the words "No Cash Value"; or such other inscription as approved by the Board;
  - (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 gambling machines; and
  - (e) it incorporates such anti-counterfeiting features and other security measures as the Board may require.
- (3) No gambling 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 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 gambling machine token, promotional token or tournament token that is materially different from the sample of that token approved by the Board.
- (5) Notwithstanding anything to the contrary contained in this rule, gambling machine tokens may be utilised for the purchase of goods and services on the casino floor.

#### **8.090 Wagering with gambling machine tokens, tournament tokens or any other method**

All wagering at gambling machines in a casino shall be conducted with coins, gambling 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.

#### **8.100 Redemption of gambling 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 gambling machine tokens only from its patrons.
- (2) Each gambling machine token is sole evidence of a debt that the issuing casino licensee owes to the person legally in possession of the gambling 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 gambling 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 gambling machine tokens from any person in possession of them, who shall surrender the gambling 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 gambling machine tokens that it has issued and may accept, exchange, or redeem gambling machine tokens that have been issued by any other licensed casino.
- (5) Each casino licensee shall redeem its own genuine gambling 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 gambling 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.

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

- (1) Each Casino licensee shall inspect all gambling 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 gambling 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 gambling machine tokens, promotional tokens or tournament tokens contained in the shipment; and
  - (b) any variance in the quantity or denomination of the gambling 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 gambling machine tokens, promotional tokens and tournament tokens.

#### **8.120 Redemption and disposal of discontinued chips and tokens**

- (1) A licensee which permanently discontinues the use of or replaces approved gambling chips, gambling machine tokens, promotional tokens or tournament tokens at its casino or which discontinues operating its casino for any reason whatsoever, shall submit a plan for redeeming those chips and tokens that remain outstanding at the time of discontinuance or replacement to the Board for approval.
- (2) The plan referred to in sub-rule (1) shall be submitted to the Board not later than thirty (30) days before the proposed removal, replacement, sale, or closure, unless the closure or other cause for discontinuance of the chips or tokens cannot reasonably be anticipated, in which event the licensee shall submit the plan as soon as reasonably practical.
- (3) The plan referred to in sub-rule (1) shall be implemented on approval by the Board.
- (4) In addition to such other provision as the Board may approve or require, the plan shall provide for the following –
  - (a) redemption of outstanding, discontinued chips and tokens for at least 120 days after the discontinuance or replacement of the chips or tokens or for at least 120 days after operations are discontinued as the case may be, or for such longer or shorter period as the Board may for good cause approve or require;
  - (b) redemption of the chips and tokens at the casino premises or at such other location as the Board may approve;
  - (c) publication of notice of the discontinuance or replacement of the chips or tokens and of the redemption and the pertinent times and locations thereof in at least two newspapers or any other media of general circulation in the Province at least twice during each week of the redemption period, subject to the Board's approval of the form of the notice, the newspapers selected for publication and the specific days of publication;
  - (d) conspicuous posting of the notice described in paragraph (c) at the casino or other redemption location; and
  - (e) the destruction or such other disposition of the discontinued or replaced chips or tokens as the Board may approve or require.

### **8.130 Destruction of counterfeit chips and tokens**

- (1) Licensees may destroy or otherwise dispose of counterfeit chips and tokens discovered at their casinos in such manner as the Board may approve or require.
- (2) Each licensee shall record, in addition to such other information as the Board may require, the following information –
  - (a) the number and denominations, actual and purported, of the counterfeit chips or tokens destroyed or otherwise disposed of in terms of this rule;
  - (b) the date on which the counterfeit chips or tokens were discovered;
  - (c) the date, place, and method of destruction or other disposition; and
  - (d) the names of the persons carrying out the destruction or other disposition on behalf of the licensee.

### **8.140 Other value instruments**

- (1) Any instrument approved by the Board for wagering on a casino game, other than gambling chips, gambling machine tokens, promotional tokens and tournament tokens shall be designed, manufactured, approved, used, discontinued, destroyed or otherwise disposed of in accordance with the provisions of the rules applicable to chips and tokens, except as follows –
  - (a) such other instruments shall be of such shape, size, and design and have such other specifications as the Board may approve or require; and
  - (b) the Board, in its discretion, may deny approval of wagering instruments, other than chips and tokens, or may grant approval subject to such conditions as it considers appropriate.
- (2) Controls relating to the operations of other value instruments shall be contained in the licensee's internal control procedures.

### **8.150 Dice: Physical characteristics**

- (1) Each dice used in a casino game shall –
  - (a) be formed in the shape of a perfect cube and of a size no smaller than 19 millimetres on each side or any larger than 24 millimetres on each side;
  - (b) be transparent and made exclusively of a transparent plastic except for the spots, name or trade name of the casino licensee and serial numbers or letters contained thereon;
  - (c) have the surface of each of its sides perfectly flat and the spots contained on each side, perfectly flush with the area surrounding them;
  - (d) be serialised (numbered);
  - (e) contain a security number or letter on the back of one of the spots;
  - (f) have all edges and corners perfectly square and forming perfect 90° angles;
  - (g) have the texture and finish of each side identical to the texture and finish of all the other sides;

- (h) have its weight equally distributed throughout the cube and no side of the cube heavier or lighter than any other side of the cube;
- (i) have its six sides bearing the circular spots from one to six respectively with the diameter of each spot equal to the diameter of every other spot on the dice;
- (j) have the spots arranged so that the side containing one spot is directly opposite the side containing six spots, have the side containing two spots directly opposite the side containing five spots and have the side containing three spots directly opposite the side containing four spots. Each spot shall be placed on the dice by drilling into the surface of the cube and filling the drilled out portion with compound that is equal in weight to the weight of the substance drilled out and which forms a permanent bond with the transparent cube, and shall extend into the cube; and
- (k) have the name, trade name of the casino licensee in which the dice is being used imprinted or impressed thereon.

**8.160 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 gambling 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 gambling 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 gambling 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 gambling 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 gambling 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 gambling 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 gambling 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 gambling until or unless inspected in accordance with paragraph (b);
- (e) the casino licensee shall remove any dice at any time on the gambling 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 gambling 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 gambling 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 gambling day or at least once during each gambling 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 gambling day, or at least once during each gambling 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 signatories 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; and
- (c) performed in a secure place, the location and physical characteristics of which shall be subject to approval by the Board.

#### **8.170 Cards: Physical characteristics**

- (1) Cards used to play blackjack and poker will be identical in shape and shall be at a minimum of 86mm in length and at maximum, 90mm in length, a minimum of 61mm in width and at a maximum of 65mm in width; or such other dimensions as the Board may approve.
- (2) Cards used to play baccarat, punto banco and chemin de fer shall each be identical in shape and shall be at a minimum of 96mm in length and at maximum 100mm in length and at a minimum 64mm in width and at a maximum, 68mm in width; or such other dimensions as the Board may approve.
- (3) Each deck of cards used in any of the casino games referred to in sub-rule (1) and (2) shall conform to the following requirements –
  - (a) each deck of cards shall be composed of four suits namely, diamonds, spades, clubs and hearts;
  - (b) each suit shall be composed of the following 13 cards: Ace, King, Queen, Jack, Ten, Nine, Eight, Seven, Six, Five, Four, Three and Two;
  - (c) the back of all cards in the deck shall be identical and no card shall contain any mark, symbol or design that will enable a person to know the identity of any element printed on the face of the card or that will in any way differentiate the back of the card from any other card in the deck;
  - (d) the back of all cards in the deck shall be designed so as to diminish as far as possible the ability of any person to place concealed markings thereon; and
  - (e) the design on the back of the cards shall contain the casino name and shall be submitted to the Board for approval prior to use of such cards in any gambling.
- (4) Each deck of cards shall be packaged separately and shall contain a seal affixed to the opening of such package.

- (5) Nothing in this rule shall prohibit a manufacturer from manufacturing decks of cards with one or more jokers contained therein: Provided that such jokers shall not be used by any casino licensee in the playing of any casino game which does not provide for a Joker in the game.
- (6) In addition to satisfying the requirements contained in this rule, the cards used by a casino licensee at poker shall be visually distinguishable from the cards used by that licensee to play any other casino game.
- (7) For each card game the casino licensee shall have at least six visually distinguishable card back designs.

**8.180 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 security department.
- (2) Cards which are to be distributed to gambling 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 gambling 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 by a representative of the surveillance department and a senior representative of a department other than the table games department, whilst being monitored by the surveillance department.
- (5) Prior to the commencement of each gambling day, the surveillance department shall remove the appropriate number of decks of cards for that gambling day from the primary storage area and place each gambling 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 gambling 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 gambling 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 gambling table shall be replaced at least every 24 hours or after such time as approved by the Board.
- (12) At the end of each gambling 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 and 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 gambling day or at least once during each gambling 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 bags 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 gambling table on request by the Board as well as all cards removed from a gambling table as a result of the 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 signatories 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.

#### **8.190    Roulette balls**

Balls used in gambling at roulette shall be made completely of a non-metallic substance and not be less than 18 millimetres and not more than 21 millimetres in diameter.

#### **8.200    Roulette wheels**

- (1) Roulette wheels to be used in the casinos of the Province shall at all times conform to the requirements of SANS 1718 (Gambling Equipment).
- (2) Maintenance of roulette wheels shall be 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, 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 except where a table is temporarily suspended in an opened and supervised pit, 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 gambling security officer and a pit boss or designate, 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.

### **8.210 Maintenance of card shufflers**

- (1) Regular maintenance shall be performed on card shufflers to ensure that they are maintained in a proper working condition.
- (2) A maintenance register shall be kept in which the maintenance performed on card shufflers shall be recorded, and be available for inspection by the Board.
- (3) Servicing of card shufflers must be carried out by properly trained personnel in accordance with the specifications of the manufacturer and if the manufacturer does not have specifications, card shufflers must be serviced on a monthly basis.

## **CHAPTER IX** **INTERNAL CONTROL PROCEDURES AND EPROM CONTROL**

### **9.010 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 this Chapter and any other Chapter of these rules. (Referred to in these rules as internal control procedures.)
- (2) Every licensee shall conduct its operations in terms of its internal control procedures and any non-compliance with the internal control procedures may be a ground for disciplinary action against a licensee.

### **9.020 Gratuities**

Subject to the provisions of regulation 4 of the Regulations, the procedures and policies for the payment of gratuities to staff shall be contained in the licensee's internal control procedures.

### **9.030 Patron credit**

- (1) The casino licensee shall submit to the Board the procedures for the approval, issue, redemption and collection of credit to its patrons.
- (2) Access to a patron's credit information shall be restricted to those individuals requiring access thereto by nature of their function and authorised thereto by management.
- (3) Casino licensees shall include in their internal control procedures submitted to the Board, the procedures used in the writing off and settlement of patron's credit.
- (4) Detailed documentation regarding patron credit write-offs and settlements shall be retained by the licensee for inspection by the Board.

### **9.040 Patron deposits**

A casino licensee may accept deposits from patrons in cash or cash equivalents, subject to the conditions for such deposits contained in its internal control procedures.

### **9.050 Table game standards**

Controls relating to the day to day operations of gambling tables (e.g. table opening/closing, dealers' duties, table limits, order of pay-outs, inspectors' duties, and change procedures) shall be specified in the licensee's internal control procedures.

### **9.060 Call bets and announced bets**

- (1) The procedures for call bets shall be contained in the licensee's internal control procedures.
- (2) Announced bets shall not be accepted by a licensee.

### **9.070 Table fill and table credit standards**

- (1) Controls relating to table fill and table credits shall be specified in the licensee's internal control procedures, subject to the following requirements –

- (a) table fill and table credit slips shall be in triplicate, in a continuous numerical sequence and shall be pre-numbered or in such computerised format as approved by the Board;
- (b) all table fills and table credits shall be monitored and recorded by the surveillance department; and
- (c) duties allocated to personnel shall be subject to segregation of incompatible functions.

#### **9.080 Gambling machine standards**

Controls relating to the day to day operation of gambling machines, (e.g. cash variances, complimentary accounts, customer complaints, documentation, asset registers, jackpot base values and progressive rates, reel tape control, security seals, slot statistics, reports and machine moves) shall be specified in the licensee's internal control procedures.

#### **9.090 Hand payments and jackpots**

Controls relating to gambling machine hand payments and jackpot payments shall be specified in the licensee's internal control procedures, subject to the following requirements -

- (a) hand payment and jackpot documentation shall be in triplicate, in a continuous numerical sequence and shall be pre-numbered or in such computerised format as approved by the Board;
- (b) all hand payment and jackpot documentation shall be completed on stationary approved by the Board; and
- (c) duties allocated to personnel shall be subject to segregation of incompatible functions.

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

- (1) Promotional pay-outs and awards are supplemental pay-outs or awards that are not reflected in the gambling machine pay table.
- (2) Procedures relating to promotional pay-outs and awards shall be contained in the licensee's internal control procedures.

#### **9.110 EPROM control**

- (1) On receipt of a master EPROM from the manufacturer the following shall be adhered to –
  - (a) the master program number, return to player percentage and pay table shall be verified to the manufacturer's specification sheet and certification number by a senior member of the slots technical department and a member of gambling floor security, and
  - (b) on completion of the verification required by paragraph (a), the master EPROM register will be signed by all parties present and shall be available for inspection.
- (2) Registered copies of all percentage, game or personality EPROM's 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 EPROM's shall be kept and include at a minimum the following information –
  - (a) EPROM number;
  - (b) certification number;

- (c) manufacturer;
- (d) date of return to player percentage 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 EPROM identification codes.

(4) Procedures for copying of EPROM's and the sealing of EPROM's into the machines shall be documented in the licensee's internal control procedures.

(5) Procedures for the controlling of competition and promotional EPROM's shall be documented in the licensee's internal control procedures.

(6) The handling of EPROM's shall at all times take place under coverage of the surveillance system.

(7) In the event of approved games being downloaded electronically or electronically housed in a system, controls relating to the physical and logical security of the system shall be contained in the licensee's internal control procedures.

#### **9.120 Gambling machine hopper contents**

- (1) When gambling machines are temporarily removed from the floor, gambling machine drop and hopper contents shall be protected to preclude the misappropriation of stored funds. A representative of the gambling security department shall be present when machine contents are secured to ensure such contents are adequately safeguarded.
- (2) When gambling machines are permanently removed from the casino floor, the hopper contents shall be added to the gambling machine drop by at least two employees and in the presence of a representative of the gambling security department and the following procedures 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) casino accounts department shall file the closing fill in accordance with the licensee's internal control procedures.”

#### **9.130 Player tracking**

- (1) The player tracking system shall be secured so as to prevent unauthorised access (e.g., changing passwords at least quarterly and physical access to computer hardware, etc.).
- (2) The addition of points to club members' accounts other than through actual gambling shall be sufficiently documented (including substantiation of reasons for increases) and be authorised by a department independent of the player tracking function and the slots department and table games department. Alternatively, addition of points to members' accounts may be authorised by gambling supervisory employees if sufficient documentation is generated and it is randomly verified by employees independent of the slots department on at least a monthly basis.
- (3) Booth employees who redeem points for members shall not have access to lost cards.
- (4) Changes to the player tracking system parameters, such as point structures and employee access, shall be performed by supervisory employees independent of the slots department and table games department upon a documented request from a slots or tables department supervisor.
- (5) All other changes to the player tracking system shall be performed by someone independent of the player tracking function and the slots department and table games and appropriately authorised and documented.

**CHAPTER X**  
**ORGANISATIONAL STRUCTURE, AUDIT, STATISTICS AND ELECTRONIC DATA  
PROCESSING**

**10.010 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 gambling and gambling related activities.
- (3) Each licensee shall submit to the Board on a quarterly basis an updated list of all employees, their functions and line of command.

**10.020 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 gambling 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 gambling machines;
    - (ii) the clandestine surveillance of the operation of the cage and satellite cages;
    - (iii) the image recording of the 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 image and audio recording of all views forming part of the approved surveillance system and storage of such recordings;”
    - (vi) the image\_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 image 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 10.060 and any other function assigned to it in terms of these rules;

(d) a 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. With regard to each incident, without regard to materiality, 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 assigned number;
  - (bb) the date;
  - (cc) the time;
  - (dd) the nature of the incident;
  - (ee) the person involved in the incident;
  - (ff) the security department employee assigned; or other electronic means as approved by the Board. In which case the requirements of Rule 10.130 shall apply.
- (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 gambling 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 gambling 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
- (g) 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 10.050.

(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.

#### **10.030 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 at least 60 days prior to the projected date of commencing operations.
- (3) No casino licensee shall commence gambling operations unless and until its jobs compendium is submitted to the Board.
- (4) Any proposed amendment to a previously submitted jobs compendium shall be re-submitted to the Board before such amendment is implemented by the casino licensee.

#### **10.040 Electronic data processing: IT Department**

- (1) A separate information technology (IT) department shall be maintained, and the following standards shall be applicable –
  - (a) the IT department shall be independent of all gambling operations (i.e. cage, pit, count rooms, etc.);
  - (b) the IT department personnel shall be precluded from having unrestricted access to computers and terminals located in gambling operations, source documents and live data files (not test data);
  - (c) computer security logs, if generated by the system, shall be reviewed by IT supervisory personnel for evidence of –
    - (i) multiple attempts to log-on or, alternatively, the system shall deny user access after three attempts to log-on; and
    - (ii) any other unusual transactions.
- (2) If there are in-house developed systems, the following standards shall be applicable –
  - (a) 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 IT operator 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 shall 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
- (iv) 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;

#### **10.050 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, which shall provide for segregation of duties in accordance with general accounting and auditing practices –

- (a) the casino accounts department shall be independent of the gambling 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 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 shall check, verify and attest to the accuracy of both the hard and soft counts;
- (d) the day to day accounting functions with regards to the operation of the gambling departments and the cage and vault departments will be performed by the casino accounts department. The accountant or a senior accounts person shall authorize all journal entries and ensure that revenues, expenses, assets and liabilities are reconciled to the general ledger on a monthly basis; and
- (e) the day to day accounting functions with regards to the operation of the gambling 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.

#### **10.060 Internal audit**

- (1) Documentation (e.g., 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 10.020(1)(c) and copies of these reports shall be forwarded to the Board within 60 days after the period end.

- (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 bi-annually –
    - (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 gambling machines, jackpot pay-out and gambling machine fill procedures, gambling 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, gambling 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) reconciliation of gross gambling revenue is from the accounting records to the Board's levy returns;
  - (b) at least six monthly, all casino related balance sheet accounts; and
- (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.

#### **10.070 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.

#### **10.080 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 (e.g., 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 (e.g., appropriate system parameter information, corrections, voids, etc.); and
  - (b) personnel access listing which includes at a minimum –
    - (i) employee name;
    - (ii) employee identification number; and
    - (iii) a list of functions that employee can perform or equivalent means of identifying such functions.

#### **10.090 Statistics**

- (1) The following statistical analysis shall be maintained by every licensee –
  - (a) in respect of gambling tables, records reflecting statistical and actual drop, win, win to drop, hold percentage by table and type of game; and
  - (b) in respect of gambling 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.

#### **10.100 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 gambling levy and VAT returns –
  - (a) drop per table;
  - (b) win per table; and
  - (c) total gross gambling revenue.
- (3) If drop can be determined in a table game (e.g., 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.

#### **10.110 Theoretical/actual hold**

- (1) Monthly reconciliation of gambling machine hold percentages shall be done by the licensee.
- (2) Variances between theoretical and actual hold percentage on gambling machines shall be investigated by the licensee and resolved with the findings documented for Board inspection.
- (3) The minimum variance percentage to be investigated in terms of subrule (2) shall be specified in the licensee's internal control procedures.

#### **10.120 Gambling machines: Accounting/auditing procedures**

- (1) Gambling machine accounting/auditing procedures shall be performed by employees who are independent of the transactions being reviewed.
- (2) The gambling machine accounting/auditing procedures shall be contained in the licensee's internal control procedures.

#### **10.130 Computerised gambling systems: General controls**

- (1) For all computerised gambling 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; and
  - (d) proof of prior authorisation of access and/or access privileges by management personnel.
- (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 who's access was changed;
  - (c) the nature of the change of access;
  - (d) the date and time of the change;
  - (e) a computer generated sequential number and/or date and time or equivalent means of identifying same as approved by the Board;
  - (f) if access rights are amended as a result of a system upgrade, these changes shall be documented; and
  - (g) proof of prior authorisation of change of access and/or access privileges by management personnel.
- (3) User identity in respect of passwords shall be controlled as follows, unless otherwise addressed in the licensee's internal control procedures –
  - (a) each user shall have his or her own individual password;
  - (b) passwords shall be changed at least monthly; and
  - (c) the system shall preclude an individual from using the same password for more than one month in every twelve months.

#### **10.140 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 (i.e., hardware, software and data files) for each gambling department application shall be in a secured area with access restricted to only authorised persons;
- (b) gambling 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, biometrics or other means approved by the Board and access to system functions shall be controlled by management personnel or persons independent of the department being controlled, to ensure adequate segregation of duties;
- (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 and;
  - (iii) the system shall preclude an individual from using the same password for more than one month in every twelve months;
- (e) adequate backups and recovery procedures shall be in place, and shall include –
  - (i) daily backup of data files;
  - (ii) backup of all in-house developed and purchased software programs;
  - (iii) secured off-site and/or on-site storage of all backup data files and software programs, or other adequate protection to prevent the permanent loss of any data; and
  - (iv) backup storage devices shall be tested at least quarterly and results shall be documented and maintained;
- (f) the licensee shall maintain written recovery plan which shall address a procedure to be followed in case of unforeseen disaster;
- (g) adequate system documentation shall be maintained, including descriptions of both hardware and software (including version numbers) and operator manuals;
- (h) User names shall be controlled as follows –
  - (i) no generic identification (user names) shall be allowed, unless user access is restricted to inquiry-only functions; and
  - (ii) the system shall be updated to change the status of employees whose services have been terminated, from active to inactive, within 24 hours of such termination of services;
- (i) Personnel access records shall be maintained, which shall, at a minimum, include the following information –
  - (i) employee name and title or position;
  - (ii) employee identification number;
  - (iii) a list of functions the employee can perform or equivalent means of identifying same; and
  - (iv) proof of prior authorisation of access by management personnel.

#### **10.150 Electronic data processing: Remote access to hardware and software**

- (1) If remote access is allowed for software support, the licensee shall maintain an access log, which shall include the name of the employee authorising remote access, the name of the authorised programmer or manufacturer representative, the reason for remote access, a description of work performed and the date, time and duration of access: Provided that the description of the work performed must be

adequately detailed to include the old and new version numbers of any software that was modified and details regarding any other changes made to the system.

- (2) For each computerised gambling application that can be accessed remotely, remote access procedures shall be included in the licensee's Internal Control Procedures, including, at a minimum, the following –
  - (a) the type of gambling application, supplier or business name and version number, if applicable;
  - (b) in the event of dial-up access, the dial-back number to enable the system to dial back to the supplier's business only;
  - (c) the procedures used in establishing and using passwords to allow authorised personnel of the supplier to access the system through remote access;
  - (d) the personnel involved and procedures to be followed to enable the physical connection to the system when the supplier requires access to the system through remote access; and
  - (e) the personnel involved and procedures to be followed to ensure that the physical connection is disabled when the remote access is not in use.

#### **10.160 Electronic data processing: Document storage media**

- (1) Documents may be scanned or directly stored to unalterable media, subject to the following conditions –
  - (a) the storage media shall contain the exact duplicate of the original document;
  - (b) all documents stored on storage media shall be maintained with a detailed index and date in accordance with the Board's record keeping requirements, which index shall be available upon Board request;
  - (c) upon request by the Board, computer hardware (terminal, printer, etc.) shall be provided in order to perform auditing procedures; and
  - (d) controls shall 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 storage media, the media may not be relied upon for the performance of any audit procedures, and the original documents and summary reports shall be retained.

## **CHAPTER XI** **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 and the hard count room, 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, except in emergency cases, and such emergency cases shall be reported to the Board;
  - (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 a digital storage device\_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 surveillance system;
  - (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 at the count supervisor's position connected to surveillance room which shall be tested daily before the start of every count
  - (h) there shall be an internal telephone near 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 surveillance system 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 gambling 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 surveillance system 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 gambling 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 by the surveillance department;
  - (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 a digital storage device;
  - (e) lighting in the count room shall be arranged so that there is no reflection on the surveillance system 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 (e.g., 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 (e.g., 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 *Deleted***

**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: Gambling security employee, cash desk supervisor and count supervisor signing as witnesses to this;
  - (b) locked drop boxes shall be removed from the tables by the a gambling 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 image recorded;
  - (d) the removal and transportation of the drop boxes shall be monitored and recorded by the surveillance personnel on the surveillance system and noted in the occurrence book or digital log;
  - (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 surveillance system 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 gambling 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 count team shall be independent of transactions being reviewed (i.e. the table games department) and counted and the subsequent accountability of soft drop proceeds.
- (2) There shall be at least 3 persons present during the soft count and only English shall be spoken in the count room.
- (3) The detailed count procedures and uniforms worn in the count rooms shall be contained in the licensee's internal control procedures.
- (4) 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.
- (5) Count team members shall be rotated on a routine basis. Rotation shall be such that the count team is not consistently the same three individuals more than four days per week.
- (6) 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.

- (7) The count of each box shall be recorded in ink or other permanent form of recording.
- (8) 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.
- (9) Drop boxes, when empty, shall be shown to the other members of the count team who are observing the count and to the surveillance system camera.
- (10) 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 gambling day are identical.
- (11) Requests for fills and credits shall be matched to the fill/credit slips.
- (12) Fills and credits shall be traced to, or recorded on, the count sheet and examined for correctness.
- (13) 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.
- (14) 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.
- (15) 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.
- (16) 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.
- (17) All members of the count team shall attest by signature to the accuracy of the table games count.
- (18) 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.
- (19) The above mentioned individual shall certify by signature on the count sheet as to the accuracy of the monies delivered and received.
- (20) Access to stored drop boxes, full or empty, shall be restricted to only authorised members of the drop and count teams.
- (21) 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.

- (22) The count sheet, with all supporting documents, shall be promptly delivered to the casino accounts department by the count team supervisor 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.
- (23) 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 Gambling machine clearance: Hard and soft count**

- (1) A minimum of three employees shall be involved in the removal of the gambling 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 gambling 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 gambling 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 gambling machine clearance process and note it in the occurrence book or digital log.
- (4) 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: Gambling machines**

In certain instances an emergency clearance of gambling machines may be required. The procedures required to perform such clearances shall be contained in the internal control procedures of the licensee.

#### **11.100 Gambling 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 gambling machine drop.
- (4) The gambling machine count team shall be independent of the slots department and the subsequent accountability of gambling machine count proceeds.
- (5) The following functions shall be performed in the counting of the gambling machine drop –
  - (a) count team supervisor/recorder function which involves the recording of the gambling 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 gambling machine drop proceeds from each gambling machine shall be recorded in ink on a gambling machine weigh/count document by the recorder or mechanically printed by the weigh scale. If a weigh scale interface is used, the gambling 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 gambling 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 gambling 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 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.
- (10) At least three employees shall be present throughout the entire wrapping process of the gambling 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 gambling 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 gambling machine count transfers) which is subsequently reconciled by the casino accounts department to ensure the accuracy of the reconciled wrapped gambling 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 gambling machine drop proceeds –
  - (a) the count team supervisor, one other count/wrap team member, the accepting vault cashier and a member of the casino accounts department shall count the final wrapped, bagged or racked gambling 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 (14)(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 gambling 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 supervisor, one other count team member, the cage/vault employee and a casino accounts employee shall sign the summary report attesting to its accuracy. The accountability for the gambling 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) R50.00 or 50 coins/tokens, whichever represents the smallest Rand amount.
- (19) The results of such investigations shall be documented and maintained for Board inspection.
- (20) All gambling 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 (e.g., locked container to which only accounting personnel can gain access) until retrieved by the casino accounts department.
- (21) Corrections on gambling 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 gambling machine count data shall be made by crossing out the error on the gambling 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 gambling machine reports.
- (23) During the count process, correct the error in the computer system and enter the password of the count team supervisor. If this procedure is used, an exception report shall be generated by the computer system identifying the gambling machine number, the error, the correction and the count team employees attesting to the correction or alternate compensating controls as approved by the Board shall be used.

#### **11.110 Gambling machine soft count standards**

- (1) The gambling machine soft count shall be performed in the soft count room and shall be performed by a minimum of three employees.
- (2) The gambling machine soft count team shall be independent of transactions being reviewed and counted (i.e. 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 commingling 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 gambling 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.
- (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.
- (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 the casino accounts 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 (e.g., locked container to which only accounting personnel can gain access) until retrieved by the casino accounts department.

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

The licensee shall provide for key controls in respect of drop box release keys, drop box storage rack keys, drop box contents keys, count room keys, duplicate keys and the control of any other keys which the Board may require, in its internal control procedures.

## **CHAPTER XII** **WIDE AREA PROGRESSIVE JACKPOTS**

### **12. 010 Wide area progressive jackpots (inter-casino linked progressives)**

- (1) Any wide area progressive system shall be adequately restricted to prevent unauthorised access (e.g. 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 gambling machine funds;
  - (c) jackpot verification and 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.

**PART 3**  
**BINGO RULES**

**CHAPTER XIII**  
**DEFINITIONS**

**13.010 Definitions**

For the purposes of this part (Part 3) of these rules, unless the context otherwise indicates –

**“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”, “licensee” and “bingo licensee” shall have a corresponding meaning;

**“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;

**“internal control procedures”** means a manual required in terms of rule 19.010;

**“MCS”** means the Monitoring and Control System.

**“physical card”** means a bingo card, or shutter card or any card approved by the Board;

**“player”** means any person who has bought or wagered credits for a card or electronic card with the intention of participating in a game; and

**“simultaneous game”** means a game of bingo played at more than one bingo centre simultaneously.

## **CHAPTER XIV** **BINGO CENTRES**

### **14.010 Requirements for bingo centres**

- (1) Every bingo centre shall contain the following equipment, where applicable –
  - (a) a random number selecting device, which shall operate either electronically or by means of a ball drawing apparatus;
  - (b) a control desk, which shall be elevated from the rest of the premises and shall be clearly visible to all players;
  - (c) a public address system which shall ensure clear audibility by all players, of all instructions and information from the control desk in relations to the conduct of the game;
  - (d) one or more information panels or screens, which shall be clearly visible to all players, on which shall be displayed the following information –
    - (i) all the information referred to in rule 16.020(2)(c), except the way in which each prize is to be collected;
    - (ii) all numbers drawn in the game currently being played;
    - (iii) all prizes available in the game currently being played;
    - (iv) the amount of the applicable jackpot as well as the maximum amount of draws for the jackpot;
    - (v) the number of draws made in the game currently being played; and
    - (vi) the number of cards sold in the game currently being played;
  - (e) a closed circuit television system or other system approved by the Board, of which at least one of the monitors or other device shall be clearly visible from all positions which may be occupied by a player, on which the numbers being selected are clearly displayed;
  - (f) a cash desk, the physical characteristics of which shall be subject to approval by the Board, in which the cashier shall be stationed and in which the following shall be kept –
    - (i) all bingo cards removed from the storage area in order to be sold;
    - (ii) all money paid by players for the purchase of bingo cards;
    - (iii) any other equipment needed by the cashier to perform his functions; and
    - (iv) any other item which the Board may require from time to time;
  - (g) 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 16.050; and
  - (h) if the game is played using electronic cards or similar devices the following shall be clearly visible to the player –
    - (i) a clear digital representation of the electronic card or cards;
    - (ii) the minimum stake per game;
    - (iii) the amount of the applicable jackpot as well as the maximum amount of draws for the jackpot; and
    - (iv) all numbers, pictures and symbols drawn in the game currently being played.
- (2) Every bingo centre shall in a visible position:
  - (a) Clearly display signage that no persons under the age of 18 are allowed in the designated areas;

- (b) A copy of the bingo operator licence as issued by the Board; and
- (c) A notice stating that all games conducted on the premises are the games of bingo.

#### **14.020 Random number selecting devices**

- (1) A bingo operator shall not use any random number selecting device or any other device unless such device has been tested in terms of the applicable SANS Standards, certified by the National Regulator for Compulsory Specifications and approved by the Board.
- (2) Any number selecting device shall be designed, manufactured and used in such a way that the randomness of the numbers selected, will be ensured at all times.
- (3) The following requirements shall apply when a ball drawing apparatus is used as random number selecting device –
  - (a) the number of balls used shall be equal to the total amount of numbers of which the game consists 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 in the game being played;
  - (b) the balls used shall be identical to one another in respect of all physical characteristics except for the colour and number painted on each ball;
  - (c) no two balls shall have the same number;
  - (d) each ball shall be indelibly imprinted with its particular number in such way and in such combination of colours to guarantee perfect 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 on completion of 1000 games with such set 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 minimum period of three months from the date of replacement.
- (4) There shall be a reserve random number 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.

#### **14.030 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 14.010.

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

#### **14.040 Requirement for surveillance systems**

- (1) Every bingo operator shall install, maintain and operate a surveillance system on the premises to which the licence relates, which shall conform to the requirements of this rule and be subject to the Board's approval: Provided that the Board may, on reasonable grounds, determine or approve other requirements to those set forth in this rule, for such surveillance system. The surveillance systems must be able to interface with the MCS.
- (2) Such bingo operator shall install, operate and maintain surveillance coverage bingo operations, as approved by the Board.
- (3) Such applicant for a bingo operator licence shall submit to the Board a surveillance system plan with its licence application for approval by the Board.
- (4) The surveillance system plan shall include the following –
  - (a) a gambling floor plan that shows the placement of all surveillance equipment;
  - (b) details of the camera views, if applicable;
  - (c) identification of electronic bingo devices covered by the surveillance system; and
  - (d) a detailed inventory of the surveillance system, which shall include number of cameras, monitors and equipment specifications, if applicable.
- (5) 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: Provided that Board approval shall be required in respect of all other components of the surveillance plan, prior to installation.
- (6) No such applicant or licensee shall alter or modify the approved surveillance system contemplated in this rule, without the prior approval of the Board
- (7) Such applicant or licensee shall apply to the Board in writing for alterations to the surveillance system, no later than 7 days prior to the proposed alteration and if such alteration is approved by the Board, submit an amended plan reflecting such alteration within 30 days of the approval: Provided that this sub-rule will also be applicable to temporary installations.
- (8) Such bingo operator shall inform the Board of the installation of cameras for the purposes of gambling covert operations, within 48 hours of such installation.
- (9) The surveillance system and its equipment shall be directly and securely wired in a way to prevent tampering therewith.
- (10) The surveillance system shall be connected to an auxiliary power source capable of providing uninterrupted power to the surveillance system in the event of a power loss and the power supply shall provide sufficient lighting to operate the surveillance system at all times when bingo devices are in operation.
- (11) A lightning protection unit shall be fitted to safeguard the surveillance system against lightning.

(12) A person with adequate knowledge of bingo as well as the relevant legislation pertaining to gambling, shall during such licensee's operating hours:

- (a) monitor the surveillance system and its related equipment including all camera views of bingo gambling activities, and
- (b) be responsible for the recording of all unusual occurrences within the bingo operation. With regard to each incident, without regard to materiality, 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 or such other recording format as approved by the Board –
  - (i) the assignment number;
  - (ii) the date;
  - (iii) the time;
  - (iv) the nature of the incident;
  - (v) the person involved in the incident;
  - (vi) the assigned employee; orother electronic means as approved by the Board. In which case the requirements of Rule 10.130 shall apply *mutatis mutandi* in respect of bingo.

(13) In the event that cameras are used as part of the surveillance system –

- (a) each camera shall have the capability of having its picture displayed on a monitor;
- (b) all cameras forming part of the surveillance system shall record in colour, unless otherwise approved by the Board;
- (c) each camera in the surveillance system located in a public area shall be placed behind a dome;
- (d) all image recordings shall be made in real time and not in a time lapse recording mode;
- (e) surveillance system image recordings must be kept for 7 days; and
- (f) the procedures for storing and record keeping of image recordings shall be submitted in writing to the Board for approval, no less than 7 days prior to the commencement of gambling operations or 7 days prior to the amendment to the existing approved method.

(14) The Board and its authorised staff members shall at all times be provided immediate access to the room or area where the surveillance system is kept.

(15) In respect of malfunctions of the surveillance system equipment –

- (a) such licensee shall establish and maintain a written log of any and all surveillance system equipment malfunctions, and gambling operations shall be suspended pending the repair of the malfunction, unless otherwise approved by the Board;
- (b) each malfunction to the approved surveillance system shall be repaired within 24 hours of the malfunction;
- (c) if the malfunction is not repaired within 24 hours, the licensee shall immediately submit a separate written report in the form of a letter to the Board that sets forth the reason for the delay in repair; and
- (d) each malfunction together with the corrective measures taken will be reported to the Board within 24 hours.

- (16) In addition to any other image recording requirements that are or may be imposed by this rule, the bingo operator shall record all views, activities, and locations as the Board may from time to time require.
- (17) Every applicant for a bingo operator licence shall comply with the requirements set forth in this rule prior to the start of gambling operations.

## **CHAPTER XV** **BINGO CARDS**

### **15.010 Requirements for physical cards**

- (1) The game of bingo shall be played using cards, which shall be in accordance with the standard form approved by the Board, or such devices as may be approved by the Board.
- (2) No two cards in a set shall be identical to one another with regard to their unique serial numbers or the numbers to be marked off by players.
- (3) The following shall be printed on each card –
  - (a) the numbers to be marked off by the players;
  - (b) the series to which it belongs;
  - (c) its unique serial number within the set; and
  - (d) a design, logo or the name of the bingo centre at which the card is sold (printed on each card or on the front cover of a book of cards).
- (4) Every bingo card shall be valid for one game only.
- (5) All bingo cards shall be manufactured in a material allowing them to be marked by the players.

### **15.010A Requirements for electronic cards**

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

### **15.020 Sale of physical cards**

- (1) Physical cards may only be sold in the bingo centre where the game for which such cards are sold, is to be conducted.
- (2) No two cards sold in the same game may be identical in regards to the serial number or the numbers to be marked on each card, subject to the following requirements –
  - (a) if a second series is to be sold it shall have the same selling price per card as the first; and
  - (b) the sale of the second series shall commence with number one of such series.

### **15.030 Retention and destruction of physical cards**

- (1) 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 retained by the licensee for a period of three months;

- (b) any card which may constitute evidence of an offence or any contravention of the Act, the Regulations, or these 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.

#### **15.040 Receipt, storage and use of physical cards**

- (1) Bingo cards shall be packaged and supplied to operators in such manner that every set 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.
- (3) If the packaging of any set 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.
- (4) The cards received, of which the packaging are intact and the seals free from tampering, shall be stored in a locked storage area, the location and physical characteristics of which shall be subject to approval by the Board.
- (5) Bingo cards referred to in sub-rule (2) shall not be removed from their packaging as contemplated in sub-rule (4), except to be sold to players.
- (6) The operator shall submit to the Board, for approval, procedures for the following –
  - (a) the control of access to all 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) 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.

#### **15.050 Other devices**

- (1) No device other than cards shall be used in playing bingo, unless the physical characteristics of such device, the placement thereof in the bingo centre and the method of utilisation of such device has been approved by the Board prior to such device being used.
- (2) A game played by wholly or partly electronic means –

- (a) for consideration, using electronic cards or similar devices –
  - (i) that depicts in electronic form, a card which is divided into spaces, each of which bears a different number, picture or symbol; and
  - (ii) with such numbers, pictures or symbols arranged randomly such that any card so depicted contains a unique set of numbers, pictures or symbols;
- (b) in which a series of numbers, pictures or symbols are generated randomly by a device, which numbers, pictures or symbols are then distributed to, and displayed on, a device;
- (c) which match, on behalf of each player, each such number, picture or symbol on the player's electronically depicted card; and
- (d) in which the player who has all the spaces on his or her electronic card or similar device matched first, or who has a specified set of numbers, pictures or symbols on his or her electronic card matched first, wins a prize or prizes;

is substantially similar to bingo as defined in the Act, shall be regarded as bingo.

#### **15.060 Marking, registration and distribution of electronic bingo devices**

For the purpose of these rules, the provisions prescribed in terms of Rule 4.080 relating to the marking, registration and distribution of gambling machines shall apply *mutatis mutandis* to electronic bingo devices.

## **CHAPTER XVI** **PROCEDURE FOR PLAYING THE GAME**

### **16.010 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 or at 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 the type and format of bingo which has been approved by the Board to be conducted in a specific bingo centre, shall be conducted in or at 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 its 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.

### **16.020 Conducting the game of bingo using physical cards**

- (1) Every game of bingo shall start with the first draw for that particular game.
- (2) The game of bingo shall be conducted in the following manner –
  - (a) before the commencement of the first game of each day, the desk manager or duty manager shall inspect all equipment mentioned in rule 14.010 in order to verify that it is in proper working condition;
  - (b) the set (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 wording: “....cards sold, of set.....numbered.....to.....and of set.....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 the game;
  - (d) numbers shall be successively selected, using the random number selection device;
  - (e) every number 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 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 desk manager or other designated employee of the operator, 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, such shall be announced on the public address system and displayed on the closed circuit television system;
- (i) if the check reveals that the prize claimed has not been won, the game shall continue until all available prizes have been won;
- (j) once the existence of a prize winning card has been verified, announced and 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;
- (k) once the caller has ordered the game to be resumed, or announced the game to have ended, all rights to claim the relevant prize in respect of said game, shall be lost; and
- (l) when the last available prize 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.

#### **16.020A 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.
- (7) In the event of approved games being downloaded electronically or electronically housed in a system, controls relating to the physical and logical security of the system shall be contained in the licensee's internal control procedures.

#### **16.030 Suspension of game and refunds for physical cards**

- (1) If a malfunction in any equipment or any other incident occurs before commencement of a game but after commencement of the sale of cards for that particular game, which prevents the commencement of that game, the game shall be provisionally suspended and the following procedure shall be followed –
  - (a) if the malfunction or incident can be resolved within a reasonable time, the game shall commence; or
  - (b) if the malfunction or incident cannot be resolved within a reasonable time, the game shall be abandoned and the full purchase price of all cards sold for that particular game shall be paid back to the players and each card sold for that particular game shall be returned to the licensee.

- (3) If a malfunction in any equipment or any other incident occurs after commencement of a game, which prevents the continuation of that game, the game shall be provisionally suspended and the following procedure shall be followed –
  - (a) if the malfunction or incident can be resolved within a reasonable time, the game shall continue; or
  - (b) if the malfunction or incident cannot be resolved within reasonable time, the game shall be abandoned and the full purchase price of all cards sold for that particular game less the pro-rata share of any prize due and payable to any player for that particular game before abandonment thereof and any gambling levy payable to the Board, shall be paid back to the players and each card sold for that particular game shall be returned to the licensee: Provided that all prizes which have been claimed and verified before abandonment, shall be paid out to the winners.
- (4) If any malfunction or incident, referred to in sub-rule (1) or (2), occurs, the centre manager or duty manager shall read the relevant sub-rule to the players before proceeding with any further steps.
- (5) The withdrawal of a player before or after commencement 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.
- (6) If an error occurs in the announcement of any of the numbers selected, such error shall be corrected immediately, a note made in the game record and the game shall continue.
- (7) Any malfunction or incident referred to in sub-rule (1) and (2) of this rule shall be reported to the Board in writing within 7 days of the occurrence of such malfunction or incident.

#### **16.040 Prizes**

- (1) Subject to the provisions of sub-rule (3), no prize, other than money, may be offered to any player of the game of bingo.
- (2) An operator shall not offer any prize other than money to a player, except in accordance with a policy on non-money prizes, which policy shall be submitted to the Board by the operator for approval prior to any such prize being offered.
- (3) Any mystery prize shall be subjected to the same requirements as non-money prizes in subrule (2).

#### **16.050 Game records for physical cards**

- (1) Every 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 time of commencement of each game;
  - (c) the set and serial number of the first card sold;
  - (d) the set and serial number of the last card sold;
  - (e) the total number of cards sold;
  - (f) the set and serial number of all unsold or damaged cards;

- (g) the amount of the face-value of the cards;
- (h) the amount accumulated in the jackpot, if any, after the sale of the cards;
- (i) the numbers selected up to each of the prizes awarded;
- (j) the serial number of the card or cards winning each of the prizes;
- (k) the net amount of the total of each prize;
- (l) the total amount of numbers selected;
- (m) any incident which may have an effect on the result of the game; and
- (n) the time of closure of the game.

(2) The information recorded in terms of sub-rule (1), shall be stored in electronic format for a minimum of three months after completion of each game, 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, a member of the staff of the Board, authorised staff members of the operator, the operator's franchisor and the auditors of the operator and the operator's 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 and the electronic recording device shall be repaired or replaced within 24 hours of such malfunction occurring, or within such longer period as may be approved by the Board.

#### **16.050A 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:
  - (a) the date;
  - (b) the total amount of cash staked per player position, electronic card or device;
  - (c) the total amount of prize money paid out per player position, electronic card or device;
  - (d) the total amount of cash hold per player position, electronic card or device;
  - (e) percentage payout and hold per player position, electronic card or device;
  - (f) total amount of cash staked;
  - (g) total amount of prize money; and
  - (h) total amount of cash hold.
- (2) The information recorded in terms of subrule (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, authorised staff members of the bingo operator or its franchisor and the auditors of the bingo operator and/or franchisor.
- (3) In the event of a malfunction of the electronic recording device referred to in subrule (1), all relevant information with regard to every game of bingo played shall be recorded in writing.

- (4) In respect of malfunctions of the electronic recording device –
  - (a) each malfunction of such device shall be repaired within 24 hours of the malfunction;
  - (b) if the malfunction is not repaired within 24 hours, the licensee shall immediately submit a separate written report in the form of a letter to the Board that sets forth the reason for the delay in repair; and
  - (c) each malfunction together with the corrective measures taken will be reported to the Board within 24 hours.

#### **16.050B Electronic monitoring system for devices**

- (1) Where bingo is played wholly by electronic means, the Board may approve any electronic, computer or communications system or device which can be used to send or receive data relating to the functioning of any electronic device or other machine or apparatus on which bingo is played, as a monitoring system, in order to render to the Board the prescribed returns and information in terms of the relevant provincial legislation.
- (2) The monitoring system required in subrule (1) above shall be designed and operated to perform and report functions and shall provide:
  - (a) online, real-time monitoring and data acquisition capability in the format and media approved by the Board; and
  - (b) such other monitoring and data acquisition capability, as the Board may determine.
- (3) The monitoring system required by subrule (1), shall be designed and operated to perform and report functions relating to bingo devices as referred to in subrule (1) of Rule 16.050A and to record such other information as the Board may require.
- (4) The bingo licensee shall store in the device and in a readable format, all information required by subrule (3) for a period of five years.
- (5) The hardware and software configuration of the electronic monitoring system shall be certified to conform to the applicable SANS standards and shall be approved by the Board.

#### **16.050C Change control management**

- (1) All software media submitted to the Board shall be clearly labelled, and shall contain sufficient information to identify the version and modification level.
- (2) The identifying information utilised shall strictly follow the supplier's identification system, as detailed in its software configuration control procedures.
- (3) Each software revision must indicate the category, effect or impact, reason for change and summary of change, modules affected and consequences if not approved and be implemented accordingly.
- (4) The supplier shall ensure that the new version of software submitted are cross-referenced back to previous certified releases, adhere to the conditions set forth therein where approval is granted.
- (5) The Board may from time to time issue guidance notices with respect to change control management.

#### **16.060 Dispute Register**

- (1) Every operator shall have a dispute register, with numbered pages, in which shall be recorded any complaint by any player.

- (2) All player complaints shall be written in the dispute register and shall be signed by the player complaining as well as the centre manager or duty manager.
- (3) The following minimum information shall be contained in the dispute register –
  - (a) the complainant's full names, contact address and telephone number;
  - (b) the date and time of the complaint;
  - (c) the nature of the complaint; and
  - (d) details of measures taken to resolve the complaint.

#### **16.070 Distribution of electronic bingo devices and bingo servers**

- (1) No person or licensee shall import, distribute and expose for play, any electronic bingo devices and/or bingo servers unless the electronic bingo devices and bingo servers have been certified by the certifying authority, approved by the Board for use and approved for installation.
- (2) For the purpose of these rules, the provisions prescribed in terms of Rule 4.080 and Rule 4.130 relating to distribution of gambling machines and equipment, from, within, through, into and out of the Province shall apply *mutatis mutandis* to electronic bingo devices and bingo servers.

#### **16.080 Electronic bingo devices and bingo server requirements**

- (1) The hardware and software of each electronic bingo device shall comply with the relevant SANS standards at all times.
- (2) The software of each bingo server shall comply with the relevant SANS standards at all times, where the bingo server hardware is custom built for purposes of gambling, then it shall comply with the relevant SANS standards.
- (3) Each electronic bingo device and bingo server shall electronically record, store and send to the MCS the meter, events and audit information specified by the applicable SANS standard.
- (4) All electronic bingo devices or bingo servers that are exposed for play shall be directly or indirectly linked to the MCS.

#### **16.090 Installation, conversion and removal of electronic bingo devices and bingo servers**

- (1) Whenever an electronic bingo device or bingo server is installed or converted, the responsible person shall perform all significant events tests and soft meters tests to ensure that the components of such electronic bingo device or bingo server have been set up properly, as well as such other tests as the Board may specify, prior to any gambling activity taking place on the electronic bingo device.
- (2) For the purpose of these rules, the provisions prescribed in terms of Rule 4.040 and Rule 4.050 relating to conversions and modifications of gambling machines shall apply *mutatis mutandis* to the electronic bingo devices and bingo servers.
- (3) The responsible person shall –
  - (a) document the results of the tests conducted in terms of subrule (1) and such document shall be signed by a representative from the Technical Department;

- (b) submit the documented test results to the Board for review prior to an electronic bingo device or bingo server is being exposed for play; and
- (c) immediately update the MCS reflecting any installation, conversion or removal of an electronic bingo device or bingo server at the time of such occurrence.

#### **16.100 Monitoring and Control System (MCS) for bingo**

No person or licensee shall import, distribute, install, convert or modify any MCS unless the MCS has been certified by the NRCS, approved by the Board for use and approved for installation.

#### **16.100A Monitoring and Control System backup requirements**

The holder of a bingo licence shall make a daily backup of all operational data contained in its approved Monitoring and Control System.

#### **16.110 Monitoring and control system (MCS) access by the Board**

- (1) Board inspectors and auditors must be able to remotely access MCS reports at any time using an electronic data connection, as specified by the Board.
- (2) The MCS reports shall contain information and be in a format as determined by the Board from time to time.
- (3) Access to MCS executable and data files shall be provided to the Board when requested.

#### **16.120 Progressive jackpot displays, meters and limits**

- (1) A meter that shows the current amount of the progressive jackpot must be conspicuously displayed at or near the bingo game to which such jackpot applies. At least once a day, the licensee shall record the amount shown on each progressive jackpot meter at the licensee's gambling establishment. Explanations for any meter reading decrease must be recorded, and where the explanation for a decrease is the payment of a jackpot, the licensee shall also record the jackpot payout form number or have such number reasonably available. Each licensee shall record the base amount of each progressive jackpot the licensee offers.
- (2) A licensee may limit a progressive jackpot to an amount that is equal to or greater than the current amount of the jackpot at the time when such limit is imposed. In the event of the imposition of a limit, the licensee shall post a conspicuous notice of such limit at or near the bingo game to which such limit applies."

#### **16.130 Progressive jackpots**

- (1) All progressive jackpots shall be tested against the applicable SANS standards, certified by the NRCS and approved by the Board for use, distribution and installation prior to being activated.
- (2) A progressive jackpot may be controlled by –
  - (a) the game (progressive);
  - (b) the progressive jackpot controller; or
  - (c) the jackpot server.

#### **16.140 Conversion and reduction of progressive jackpots**

- (1) A licensee shall not convert a progressive jackpot unless the progressive jackpot has been tested against the applicable SANS standards, certified by the NRCS and approved by the Board for use,

distribution and installation. The conversion application for approval shall include at a minimum the following progressive jackpot parameters –

- (a) increment values;
- (b) secondary pool increments;
- (c) reset values;
- (d) maximum values; and
- (e) electronic bingo devices that participate.

(2) A licensee shall not reduce the amount displayed on a progressive jackpot meter or otherwise reduce, withdraw or eliminate a progressive jackpot unless –

- (a) a player wins such jackpot;
- (b) the licensee adjusts the progressive jackpot meter to correct a malfunction or to prevent the display of an amount greater than the limit imposed pursuant to Rule 16.120(2), and the licensee documents such adjustment and the reasons therefor; or
- (c) the licensee withdraws the progressive jackpot, retains the base amount of such jackpot as a fixed jackpot and transfers the incremental amount, being the amount in excess of the base amount, to another progressive jackpot at the licensee's establishment, and –
  - (i) the licensee documents the transfer;
  - (ii) such incremental amount is transferred to the same type of bingo game; and
  - (iii) the transfer is completed within 10 days after the progressive jackpot is withdrawn from play or within such longer period as the Board may, on good cause shown, approve.

#### **16.150 Monitoring and Control System (MCS): Journal entries**

- (1) In the event of incorrect information being reflected on the MCS, the Accounts Department shall have and/or obtain evidence prior to and subsequent to changes being effected thereto, reflecting an audit trail of the amendments made and provide reasons for such amendments.
- (2) All journal entries shall be authorised.

#### **16.160 Monitoring and Control System: General controls**

- (1) Controls relating to the physical and logical security of the IT systems shall include the following –
  - (a) the main computers (i.e., hardware, software and data files) shall be in a secured area with temperature control and shall be protected against hazards (i.e., fire, water) with access restricted to only authorised persons;
  - (b) computer systems, including application software, shall be secured through the use of passwords, biometrics or other secure means and access to system functions shall be controlled by management personnel, to ensure adequate segregation of duties;
  - (c) each user shall have his or her own individual password and passwords shall be changed on a monthly basis: Provided that where systems with controls substituting passwords, such as biometric controls, have been approved, this paragraph will not apply, on condition that the licensee incorporates controls relating to access to the biometric system in its internal control procedures: Provided further that should such licensee also have user passwords, that such passwords shall be changed on a monthly basis.
- (2) The licensee shall maintain a written recovery plan which shall address the following procedure to be followed in an event of a disaster -

- (a) Computer Emergency Response Plan: The list of people to be contacted, their responsibilities, contact details;
- (b) Succession Plan: Describe the flow of responsibility when normal staff is unavailable;
- (c) Data: Details of the data stored on the systems, its criticality, and its confidentiality;
- (d) Service List: List all the services providers;
- (e) Recovery: The order of recovery in both short-term and long-term timeframes;
- (f) Data Backup and Restoration Plan: Where the backup is stored; and
- (g) Equipment Replacement Plan: Equipment required to begin to provide services and suppliers with appropriate addresses and contact details.

(3) For all Monitoring and Control 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; and
- (d) proof of prior authorisation of access and/or access privileges by management personnel.

(4) 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 who's access was changed;
- (c) the nature of the change of access;
- (d) the date and time of the change;
- (e) a computer generated sequential number and/or date and time or equivalent means of identifying same as approved by the Board;
- (f) if access rights are amended as a result of a system upgrade, these changes shall be documented; and
- (g) proof of prior authorisation of change of access and/or access privileges by management.

(5) User identity in respect of passwords shall be controlled as follows –

- (a) each user shall have his or her own individual password;
- (b) passwords shall be changed at least monthly; and
- (c) the system shall preclude an individual from using the same password for more than one month in every twelve months.

(6) User names shall be controlled as follows –

- (a) no generic identification (user names) shall be allowed, unless user access is restricted to inquiry-only functions; and
- (b) the system shall be updated to change the status of employees whose services have been terminated, from active to inactive, within three (3) days of such termination of services.

#### **16.170 Computerised backups**

The holder of a bingo licence shall make a daily backup of all operational data contained in its approved Monitoring and Control System.

#### **16.180 Remote access to hardware and software**

- (1) If remote access is allowed, the licensee shall maintain an access log, which shall include the name of the employee authorising remote access, the name of the authorised employee, programmer or manufacturer representative, the reason for remote access, a description of work performed and the date, time and duration of access: Provided that the description of the work performed must be adequately detailed to include the old and new version numbers of any software that was modified and details regarding any other changes made to the system.
- (2) For each computerised gambling application that can be accessed remotely, remote access procedures shall be included in the licensee's internal control procedures.”.

## **CHAPTER XVII** **SIMULTANEOUS GAMES**

### **17.010 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 this Part of these Rules in general and this Chapter specifically.
- (2) Save where the context indicates otherwise, the rules as contained in the other Chapters of this Part shall apply *mutatis mutandis* to a simultaneous game: Provided that in the event of a conflict between the other Chapters of this Part and this Chapter, this Chapter shall apply to a simultaneous game insofar as such conflict exists.
- (3) Simultaneous games 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 be communicated to all participating players, simultaneously with the events taking place.

### **17.020 Equipment required for simultaneous games**

- (1) The equipment required in terms of rule 14.010 may be used when conducting a simultaneous game.
- (2) In addition to the equipment required in terms of rule 14.010, the following equipment shall be contained in the bingo centre in which a simultaneous game is conducted –
  - (a) the central bingo centre shall have a random number selecting device, which shall comply with the provisions of rule 14.020;
  - (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 recording of an image or a video or audio signal, for distribution to the linked bingo centres, which system shall be subject to approval by the Board, prior to the use thereof in any simultaneous game;
    - (ii) all the draws of each game shall be recorded on a digital storage device or video tape, 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 transport a television signal by means of a direct link to each linked bingo centre, in order to ensure that each draw made is seen by the players on the closed circuit television system in each linked bingo centre, simultaneously with the draw being made in the central bingo centre;
  - (c) if a computerised number 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 selected in the central bingo centre shall be displayed in each linked bingo centre, simultaneous with the selection thereof; and
  - (d) a computerised central distribution network, approved by the Board, of which the central computer shall be kept in the central bingo centre, which shall comply with the following minimum requirements –
    - (i) it shall provide a link between the central bingo centre and every linked bingo centre;
    - (ii) it shall allow data and information to be sent and received between the central bingo centre and each linked bingo centre, on a real time on line basis;

- (iii) it shall automatically prepare all game records;
- (iv) it shall have sufficient capacity (processing, memory, communications interfaces and hard disk storage) to efficiently monitor and log all significant events taking place in every simultaneous game;
- (v) the hardware and software configuration of the distribution network shall be subject to approval by the Board; and
- (iv) any upgrade or change to the software systems shall be approved by the Board prior to such upgrade or change taking place.

#### **17.030 Sale of cards and conduct of simultaneous games**

- (1) A simultaneous game shall commence with the first draw for that particular game.
- (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) 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 or it shall be announced and displayed to the players on the information panels or television monitors that a simultaneous game is being played.
- (4) 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.
- (5) Bingo cards for simultaneous games may be sold in the rest periods between ordinary games of bingo.
- (6) No later than 5 minutes before the start of a simultaneous game, the central bingo centre shall order the linked bingo centres to cease the sale of cards and the desk manager of each linked bingo centre shall record the number of cards sold for that particular game and communicate the information to the central bingo centre.
- (7) The information received from the linked bingo centres shall be processed at the central bingo centre, whereafter the information to be displayed on the information panels in the linked bingo centres, shall be communicated to the linked bingo centres by the central bingo centre.
- (8) The commencement of the game shall be announced, followed by the random number selection.
- (9) All prizes shall be paid out at each linked bingo centre where a prize has been won, at the end of every simultaneous game.
- (10) Simultaneous bingo may take place utilising electronic cards or devices and shall be conducted in terms of Rule 16.020A.

#### **17.040 Refunds**

- (1) If a malfunction in any equipment or any other incident occurs before commencement of a simultaneous game but after commencement of the sale of cards for that particular game, which prevents a linked bingo centre from participating in the simultaneous game, the following procedure shall be followed –

- (a) the linked bingo centre prevented from participating in the game, shall withdraw from the game and communicate its withdrawal to the central bingo centre; and
- (b) the full purchase price of all cards sold at the linked bingo centre withdrawing from the game shall be paid back to the players.

(2) If a malfunction in any equipment or any other incident occurs after commencement of a simultaneous game, which prevents a linked bingo centre from continuing to participate in that game, the following procedure shall be followed –

- (a) the linked bingo centre prevented from continuing to participate in the game, shall withdraw from the game and communicate its withdrawal to the central bingo centre;
- (b) the full purchase price of all cards sold at the linked bingo centre withdrawing from the game, less a pro-rata share of any prize due and payable to any player for that particular game before withdrawal from it and any gambling levy payable to the Board, shall be paid back to the players;
- (c) the prizes available to players in that particular simultaneous game shall be recalculated, taking in to account the withdrawal of the linked bingo centre in terms of this rule, the new prizes shall be announced and displayed on the information panels and the game shall continue in the remaining bingo centres; and
- (d) all prizes claimed and verified, including those prizes claimed and verified at the linked bingo centre before its withdrawal from the game, shall be paid to the winners thereof.

(3) If a malfunction in any equipment or any other incident occurs before commencement of a simultaneous game but after commencement of the sale of cards for that particular game, which prevents the commencement of the game, the game shall be provisionally suspended and the following procedure shall be followed –

- (a) if the malfunction or incident can be resolved within a reasonable time, the game shall commence; or
- (b) if the malfunction or incident cannot be resolved within reasonable time, the game shall be abandoned and the full purchase price of all cards sold for that particular game at the central bingo centre as well as all linked bingo centres shall be paid back to the players.

(4) If a malfunction in any equipment or any other incident occurs after commencement of a simultaneous game, which prevents the continuation of the game, the game shall be provisionally suspended and the following procedure shall be followed –

- (a) if the malfunction or incident can be resolved within a reasonable time, the game shall continue; or
- (b) if the malfunction or incident cannot be resolved within a reasonable time, the game shall be abandoned and the full purchase price of all cards sold for that particular game at the central bingo centre as well as all linked bingo centres, less the pro-rata share of any prize due and payable to any player for that particular game before abandonment thereof and any gambling levy payable to the Board, shall be paid back to the players and all prizes claimed and verified before abandonment shall be paid to the winners.

(5) If any malfunction or incident, referred to in sub-rule (1) to (4) occurs, the centre manager or duty manager of the bingo centre where such malfunction or incident occurs, shall read the relevant sub-rule to the players before proceeding with any further steps.

- (6) Any malfunction or incident referred to in this rule shall be reported to the Board in writing within 7 days of the occurrence of such malfunction or incident.
- (7) If any malfunction or incident referred to in subrule (1) to (4) occurs, the manager on duty of the bingo centre where such malfunction or incident occurs shall have, at his or her discretion, the option to re-calculate the prize money based on the cards sold at his or her bingo centre. The re-calculated prize shall be announced and displayed and the players will have the option to request a refund of the purchase price of their cards or to continue with the game in-house, after which the game shall continue and the prize shall be paid to the winners thereof.

## **CHAPTER XVIII** **ORGANISATIONAL STRUCTURE AND AUDIT**

### **18.010 Organisational structure**

- (1) All bingo operators shall develop and implement an organisational 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;
  - (c) 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) Subject to the provisions of sub-rule (1) each bingo operator's organisational structure 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. The internal audit department shall be responsible for the functions required in rule 18.040 and any other function assigned to it by the Board or these rules;
  - (b) an information technology (IT) department, supervised by a person referred to herein as the IT 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 bingo operations department, supervised by a person referred to herein as the duty manager, which shall be responsible for the operation of the game of bingo, including the cash desk and whose staff members shall include, at a minimum, the persons referred to in rule 18.020 (5); and
  - (d) 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) control over unsold bingo cards as well as money at hand;
- (iii) control over stationary that represent value;
- (iv) the day to day accounting functions with regard to the operation of the game bingo, including the cash desk; and
- (v) the monthly audit of the cash desk, after which all variances shall be reported to the bingo accounts manager. The bingo accounts manager will authorise all journal entries and ensure that revenue, expenses, assets and liabilities are reconciled to the general ledger on a monthly basis.

- (e) a technical department, supervised by a person referred to as a technical manager, which shall be responsible for the operation and maintenance of electronic bingo devices, bingo servers and the MCS approved and authorised by the Board and any other function assigned to it in terms of these rules.

#### **18.020 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 reporting for all personnel engaged in the operation of the bingo centre.
- (2) Unless otherwise directed by the Board, the jobs compendium referred to in sub-rule (1) shall be submitted to the Board at least 60 days prior to the projected date of commencing operations.
- (3) No bingo operator shall commence with operations unless and until its jobs compendium is submitted to the Board.
- (4) Any proposed amendment to a previously submitted jobs compendium shall be re-submitted to the Board before such amendment is implemented by the bingo operator.
- (5) The following positions shall be included in the bingo operations department and shall be occupations for which certificates of approval will be required –
  - (a) the duty 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 and the complaints book and the verification of claimed prizes;
  - (b) the cashier, who shall be responsible for 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 duty 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;
- (dA) technicians, who install and maintain electronic bingo devices and bingo servers and perform such other functions as prescribed by applicable gambling legislation and the licensee's ICP;
- (dB) a technical manager or other employee with the same functions and responsibilities, who shall –

- (i) supervise and manage the overall operation of the Technical Department, and participate in the appointment and termination of employment of all technical employees; and
- (ii) ensure that the structure and operation of the Technical Department complies with applicable gambling legislation and the licensee's ICP; and

(e) any other position determined by the Board to be a bingo occupation.

#### **18.030 Cash desk procedures**

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.

#### **18.040 Internal audit**

- (1) The internal audit department shall conduct a full audit of the bingo operations of every bingo centre, at least once every six months.
- (2) The results of every audit shall be reported to the persons referred to in rule 18.010(2)(a) and copies of these reports shall be submitted to the Board within 60 days of the period end.
- (3) In addition to the provisions of sub-rule (1), the internal audit department shall be responsible for the review and evaluation of the –
  - (a) fulfilment of its bid commitments;
  - (b) an assessment of compliance with its internal control procedures and determine its effectiveness and adequacy thereof;
  - (c) an assessment of compliance with all applicable gambling legislation;
  - (d) an assessment of the effectiveness and adequacy of the day-to-day gambling-related operations in respect of the Technical, Finance and Compliance Departments;
  - (e) the compilation and review of the operational risk profile in respect of the mandatory departments;
  - (f) a determination of whether the gambling and gambling-related financial and operating information is accurate, current, timeously generated, complete, valid and reliable, including the reconciliation of such information with levy returns submitted to the Board;
  - (g) determination of whether all gambling-related levies are complete and accurate;
  - (h) an assessment of the integrity, adequacy, accuracy and reliability of all gambling-related information; and
  - (i) a review of all gambling-related balance sheet accounts.
- (4) The internal audit reports contemplated in subrule (2) shall address –
  - (a) any contravention of the bingo operator's internal control procedures and all applicable gambling legislation revealed by the audit;
  - (b) all the areas of responsibilities referred to in subrule (3)(a);

- (c) any weaknesses in the bingo operator's internal control procedures or the Act, Regulations or these Rules revealed by the audit;
- (d) gambling and gambling-related operations and activities;
- (e) instances of possible non-compliance with the provisions of the bingo operator's internal control procedures and all applicable gambling legislation, revealed by the audit; and
- (f) assurance on the completeness and accuracy of gambling-related levies and fees.

(5) The Board may approve different reporting lines to those prescribed in subrule (2) upon demonstration by the bingo operator that there are no incompatible functions.

(6) In addition to the observations and examinations required under subrule (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 an independent accountant which verification shall be performed within six months following the date of notification.

#### **18.050 Retention of unclaimed money**

- (1) Every bingo operator shall maintain a register of all gambling winnings which have not been claimed after a period of 24 hours which shall be retained in the bingo operator's books for a minimum period of 3 years.
- (2) Should players not claim their winnings at the end of the 3-year period, the licensee will receive the unclaimed winnings as revenue and shall pay the Board the levy portion of the unclaimed winnings.

## **CHAPTER XIX** **INTERNAL CONTROL PROCEDURES**

### **19.010 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 this Chapter and any other Chapter of these rules. (Referred to in these rules as internal control procedures.)
- (2) Every licensee shall conduct its operations in terms of its internal control procedures and any non-compliance with the internal control procedures may be a ground for disciplinary action against a licensee.

### **19.020 Gratuities**

Subject to the provisions of regulation 4 of the Regulations, the procedures and policies for the payment of gratuities to staff shall be contained in the licensee's internal control procedures.

**PART 4**  
**ROUTE OPERATORS, SITE LICENSEES AND INDEPENDENT SITE OPERATORS**

**CHAPTER XX**  
**DEFINITIONS**

**20.010 Definitions**

For the purpose of these Rules, unless the context indicates otherwise –

**“authorised”** means authorised in terms of the Act;

**“cash or cash equivalent”** means physical coins, notes, tokens, magnetic cards, electronic value instruments or any other representation of money used directly or indirectly in a gambling activity;

**“CEMS”** means Central Electronic Monitoring System, as contemplated in terms of section 27 of the National Act;

**“CEMS operator”** means an entity operating the CEMS and established in terms of section 27 of the National Act;

**“data collection”** means the successful transfer of the soft meter and significant event information from an SDL to the CEMS database;

**“designated area”** means an area in which LPMs are authorised to be placed in terms of the approved floor plan;

**“employee card”** means a card used by a licensed employee to;

- (a) initiate and terminate gambling on the LPMs by inserting or removing such card, and
- (b) record details of persons performing functions on the LPM and SDL;

**“gambling employee”** means the holder of a certificate of approval, duly authorised to operate LPMs, as contemplated by the Act;

**“ICP”** means the adopted internal control procedures, required in terms of either regulation 72 of the Regulations;

**“incompatible functions”** means functions which place any employee or department in a position to commit an error or irregularity or to perpetrate a fraud and to conceal such error, irregularity or fraud: Provided that employees may be considered to have incompatible functions if such employees are members of separate departments that are not supervised independently;

**“Independent Site Operator”** means a site operator who is not linked to a route operator and is licensed to own and operate LPMs on a single site and is responsible for maintaining LPMs, effecting the collection of money and paying the provincial taxes and levies in respect of any LPM under its licence;

**“journal entry”** means any alteration made to computerised records;

**“key employee”** means the holder of a key employee licence, duly authorised to operate LPMs and responsible for the supervision of the gambling employee and the gambling activities;

**“licensed employee”** means a gambling or key employee that is the holder of a Certificate of Approval, as contemplated by the Act;

**“LPM game”** means a game as contemplated in Regulation 1 of the National Regulations on LPMs;

**“logic area”** means a secure cabinet within the LPM that houses the master processing unit and gambling machine information;

**“LPM(s)”** means Limited Payout Machine(s), as contemplated in terms of section 26 of the National Gambling Act;

**“National Act”** means the National Gambling Act, 2004 (Act No. 7 of 2004);

**“National Regulations”** means the National Gambling Regulations, 2004, published on 12 November 2004 in Government Gazette No 26994;

**“National Regulations on LPMs”** means the National Regulations on Limited Payout Machines, 2000, published on 21 December 2000 in Government Gazette No. 21945;

**“Regulations”** means Mpumalanga Gambling Regulations, promulgated in terms of section 85 of the Act;

**“Route Operator”** means the holder of a gambling machine operator licence, which shall be a company registered in terms of the Companies Act, 1973 (Act No. 61 of 1973), which is –

- (a) licensed to own and operate LPMs;
- (b) responsible for maintaining LPMs; and
- (c) responsible for effecting the collection of money and paying the provincial taxes and levies in respect of any LPM under its licence;

**“RTP percentage”** means the return to player percentage in respect of a LPM, which is calculated by dividing the total win by the total handle;

**“site”** means premises licensed by the Board for the placement and operation of LPMs;

**“SDL(s)”** means a site data logger, which is a device or other intermediate data collector for the CEMS situated on a site, that collects, stores and sends data;

**“Site Licensee”** means the holder of a gambling machine site licence who is entitled to keep LPMs, owned by a Route Operator, on his premises and to make them available to be played by members of the public;

**“SKP(s)”** means a smart keypad, which is an input device located on the site, which connects to the SDL and is used to convey instructions to the SDL;

**“the Act”** means the Mpumalanga Gambling Act, 1995 (Act No. 5 of 1995), as amended; and

**“the Board”** means Mpumalanga Gambling Board, established in terms of section 2 of the Act.

## **CHAPTER XXI** **ORGANISATIONAL STRUCTURE, JOBS COMPENDIUMS**

### **21.010 Organisational structure**

- (1) A Route Operator shall develop and implement an organisational structure diagram reflecting the –
  - (a) Board of Directors;
  - (b) executive management of the organisation, each of its departments and functions;
  - (c) segregation of incompatible functions into different departments and functions;
  - (d) direct and indirect lines of authority within the organisation, departments and functions; including the site; and
  - (e) titles of each position within the organisation and mandatory departments and functions.
- (2) A Route Operator shall not commence any gambling or gambling-related activities prior to the submission of its organisational structure to the Board.
- (3) A Route Operator shall not amend or implement any amendments to its organisational structure prior to submitting such amendments to the Board.
- (4) A Route Operator shall submit to the Board, on an annual basis and /or as and when any changes to the organisational structure occur, an updated list of all employees, their functions and line of command.

### **21.020 Jobs Compendiums**

- (1) A Route Operator shall prepare and maintain jobs compendiums that comply with the provisions of this Chapter in respect of all personnel and gambling employees engaged in gambling and gambling-related activities.
- (2) Unless otherwise directed by the Board, the jobs compendiums referred to in sub-rule (1) shall be submitted to the Board at least 60 days prior to the projected date of commencing operations.
- (3) Any proposed amendment of previously submitted jobs compendiums shall be re-submitted to the Board before such amendment is implemented by the Route Operator or Site Licensee.
- (4) Jobs compendiums shall comprise –
  - (a) job descriptions, reflected on a separate page, organised by department or function, including –
    - (i) the title of the position and the relevant department;
    - (ii) titles of the position of the relevant employee's head of the department, immediate supervisor and subordinates;
    - (iii) essential duties, responsibilities, authority and the limitations in respect of the relevant job;
    - (iv) the job summary or main purpose; and
    - (v) type of certificate of approval required to be issued in respect of the specific position.

(5) Jobs compendiums shall include, but not limited to the following –

- (a) clearly reflect the segregation of incompatible operational functions –
  - (i) into different departments; and
  - (ii) between the Route Operator and the Site Licensee, specifying the duties of each such department and function.

### **21.030 Mandatory Departments**

(1) A Route Operator's organisational structure and jobs compendiums shall provide for the following independent mandatory departments providing for the following categories of staff –

- (a) in its Technical Department –
  - (i) Technicians, who shall install and maintain LPMs; SDLs and SKPs and perform such other functions as prescribed by all applicable gambling legislation and the Route Operator's ICP; and
  - (ii) a Technical Manager or other employee with the same functions and responsibilities, who shall –
    - (aa) supervise and manage the overall operation of the Technical Department, and participate in the appointment and termination of employment of all technical employees; and
    - (bb) ensure that the structure and operation of the Technical Department complies with all applicable gambling legislation and the Route Operator's ICP;
- (b) in its Finance Department –
  - (i) Finance Clerks, who shall –
    - (aa) ensure that gambling-related financial information, including the compilation of weekly tax returns, is accurate and reliable; and
    - (bb) perform such other functions as prescribed by all applicable gambling legislation and Route Operator's ICP;
  - (ii) a Finance Manager or other employee with the same functions and responsibilities, who shall –
    - (aa) supervise and manage the overall operation of the Finance Department, and participate in the appointment and termination of employment of all finance employees; and
    - (bb) ensure that the structure and operation of the Finance Department complies with all applicable gambling legislation and the Route Operator's ICP;
- (c) in its Compliance Department –
  - (i) Compliance Officers, who shall –
    - (aa) monitor, audit and report on compliance with all applicable gambling legislation and the Route Operator's ICP;
    - (bb) perform such other functions as are prescribed by all applicable gambling legislation and the Route Operator's ICP; and

- (ii) a Compliance Manager or other employee with the same functions and responsibilities, who shall –
  - (aa) supervise and manage the overall operation of the Compliance Department and participate in the appointment and termination of employment of all compliance personnel; and
  - (bb) ensure that the structure and operation of the Compliance Department complies with all applicable gambling legislation, license condition and the Route Operator's ICP;
- (2) A Route Operator must make provision for an Internal Audit function and may appoint an independent firm of Internal Auditors to perform the auditing function, as prescribed by this Rule: Provided that such auditors apply to the Board for a certificate of suitability.
- (3) 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.
- (4) A Route Operator may not outsource any of the functions assigned to its employees by the Route Operator's ICP or any applicable gambling legislation without the prior written approval of the Board.
- (5) A Route Operator 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.
- (6) The Board may instruct the Route Operator 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.
- (7) No person shall simultaneously perform incompatible gambling-related functions allocated to more than one position, without the prior written approval of the Board.
- (8) A Route Operator shall ensure that only suitable employees are utilised in the positions reflected in the organisational structure.

#### **21.040 Internal Audit**

- (1) The internal audit function shall comprise –
  - (a) the review and evaluation, on an annual basis, of the Route Operator's –
    - (i) ICP in order to determine the effectiveness and adequacy thereof, and
    - (ii) fulfilment of its bid commitments; and
  - (b) the following shall be reviewed at least on a bi-annual basis –
    - (i) an assessment of the Route Operator's compliance with its ICP and all applicable gambling legislation;
    - (ii) an assessment of the effectiveness and adequacy of the day-to-day gambling-related operations in respect of the Technical, Finance and Compliance Departments;
    - (iii) the compilation and review of the operational risk profile in respect of the mandatory departments;

- (iv) a determination of whether the gambling and gambling-related financial and operating information is accurate, current, timely generated, complete, valid and reliable, including the reconciliation of such information with levy returns submitted to the Board;
- (v) a determination of whether all gambling levies are complete and accurate;
- (vi) an assessment of the integrity, adequacy, accuracy and reliability of all gambling-related information;
- (vii) to the degree required by the circumstances, an assessment of the Route Operator's compliance with any operational conditions of the licence imposed by the Board; and
- (viii) a review of all gambling-related balance sheet accounts.

(2) The results of the audit work shall be reported to the Compliance Committee of the Route Operator and copies of these reports shall be forwarded to the Board within 60 days after the bi-annual period end.

(3) The internal audit reports contemplated in sub-rule (1) shall address –

- (a) any contravention of the Route Operator's ICP or all applicable gambling legislation revealed by the audit;
- (b) all the areas of responsibilities referred to in sub-rule (1)(a) and (b);
- (c) any weaknesses in the Route Operator's ICP or the Act, Regulations or these Rules revealed by the audit;
- (d) gambling and gambling-related operations and activities;
- (e) instances of possible non-compliance with the provisions of the Route Operator's ICP's and all applicable gambling legislation, revealed by an audit; and
- (f) assurance on the completeness and accuracy of gambling levies and fees.

(4) In addition to the observations and examinations required under subrule (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: Provided where material quantitative and/or qualitative findings arise, these should be reported to the Board as and when identified, along with the action plan to rectify such.

(5) The Board may approve different reporting lines to those prescribed in subrule (2) above, upon demonstration by the Route Operator that there are no incompatible functions.

## **CHAPTER XXII** **SITES**

### **22.010 Minimum Requirements for Sites**

- (1) The playing of LPMs on the site shall constitute the secondary form of business provided on such premises.
- (2) All business conducted on the site shall be lawful.
- (3) The Route Operator or any other person may not, on a licensed site, expose for play LPMs in excess of the maximum number authorised for such premises by the Board.
- (4) The designated area of the site shall be constructed in such a manner as to ensure restricted access thereto only if the site allows access to persons under the age of 18 years.
- (5) The designated area of the site shall not be less than three (3) square meters per LPM, unless otherwise approved by the Board.
- (6) The wiring to and from the LPM, SDL and SKP shall be installed in such a manner as to prevent tampering therewith.
- (7) The LPMs shall not be visible to the general public from outside the site.
- (8) All LPMs shall be placed and shall remain within the designated area on the site, approved by the Board, unless otherwise prescribed by these Rules.
- (9) The Site Licensee or any other person on the site shall not expose any LPMs for play outside the approved designated area.
- (10) All monitored keys shall be kept in a secure area in such a manner to prevent unauthorised access thereto.
- (11) Monitored keys shall as all times remain under the control of the custodian of such keys.

### **22.020 Approval of floor plans**

- (1) The Route Operator shall submit to the Board, for approval, a detailed site layout plan, prior to any gambling activity being conducted on such site.
- (2) The site layout plan shall indicate the following –
  - (a) a clear diagram that depicts the number of LPMs to be exposed for play and their position; and
  - (b) an unobstructed view of each LPM to provide adequate supervision.
- (3) Any amendment to the floor plan shall be accompanied by a revised floor plan incorporating such changes and any amendment to the floor plan shall be subject to the Board's approval prior to the implementation thereof.

### **22.030 Minimum Operational Responsibilities for Site Licensees**

- (1) All LPMs on the site shall be monitored, observed and supervised by a licensed 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 a LPM game, or
  - (iii) operates a LPM;
- (b) effectively monitor and control the designated area and areas in which the SDL and SKP are placed; and
- (c) ensure that all LPMs and the SDL, SKP and their wiring, are not –
  - (i) tampered with or damaged;
  - (ii) altered in any way; or
  - (iii) accessed by unauthorised persons.

#### **22.040 Access to LPMs**

- (1) Only an authorised licensed employee of the Route Operator, Site Licensee, Manufacturer, Supplier and Maintenance Provider may access a LPM.
- (2) A licensed employee on the site shall ensure that all doors of the LPMs and the SDL are secured at all times.

#### **22.050 Licences and signage to be displayed**

- (1) The following licences shall be prominently displayed at the entrance to the designated area of the premises of each licensed site –
  - (a) the license issued to the Site Licensee; and
  - (b) a copy of the Route Operator's licence.
- (2) The following signage shall be prominently displayed –
  - (a) stating that no persons under the age of 18 years are allowed to enter or remain in the designated area: Provided that such signage may be placed at the entrance of the premises, if persons under the age of 18 years are restricted or excluded from access to the premises in terms of the Liquor Act, 2003 (Act No. 59 of 2003);
  - (b) stating that Responsible Gambling brochures are available on the site premises at all times; and
  - (c) providing the information required by the applicable gambling legislation with regard to the National Responsible Gambling Programme, in the format determined by the Board.
- (3) Each LPM shall have Responsible Gambling stickers required or prescribed by the applicable gambling legislation, located in a place visible to patrons.

#### **22.060 Site Licensee employees**

- (1) The Route Operator shall ensure that licensed Site Licensee employees shall be appointed on each 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 applicable gambling legislation and the Site Licensee's ICP;
- (c) ensure proper functioning of LPMs, insofar as prescribed by the SANS specifications, all applicable gambling legislation, and the Site Licensee's ICP;
- (d) attend to patron disputes; and
- (e) offer LPMs for play to the patrons, in accordance with the relevant site licence.

(2) The following persons shall be licensed as key employees of Site Licensees, unless the site is licensed as a sole proprietor and the owner is responsible for –

- (a) senior management of Site Licensees;
- (b) every director, officer or equivalent position, if the Site Licensee is a body corporate;
- (c) any individual who has the authority to hire or terminate the employment of personnel;
- (d) any executive, employee or agent of the Site Licensee that has the power to exercise a significant influence over decisions concerning the operations of such Licensee;
- (e) any individual who has been specifically represented to the Board by the Site Licensee, an officer or director of such Licensee as being necessary for the operations of such Licensee; and
- (f) all persons who individually or as part of a group formulate management policy of the Site Licensee.

## **CHAPTER XXIII** **INTERNAL CONTROL PROCEDURES**

### **23.010 Route Operator and Site Licensee ICP**

- (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 this Chapter shall include, but not limited to –
  - (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 recorded in sufficient details;
  - (f) the proper reporting of gambling revenue, taxes and other fees due; and
  - (g) that gambling-related functions, duties and responsibilities are appropriately segregated and performed in accordance with sound practices by competent and appropriately qualified employees.
- (2) Every licensee shall conduct its operations in terms of its ICP and any non-compliance with the ICP may be a ground for disciplinary action.
- (3) The ICP shall clearly distinguish between the functions of the Route Operator and the Site Licensee.
- (4) A Route Operator and Site Licensee may provide, in such a manner as the Board require, a separate copy of the Route Operator's ICP and the Site Licensee's ICP.
- (5) A Route Operator shall immediately inform all its Site Licensees of the amendment to the ICP, that will have an impact on the operations of the Site Licensees.
- (6) At a minimum Route Operator's ICP's shall contain provisions and procedures relating to –
  - (a) its organisational structure;
  - (b) its jobs compendiums;
  - (c) measures for the maintenance of designated areas to ensure compliance with the provisions of the applicable gambling legislation;
  - (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 installation and removal of LPMs, including the set up and testing thereof;
  - (h) access to all LPM areas, including LPM logic area and SDL access;

- (i) the resolution of patron disputes, including the keeping and use of patron dispute registers;
- (j) manual payments, including the recording thereof;
- (k) the maintenance of LPMs and SDLs, including the detection of LPM, SDL 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) monitored key controls, including keeping and use of monitored key control registers;
- (r) journal entries and any adjustments to stored data on the CEMS;
- (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;
- (u) the calculation, compilation and verification of the Monthly Gambling 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;
- (v) the documenting, investigation and manner of reporting of all breaches of procedure and illegal activities;
- (w) the training of licensed employees with regard to the –
  - (i) operation and functionality of the LPMs;
  - (ii) Site Licensee's ICP;
  - (iii) Responsible Gambling Programme; and
  - (iv) maintenance of LPMs; and
- (x) In the event of approved games being downloaded electronically or electronically housed in a system, controls relating to the physical and logical security of the system shall be contained in the licensee's internal control procedures.

(7) At a minimum a Site Licensee's ICP shall contain provisions and procedures applicable to Site Licensees, relating to –

- (a) measures for the maintenance of designated areas to ensure compliance with the provisions of the applicable gambling legislation;
- (b) control measures to preclude persons under the age of 18 years from having access to designated areas;
- (c) the resolution of patron disputes;
- (d) the clearance and count of LPM drop;
- (e) monitored key controls; and
- (f) the reporting of all breaches of procedure and illegal activities.

(8) Notwithstanding the provisions of this Rule, where a Route Operator or Site Licensee utilises a computerised system and electronic signature identification, the Board may determine different requirements and provisions in respect of their ICP, upon demonstration by the Route Operator or Site Licensee 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.

## **CHAPTER XXIV** **TECHNICAL DEPARTMENT**

### **24.010 LPM and SDL information records**

- (1) The Technical Department of the Route Operator shall ensure the maintainance of 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 purchased and received;
    - (ii) the serial number assigned to that LPM cabinet by the manufacturer thereof;
    - (iii) a unique asset number assigned to the LPM cabinet which 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 site name and location to which the LPM has been assigned;
    - (v) the number assigned to the position of the LPM at the site;
    - (vi) the name of the licensed manufacturer of the LPM cabinet and game software;
    - (vii) the LPM certified model and model number and certifying authority's reference number;
    - (viii) the LPM game software memory device number (EPROM number);
    - (ix) the game name of the LPM;
    - (x) the LPM theoretical and actual return to player percentages;
    - (xi) the LPM denomination;
    - (xii) the method and date of disposal of the LPM cabinet and game software; and
    - (xiii) the total number of LPMs in use at sites and in storage;
  - (b) each SDL, reflecting –
    - (i) the date on which the SDL was purchased and received;
    - (ii) the serial number assigned to that SDL by the manufacturer thereof;
    - (iii) a unique asset number assigned to that SDL which shall remain unchanged for the entire duration of the period during which such SDL is owned by or in the possession of the Route Operator;
    - (iv) the premises or location to which the SDL has been assigned;
    - (v) the SDL model number and Board's approval number; and
    - (vi) the SDL date of removal.

#### **24.020 Distribution of LPMs**

- (1) No person or licensee shall distribute LPMs for use in the Province and no licensee may offer LPMs for play to the public unless the LPMs have been approved by the Board.
- (2) For the purpose of these rules, the provisions prescribed in terms of Rule 4.080 relating to distribution of gambling machines from, within, through, into and out of the Province shall apply *mutatis mutandis* to LPMs.
- (3) In addition, licensees shall use the CEMS to submit requests for distribution or movement of LPMs from one location to another and this should not be seen to be a substitute to the provisions prescribed in terms of sub-rule (1) and (2).

#### **24.030 LPM requirements**

- (1) Each LPM shall comply with the relevant SANS Standards at all times.
- (2) Each LPM shall electronically record, store and send to the CEMS the meter information specified by the applicable SANS standard.
- (3) The Technical Department shall maintain all LPMs and SDLs in a good working condition in accordance with the approved norms and standards for such devices.
- (4) A Route Operator or Site Licensee shall not possess, install or make available for play any gambling or gambling-related device which has not been approved by the Board.
- (5) All LPMs that are exposed for play shall be linked to the CEMS.

#### **24.040 Installation, conversion and removal of LPM and SDL**

- (1) Whenever a LPM or SDL is installed or converted, the Technical Department shall perform all significant events tests and soft meters tests to ensure that the components of such LPM or SDL have been set up properly as well as such other tests as the Board may specify, prior to any gambling activity taking place on the LPM.
- (2) For the purpose of these rules, the provisions prescribed in terms of Rule 4.050 and Rule 4.040 relating to conversions and modifications of gambling machines shall apply *mutatis mutandis* to the LPMs.
- (3) The Technical Department shall –
  - (a) document the results of the tests conducted in terms of sub-rule (1) and such document shall be signed by a representative from the Technical Department; and
  - (b) submit the documented test results to the Board for review prior to a LPM being exposed for play.
- (4) The Technical Department shall immediately update the CEMS reflecting any installation, conversion or removal of LPM at the time of such occurrence.
- (5) Route Operators shall ensure that full data collection has been completed by the CEMS prior to removal of a LPM.

#### **24.050 LPM and communication malfunctions**

- (1) The LPM shall be switch off and may not be made 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) In the event that data collection has not been performed from the site over a continuous 72-hour period, the Technical Department shall implement measures to allow the data collection to be performed.
- (3) The Technical Department shall, if requested in writing by the Board to do so, immediately disable a LPM for a period determined by the Board or until such time as the malfunction has been repaired.

#### **24.060 Maintenance**

- (1) The Technical Department shall maintain each LPM in a good working condition.
- (2) The Technical Department shall maintain detailed records in respect of all malfunctions and maintenance performed on LPMs and SDLs.
- (3) Preventative and routine maintenance on an LPM and SDL may be performed only by –
  - (a) a LPM technician;
  - (b) an employee of the CEMS operator; and
  - (c) a licensed employee of a LPM manufacturer in the presence of a licensed employee of the relevant site.
- (4) Sub-rule (3) does not preclude a licensed employee of a site from performing routine maintenance to ensure the proper operation of the LPMs on its premises, including attending to coin-in and coin-out errors, bill disputes, hopper fills and cash collections.

#### **24.070 RAM clear**

- (1) Only representatives of the Route Operator shall be allowed to perform a RAM clear on the LPM and SDL. The identity of the Route Operator representative performing the RAM clear, shall be visible on the CEMS.
- (2) A RAM clear on a LPM or SDL may be performed only by accessing the logic area of such LPM or secure housing of the SDL.
- (3) The LPM technician or representative of the CEMS operator shall ensure that full data collection has been completed by the CEMS prior to performing a RAM clear on the SDL, as prescribed by the Route Operator's ICP.

## **CHAPTER XXV** **FINANCE DEPARTMENT**

### **25.010 Minimum responsibilities**

- (1) The Finance Department of the Route Operator shall –
  - (a) develop, implement and review financial controls;
  - (b) reconcile gambling revenue on a weekly 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.

### **25.020 Journal entries**

- (1) In the event of incorrect information being reflected on the CEMS, the Finance 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 Finance Department shall request the CEMS operator, in writing, to effect the necessary adjustments.
- (3) All journal entries shall be authorised and signed by the Finance Manager.

### **25.030 LPM accounting**

- (1) The Finance Department shall, on a daily basis, review the CEMS reports used for calculating revenue to verify the accuracy thereof.
- (2) The Finance Department shall verify that the data contemplated in Rule 24.030(2) has been collected in respect of all LPMs within 24 hours of the period allowed for the collection thereof.
- (3) The Finance Department shall immediately inform the Technical Department if the data collection contemplated in sub-rule (2) has been unsuccessful.
- (4) A monthly reconciliation shall be prepared by the Route Operator in respect of the collected and processed taxable revenue and any difference shall be followed up with the CEMS 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 return of the revenues paid to the Board shall be signed by an authorised signatory.

#### **25.040 Monitored keys**

- (1) The Finance Department shall maintain detailed records in respect of each monitored key that is made, duplicated or destroyed.
- (2) The Finance Department shall receive, secure, issue, control and dispose of the following monitored keys –
  - (a) LPM cabinet door keys;
  - (b) logic area door keys;
  - (c) SDL keys;
  - (d) such other keys that are required to be monitored or controlled in terms of the applicable gambling legislation 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 Finance Department.
- (5) All monitored key transactions shall be registered in monitored key control registers, documenting each time monitored keys or combinations thereof are issued, duplicated or destroyed.
- (6) Monitored keys shall at all times remain under the control of the custodian of such keys.
- (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) only authorised representatives from the Technical Department shall be allowed access to the logic area keys; and
    - (ii) logic area keys may not be kept at the site;
  - (b) SDL keys –
    - (i) key control measures with regard to the SDL keys shall be included in the licensee's ICP as submitted to the Board; and
  - (c) LPM cabinet door keys –
    - (i) the LPM cabinet door keys may only be issued to a licensed employee of the Site Licensee or a representative of the Technical Department.
- (8) All the completed monitored key control registers contemplated in sub-rule (5) shall be retained at its registered office, by the Route Operator for a period of at least five (5) years from the date of the last entry therein for Board inspection.

(9) Notwithstanding the provisions of this Rule, where the Route Operator utilises a computerised system and electronic signature identification, the Board may approve different requirements and provisions in respect of monitored key control registers, 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.

## **CHAPTER XXVI** **COMPLIANCE DEPARTMENT**

### **26.010 Responsibilities**

- (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 SDL;
  - (b) configuration changes to LPM and SDL software;
  - (c) LPM and SDL software validation or signature failure;
  - (d) meter violations, meter wraps and RAM clears; and
  - (e) variances in excess of R100-00 or 20% of the gambling day 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 Board and Technical Department of any unresolved exceptions and unusual events referred to in sub-rule (1).
- (4) The Compliance Department shall inform the Finance Department regarding the outcome 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 five (5) years for Board inspection.
- (7) The Compliance Department shall on a continuous basis ensure that the Route Operator complies with all requirements contained in its compliance plan and report to the Compliance Committee of the Route Operator, as required in terms of the compliance plan, including any non-compliance matters.
- (8) The Compliance Department shall ensure the following at least on a bi-annual basis –
  - (a) that access to the CEMS has been allocated to authorised personnel only;
  - (b) procedural compliance by the Route Operator and Site Licensee with any applicable gambling legislation and Route Operator and Site Licensee ICP;
  - (c) verification that all employees performing gambling-related functions are correctly licensed;
  - (d) that the LPM RTP percentages which are below 75% over a continuous 12-month period are investigated;
  - (e) that journal entries have been performed correctly and with the necessary authorisation;
  - (f) that key control registers are monitored for accuracy;
  - (g) that patron dispute registers, used to document all patron disputes, including resolved disputes, are monitored.

(9) 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.

#### **26.020 Reporting requirements**

- (1) 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 any applicable gambling legislation;
  - (b) any discrepancies detected during the prescribed audits and investigations;
  - (c) detail of all journal entries;
  - (d) a summary of all patron disputes;
  - (e) any cheating activities detected;
  - (f) a summary of all bannings effected;
  - (g) a summary of all self-exclusions; and
  - (h) such other details as may be required by the Board.
- (2) The monthly reports, referred to in sub-rule (1), shall be submitted within ten (10) working days after the last day of every month.
- (3) In addition to the provisions of sub-rule (1), 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 and the applicable gambling legislation

within 14 days of compiling such reports.
- (4) All reports contemplated in this Rule shall be in writing and kept for a period of at least five (5) years for Board inspection.
- (5) All the completed patron dispute registers contemplated in rule 26.020(1)(g) shall be retained at its registered office, by the Route Operator for a period of at least five (5) years from the date of the last entry therein for Board inspection.
- (6) Notwithstanding the provisions of this Rule, where the Route Operator utilises a computerised system and electronic signature identification, the Board may approve different requirements and provisions in respect of patron dispute registers, 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.

## **CHAPTER XXVII** **GENERAL PROVISIONS**

### **27.010 Employee cards**

- (1) Employee cards shall be issued to and used only by licensed employees.
- (2) Prior to accessing a LPM or SDL, a licensed employee shall insert his or her employee card in the SKP.
- (3) Employee cards issued to licensed employees at a site shall be valid only in respect of the specific site.
- (4) Employee cards issued to licensed employees of a Route Operator shall be valid only in respect of the specific sites linked to such Route Operator.
- (5) An employee shall insert a password prior to performing any function or maintenance on a LPM or SDL.
- (6) Employee cards shall not be left unattended in the SKP.
- (7) An employee card shall immediately be de-activated in the event that it is lost or when the employee to whom it relates, has resigned.
- (8) Employee cards shall contain the name of the employee to whom the card relates.

### **27.020 User access rights**

- (1) All application forms for access to any gambling-related software, including amendments thereto, shall be signed by the general manager or person in charge of the provincial operations.
- (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 request user access rights on the CEMS to be allocated to authorised licensed 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 authorised manager of the Route Operator.
- (6) Any amendments to the pre-approved user access rights matrix shall be signed by the persons prescribed in sub-rule (5).
- (7) The Finance Department shall request the CEMS operator in writing, to allocate an employee's user rights in terms of the pre-approved user access rights matrix by supplying the following information –
  - (a) the applicant or employee's name and surname;
  - (b) user access rights to be allocated;
  - (c) the Route Operator's name;
  - (d) the Site Licensee's name, where applicable; and

- (e) the Board certificate of approval number.
- (8) User access rights on the CEMS shall be allocated to appropriately licensed employees and in terms of 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) The Route Operator shall immediately inform the CEMS operator of the resignation of any employee, whereupon the relevant employee's user access rights shall be immediately disabled on the CEMS.

#### **27.030 CEMS employees to be appropriately licensed**

- (1) Only appropriately licensed persons may perform gambling-related functions on behalf of the CEMS operator.
- (2) Any person who has the authority to –
  - (a) take management decisions with regard to the operation of the CEMS;
  - (b) perform journal entries;
  - (c) allocate user access rights on the CEMS; and
  - (d) perform maintenance or change the functionality of the CEMS

shall be licensed as a key employee in terms of the applicable gambling legislation.

#### **27.040 Dispensations**

- (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 operations.

#### **27.050 Requirement for surveillance systems for Independent Site Operators and Site Licensees**

- (1) Every Independent Site Operator or Site Licensee, that applies to the Board for a licence to operate more than 5 LPMs, shall install, maintain and operate a surveillance system on the premises to which the licence relates, which shall conform to the requirements of this rule and be subject to the Board's approval: Provided that the Board may, on reasonable grounds, determine or approve other requirements to those set forth in this rule, for such surveillance system: Provided further that the Board may require a Site Licensee that applies to the Board for a licence to operate up to 5 LPMs to install, maintain and operate a surveillance system on the premises to which the licence relates, subject to the Board's approval.
- (2) Such Independent Site Operator or Site Licensee shall install, operate and maintain surveillance coverage of LPM gambling activities, as approved by the Board.
- (3) Such applicant for an Independent Site Operator or Site Operator licence shall submit to the Board a surveillance system plan with its licence application for approval by the Board.
- (4) The surveillance system plan shall include the following –
  - (a) a gambling floor plan that shows the placement of all surveillance equipment;
  - (b) details of the camera views, if applicable;

- (c) identification of the LPMs covered by the surveillance system; and
- (d) a detailed inventory of the surveillance system, which shall include number of cameras, monitors and equipment specifications, if applicable.

(5) 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: Provided that Board approval shall be required in respect of all other components of the surveillance plan, prior to installation.

(6) No such applicant or licensee shall alter or modify the approved surveillance system contemplated in this rule, without the prior approval of the Board

(7) Such applicant or licensee shall apply to the Board in writing for alterations to the surveillance system, no later than 7 days prior to the proposed alteration and if such alteration is approved by the Board, submit an amended plan reflecting such alteration within 30 days of the approval: Provided that this sub-rule will also be applicable to temporary installations.

(8) Such Independent Site Operator or Site Licensee shall inform the Board of the installation of cameras for the purposes of gambling covert operations, within 48 hours of such installation.

(9) The surveillance system and its equipment shall be directly and securely wired in a way to prevent tampering therewith.

(10) The surveillance system shall be connected to an auxiliary power source capable of providing uninterrupted power to the surveillance system in the event of a power loss and the power supply shall provide sufficient lighting to operate the surveillance system at all times when LPMs are in operation.

(11) A lightning protection unit shall be fitted to safeguard the surveillance system against lightning.

(12) A person with adequate knowledge of LPMs as well as the relevant legislation pertaining to gambling, shall during such licensee's operating hours –

- (a) monitor the surveillance system and its related equipment including all camera views of LPM gambling activities, and
- (b) shall be responsible for the recording of all unusual occurrences within the Independent Site Operator or Site Licensee. With regard to each incident, without regard to materiality 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 or such other recording format as approved by the Board –
  - (i) the assignment number;
  - (ii) the date;
  - (iii) the time;
  - (iv) the nature of the incident;
  - (v) the person involved in the incident;
  - (vi) the assigned employee; orother electronic means as approved by the Board. In which case the requirements of Rule 10.130 shall apply *mutatis mutandi* in respect of Independent Site Operators and Site Licensees.”

(13) In the event that cameras are used as part of the surveillance system –

- (a) each camera shall have the capability of having its picture displayed on a monitor;

- (b) all cameras forming part of the surveillance system shall record in colour, unless otherwise approved by the Board;
- (c) each camera in the surveillance system located in a public area shall be placed behind a dome;
- (d) all image recordings shall be made in real time and not in a time lapse recording mode;
- (e) surveillance system image recordings must be kept for 7 days; and
- (f) the procedures for storing and record keeping of image recordings shall be submitted in writing to the Board for approval, no less than 7 days prior to the commencement of gambling operations or 7 days prior to the amendment to the existing approved method.

(14) The Board and its authorised staff members shall at all times be provided immediate access to the room or area where the surveillance system is kept.

(15) In respect of malfunctions of the surveillance system equipment –

- (a) such licensee shall establish and maintain a written log of any and all surveillance system equipment malfunctions, and gambling operations shall be suspended pending the repair of the malfunction, unless the Board approves otherwise.
- (b) Each malfunction to the approved surveillance system shall be repaired within 24 hours of the malfunction.
- (c) If the malfunction is not repaired within 24 hours, the Site Licensee shall immediately submit a separate written report in the form of a letter to the Board that sets forth the reason for the delay in repair.
- (d) Each malfunction together with the corrective measures taken will be reported to the Board within 24 hours.

(16) In addition to any other image recording requirements that are or may be imposed by this rule, the Independent Site Operator or Site Licensee shall record all views, activities, and locations as the Board may from time to time require.

(17) Every applicant for the relevant licence shall comply with the requirements set forth in this rule no later than 7 days prior to the start of gambling operations.

## **CHAPTER XXVIII** **INDEPENDENT SITE OPERATORS**

### **28.010 Organisational structure**

- (1) The provisions of Rule 21.010 and Rule 21.030 (3) and (4) shall apply, *mutatis mutandis*, in respect of Independent Site Operators.
- (2) An Independent Site Operator must make provision in its organisational structure for the areas of responsibility –
  - (a) finance;
  - (b) internal audit;
  - (c) technical;
  - (d) compliance; and
  - (e) security.

### **28.020 Jobs compendiums**

The provisions of Rule 21.020 (1), (2), (3) and (4) shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

### **28.030 Internal audit**

The provisions of Rule 21.030 (2) and Rule 21.040 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

### **28.040 Minimum requirements for sites**

The provisions of Rule 22.010 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

### **28.050 Approval of floor plans**

The provisions of Rule 22.020 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

### **28.060 Minimum operational responsibilities**

The provisions of Rule 22.030 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

### **28.070 Access to LPMs**

The provisions of Rule 22.040 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

### **28.080 Licence and signage to be displayed**

The provisions of Rule 22.050 (1)(a), (2) and (3) shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

### **28.090 Independent Site Operator employees**

The provisions of Rule 22.060 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

### **28.100 Internal control procedures**

The provisions of Rule 23.010 (1), (2), (3), (4), (5), (9) and (11) shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.110 Key areas of responsibility for financial management**

The provisions of Rule 25.010 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.120 Journal entries**

The provisions of Rule 25.020 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.130 LPM accounting**

The provisions of Rule 25.030 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.140 Monitored keys**

The provisions of Rule 25.040 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.150 LPM and SDL information records**

The provisions of Rule 24.010 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.160 Distribution of LPMs**

The provisions of Rule 24.020 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.170 LPM requirements**

The provisions of Rule 24.030 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.180 Installation, conversion and removal of LPMs and SDLs**

The provisions of Rule 24.040 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.190 LPM and communication malfunctions**

The provisions of Rule 24.050 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.200 Maintenance**

The provisions of Rule 24.060 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.210 RAM clear**

The provisions of Rule 24.070 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.220 Compliance responsibilities**

The provisions of Rule 26.010 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.230 Compliance reporting requirements**

The provisions of Rule 26.020 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

## **28.240 General provisions**

The provisions of Rule 27.010, 27.020 and 27.040 shall apply, *mutatis mutandis*, in respect of Independent Site Operators.

**PART 5**  
**RACING AND BETTING RULES**

**CHAPTER XXIX**  
**DEFINITIONS**

**29.010 Definitions**

For the purposes of this part (Part 5) of these rules, unless the context indicates otherwise –

**“approved medium”** means any medium for the recording and/or storage of data approved by the Board, and, without limitation to the generality of the foregoing, may include analogue or digital land-based or cellular telephone lines or the other digital storage devices or recorders;

**“computerised record-keeping system”** means a computerised wagering system referred to in Rule 31.010;

**“in-running betting”** means placing a bet on an event after it has started while the odds are updated as the event unfolds;

**“official starting time”**, in relation to horseracing, sporting or other events or contingencies, means the time at which such event or contingency commences; provided that the event or contingency in question thereafter proceeds without interruption until the outcome thereof has become known;

**“programme upgrade”** means an amendment, enhancement or other functionality change to any software or programme, approved by the Board and used in the operation of an existing server or computer;

**“progressive take-out”** means the sum of the total of a bookmaker’s commitments and the stakes wagered by players in relation to a given event or contingency;

**“software upgrade”** means any software change to the software utilised in an existing server or computer, which may include the implementation of a more recent release of such software, or an addition to or enhancement of the functionality of such software;

**“total stake”** means the sum of the winning and losing stakes accepted by a bookmaker in betting transactions in respect of a given event or contingency;

**“winning stake”** means the progressive total of the winning stakes wagered by players in respect of a given event or contingency; and

**“winning take-out”** means the total progressive take-out in relation to all winning bets in respect of a given event or contingency.

## **CHAPTER XXX** **GENERAL PROVISIONS**

### **30.010 Rules made available**

- (1) Every holder of a bookmaker or totalisator operator licence shall make available to a player where its licensed premises provides physical access to the public for betting purposes, upon request, any rules made in terms of section 84 or approved in terms of section 84A of the Act.
- (2) Every holder of a bookmaker or totalisator operator licence shall, in a prominent position, display a notice advising players of the availability of the rules contemplated in subrule (1) and any amendments thereto.
- (3) Every licence holder contemplated in this rule shall not conduct betting otherwise than in accordance with the rules contemplated in subrule (1).
- (4) The Board may determine minimum requirements for betting sites where betting is conducted, promoted or advertised from a website, mobile application or any other device utilised for such purpose.

### **30.020 Dual Systems**

- (1) Subject to the provisions of Rule 31.050, no manual record-keeping system shall be permitted for the processing of betting transactions on a licensed bookmaker premises.
- (2) The holder of a bookmaker licence must make use of a computerised record-keeping system as provided for in Rule 31.010 for the processing of betting transactions.

### **30.030 Recording of verbal bets**

- (1) In respect of any bet placed or accepted via a telephone, mobile phone, the internet, or any other electronic media, a clearly audible voice or digital recording or electronic record shall be made or saved on an approved medium.
- (2) The recording referred to in subrule (1) shall be retained in a secure place of storage on the licensed premises, or on such other premises as may be approved by the Board, for a period of ninety (90) days from the date upon which it was made, or such further period, pending any investigation, as the Board may require.

### **30.040 Recognition of representative bodies or associations**

- (1) The Board may recognise a body or association of persons representing a class or category of licence holders provided that such body or association –
  - (a) has been formally mandated by the majority of such class or category of licence holders to represent its interests;
  - (b) is recognised on an ongoing basis by the majority of such class or category of licence holders as continuing validly to represent its interests;
  - (c) comprises persons who in the opinion of the Board are suitable to represent such interests, and
  - (d) acts in its representative capacity in terms of a written constitution approved by the Board.

(2) The effect of the recognition of a body or association in terms of subrule (1) shall be that, subject to compliance with the Act, such body or association shall be –

(a) consulted in respect of –

- (i) any proposed change in its status as a body or association recognised by the Board;
- (ii) proposed amendments to the Act affecting the class or category of licence holder which it represents; and
- (iii) applications for licensing submitted by persons seeking to be issued licences in the class or category which it represents; provided that the body or association shall not be entitled to any confidential information submitted by such applicants; and

(b) notified in respect of –

- (i) any proposed hearing, enquiry or similar disciplinary procedure to be conducted in respect of any of its members, provided that the member concerned shall be entitled to elect whether to enlist the assistance of the body or association for the purposes of the hearing, enquiry or disciplinary procedure; and
- (ii) the outcome of any hearing, enquiry or disciplinary procedure referred to in paragraph (b)(i).

(3) The effect of recognising a body or association in terms of subrule (1) shall not limit the rights and privileges of licensed operators that are not members of such body or association as it relates to subrule (2) above.

### **30.050 Persons to accept or process bets**

(1) A holder of a certificate of approval or a national employment licence shall be present at all times during which bets are accepted or processed on totalisator premises, and bookmaker premises: Provided that –

- (a) where the holder of a totalisator or bookmaker licence offers betting on more than one licensed premises, and
- (b) all betting transactions conducted by the holder of a licence trading in the manner contemplated in paragraph (a) are centrally monitored and controlled on one licensed premises (“the central premises”)

the holder of a certificate of approval or a national employment licence shall be required to be present and to exercise control and authority over the activities performed in terms of the licence on the central premises only: Provided further that no betting shall be offered on premises other than the central premises when such central premises are closed for business or on any such premises when no such licensed employee is present on the central premises.

(2) Notwithstanding the requirements of subrule (1), where bets are accepted or processed on a 24-hour basis on licensed premises by means of computer software which the Board has determined to operate independently and requires no supervision and minimal maintenance, the presence of such licensed employee on such licensed premises shall be required only during the normal hours of business of the licence holder offering such betting.

### **30.060 Time of acceptance of bets**

- (1) Upon acceptance of a bet the holder of a bookmaker or totalisator licence shall –
  - (a) issue a ticket to a player in exchange for cash; or
  - (b) when a player is not physically present at the licensed premises, inform the player that the bet has been accepted and processed and provide sufficient information to uniquely identify the relevant bet to the player.

### **30.070 Cut-off time to accept and process bets**

- (1) The holder of a bookmaker or totalisator licence shall close all betting within thirty seconds after the event or component of the event has officially started: Provided that where the event or component of the event is expected to last less than thirty seconds, betting shall be closed at the commencement of the event or component of the event.
- (2) In the event that the holder of a bookmaker licence utilises the services of an independent service provider to perform the functions as provided for in subrule (1) above on its behalf, then the obligations on the holder of a bookmaker licence contained herein will be applicable to the independent service provider: Provided that the independent service provider as referred to above holds a licence contemplated in section 23 of the Act.
- (3) Bets place contrary to subrule (1), shall be null and void subject to the provisions of subrule (1).
- (4) Notice: “No more bets”

The holder of a bookmaker or totalisator operator branch or agency licence shall display in a prominent and visible place on the licensed premises where the licensed premises is open to the public for betting purposes, a notice in large legible writing and in permanent ink where bets are offered on an event or component of the event, stating that selections placed contrary to this rule shall be null and void: Provided that the cut-off time shall be added to the licensee’s terms and conditions and be made available as per Rule 30.010.

### **30.080 Bets finally determined**

- (1) Any bet shall be deemed to be determined when the outcome of the event or contingency to which such bet relates has become known. Bets accepted or laid once the outcome of the event has become known or had been known, will be void.
- (2) The calculation of gambling tax will be in relation to subrule (1) above or such alternative method prescribed from time to time by the Board.

### **30.090 Payments of bets**

A winning bet in respect of any contingency, whether payable in cash or otherwise, shall be payable only after the official result thereof has been made known in the manner required or approved by the Board.

### **30.100 Collection of winning bets**

- (1) If any winning amount payable by the holder of a bookmaker or totalisator operator licence in consequence of a bet is not collected within ninety (90) days of the date on which the outcome thereof was finally determined, such bet shall be payable at the discretion of the relevant licence holder, provided that any tax payable in respect of such a bet shall remain payable, irrespective of whether payment is effected.

(2) The holder of a bookmaker or totalisator operator licence shall, in a prominent position within its licensed premises where its licensed premises provides physical access to the public for betting purposes, display a notice informing players that winnings in respect of any bet must be claimed within ninety (90) days of the determination of the outcome of such bet.

### **30.110 Limits and other conditions**

- (1) In respect of open bets, the holder of a bookmaker licence shall clearly display in a manner approved by the Board all limits and conditions pertaining to betting units, the payout centre and the manner of payment on a notice board in or on the licensed premises where its licensed premises provides physical access to the public for betting purposes, as well as the bookmaker's commitments per ticket, as defined in the bookmaker's terms and conditions.
- (2) In respect of fixed odds bets, the holder of a bookmaker licence shall clearly display in a manner approved by the Board all limits and conditions on a notice board in or on the licensed premises where its licensed premises provides physical access to the public for betting purposes, as well as the bookmaker's commitments per ticket, as defined in the bookmaker's terms and conditions.
- (3) The holder of a bookmaker licence shall submit proposed limits and conditions pertaining to subrules (1) and (2) above to the Board in a manner approved by the Board.
- (4) The holder of a bookmaker licence shall prior to conducting any betting transactions via telephone, cellular phone or any other electronic media with a player furnish such player with a copy of the bookmaker's terms and conditions in a manner approved by the Board.

### **30.120 *Deleted***

### **30.130 Records made available**

- (1) All registers, ledgers, books and records, or mechanical, electronic or computerised devices and software kept in or on the licensed premises of a bookmaker or totalisator operator, branch or agency, which are used or are capable of being used for the purpose of betting operations, shall be made available to the Board on request.
- (2) The holder of a bookmaker or totalisator operator licence must submit to the Board copies of its audited annual financial statements and any reports communicating the results of an independent audit, including management letters, within one hundred and twenty (120) days, or such extended period approved by the Board, following the last day of such licensee's financial year.
- (3) The holder of a bookmaker or totalisator operator licence must submit to the Board a betting tax return in the manner and format which the Board will determine from time to time as contemplated in the relevant provincial legislation.
- (4) The holder of a bookmaker or totalisator operator licence must engage an independent auditor, registered in terms of the applicable law as being engaged in the public practice, who shall audit the licensee's annual financial statements in accordance with generally accepted auditing standards.
- (5) The Board may request additional information or documentation from either the holder of a bookmaker or totalisator operator licence or its auditor, through the licensee, regarding the financial statements or the services performed by the auditor.

### **30.140 Records to be made available on cessation of operations, revocation or expiry of licence**

- (1) Where the licensed activities authorised by the holder of a bookmaker licence, totalisator operator, branch or agency licence are obliged to cease, as a result of –

- (a) the abandonment of such licence by the licensee;
- (b) the revocation of such licence by the Board; or
- (c) the expiry of such licence, in the event that it is not renewed,

such licence holder shall, within five working days of such cessation, submit to the Board, for the purposes of a close-down audit, all books and records kept by it in terms of the Regulations or these Rules in respect of the relevant licensed operations.

- (2) Notwithstanding any cessation of licensed operations contemplated in this rule, a licence holder contemplated in subrule (1) shall be liable for –
  - (a) all outstanding licence fees;
  - (b) taxes and levies; and
  - (c) other gambling obligations

revealed by the close-down audit to be due and payable or identified during such audit, as the case may be.

### **30.150 Internal control procedures**

- (1) Every licensee shall develop and maintain internal control procedures to ensure the integrity of its operations which shall, at a minimum, contain –
  - (a) Procedures regarding the acceptance, processing and payout of bets –
    - (i) At branch level;
    - (ii) Other media (mobile, telephone, internet, etc.);
  - (b) Procedures relating to the closing of events available to the public for betting;
  - (c) Procedures relating to the loading of events available for betting as well as the results of such events;
  - (d) Procedures relating to the cancellation of bets;
  - (e) Procedures relating to lost tickets;
  - (f) Controls relating to the physical and logical security of the wagering system (e.g. physical control over access to the server, user access rights, password controls, authorisation of new users, and disabling of users no longer employed by the licensee); and
  - (g) Procedures relating to backups (e.g. frequency, storage and responsible personnel).

### **30.160 Computerised backups**

- (1) The holder of a bookmaker or totalisator operator licence shall make a daily backup in duplicate of all operational data contained in its approved wagering record keeping system pertaining to all contingencies on which betting of any nature is offered.
- (2) One monthly copy of all operational data, including the system, databases, events and logs must be retained for a period of five (5) years or such other period, pending any investigation, as the Board may require.

- (3) One copy of the backups contemplated in this Rule shall be retained in a secure place separate from the main server.
- (4) The holder of a bookmaker or totalisator operator licence shall record within the computerised backups or personal files as the case may be the personal details of all players and holders of bookmaker or totalisator operator licences with whom the bookmaker has laid bets on account, credit or take-back bets, containing, at a minimum
  - (a) in the case of a legal person –
    - (i) the name of the entity;
    - (ii) the registration number of the entity;
    - (iii) the registered trading address of the entity;
    - (iv) the telephone number at which the entity can be reached;
    - (v) the code or abbreviation used for the identification of such entity by the bookmaker (where applicable); and
    - (vi) the account number used in respect of such entity; or
  - (b) in the case of a natural person –
    - (i) the name and surname of the person;
    - (ii) a copy of the personal identification document, drivers licence or passport of the person;
    - (iii) the residential address of the person substantiated by supporting documentation;
    - (iv) the telephone number at which the person can be reached;
    - (v) the code or abbreviation used for the identification of such person by the bookmaker (where applicable); and
    - (vii) the account number used in respect of such person.
- (5) Restoring or replacing the wagering record keeping system, server or database is prohibited without the approval from the Board, which may be required in a prescribed format.

### **30.170 Computerised wagering systems: General controls**

- (1) For all computerised wagering 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 assigned to the employee or equivalent means of identifying same; and
  - (d) proof of prior authorisation of access and/or access privileges by management personnel.
- (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 of access;
  - (d) the date and time of the change;
  - (e) a computer generated sequential number and/or date and time or equivalent means of identifying same as approved by the Board;
  - (f) if access rights are amended as a result of a system upgrade, these changes shall be documented; and
  - (g) proof of prior authorisation of change of access and/or access privileges by management personnel.

(3) User identity in respect of passwords shall be controlled as follows –

- (a) each user shall have his or her own individual password. Provided that where systems with controls substituting passwords, such as biometric controls, have been approved, this paragraph will not apply, on condition that the licensee incorporates controls relating to access to the biometric system in its internal control procedures;
- (b) passwords shall be changed at least monthly; and
- (c) the system shall preclude an individual from using the same password for more than one month in every twelve months.

(4) Usernames shall be controlled as follows –

- (a) no generic identification (usernames) shall be allowed, unless user access is restricted to inquiry-only functions; and
- (b) the system shall be updated to change the status of employees whose services have been terminated, from active to inactive, within three (3) days of such termination of services.

### **30.180 Wagering system access by the Board**

- (1) The Board shall be provided with remote access to the wagering system of the licensee.
- (2) Prior to effecting any changes to the remote access, the licensee shall notify the Board in writing of such changes.
- (3) After effecting any changes to the remote access, the Board shall be provided with new remote access rights within three (3) days of implementation thereof.

**CHAPTER XXXI**  
**RECORDING OF BETS ON LICENSED PREMISES BY THE HOLDER OF A BOOKMAKER  
LICENCE**

**31.010 General provisions**

- (1) Subject to the provisions of Rule 31.050, the holder of a bookmaker licence shall only use a computerised record-keeping system approved by the Board and any upgrades, amendments or improvements thereto approved by the Board, for the purpose of recording betting transactions.
- (2) The utilisation and operation of an approved computerised record-keeping system as contemplated in subrule (1), must be performed as prescribed in these Rules to the extent that the requirements and obligations contained herein are reasonably considered to be within the licensee's control.
- (3) Controls relating to the physical and logical security of the IT systems shall include the following –
  - (a) the main computing facilities (i.e. hardware, software and data files) shall be in a secured area with access restricted to only authorised persons;
  - (b) computer systems, including application software, shall be secured through the use of passwords, biometrics or other secure means and access to system functions shall be controlled by management personnel, to ensure adequate segregation of duties;
  - (c) each user shall have his or her own individual password and passwords shall be changed regularly;
  - (d) personnel access records shall be maintained, which shall, at a minimum, include the following information –
    - (i) employee name and title or position;
    - (ii) employee identification number (or equivalent);
    - (iii) a list of functions assigned to the employee or equivalent means of identifying same; and
    - (iv) proof of prior authorisation of access by management; and
  - (e) all computers shall be protected against computer viruses.
- (4) The licensee shall maintain a written disaster recovery plan which shall, at a minimum, address the following procedures to be followed in an event of a disaster –
  - (a) Computer Emergency Response Plan: The list of people to be contacted, their responsibilities, contact details;
  - (b) Succession Plan: Describe the flow of responsibility when normal staff is unavailable;
  - (c) Data: Details of the data stored on the systems, its criticality, and its confidentiality;
  - (d) Service List: List all the services provided;
  - (e) Recovery: The order of recovery in both short-term and long-term timeframes;
  - (f) Data Backup and Restoration Plan: Detail which data is backed up, the media to which it is saved, where that media is stored, and how often the backup is done; and
  - (g) Equipment Replacement Plan: Equipment required to begin to provide services and suppliers with appropriate addresses and contact details.

### **31.020 Computerised backups**

- (1) The holder of a bookmaker licence shall make a daily backup in duplicate of all operational data contained in its approved wagering record keeping system pertaining to all contingencies on which betting of any nature is offered.
- (2) One copy of the backups contemplated in this Rule shall be retained in a secure place separate from the main server.
- (3) All operational data and data in relation to contingencies on which betting of any nature is offered, must be retained for a period of five (5) years or such other period, pending any investigation, as the Board may require.
- (4) The holder of a bookmaker licence shall record within the computerised backups or personal files as the case may be the personal details of all players and holders of bookmaker licences with whom the bookmaker has laid bets on account, credit or take-back bets, containing, at a minimum –
  - (a) in the case of a legal person –
    - (i) the name of the entity;
    - (ii) the registration number of the entity;
    - (iii) the registered trading address of the entity;
    - (iv) the telephone number at which the entity can be reached;
    - (v) the code or abbreviation used for the identification of such entity by the bookmaker (where applicable); and
    - (vi) the account number used in respect of such entity; or
  - (b) in the case of a natural person –
    - (i) the name and surname of the person;
    - (ii) a copy of the personal identification document, drivers licence or passport of the person;
    - (iii) the residential address of the person substantiated by supporting documentation;
    - (iv) the telephone number at which the person can be reached;
    - (v) the code or abbreviation used for the identification of such person by the bookmaker (where applicable); and
    - (vi) the account number used in respect of such person.
- (5) Restoring or replacing a database is prohibited without the approval from the Board, which may be required in a prescribed format.

### **31.030 Printouts**

The holder of a bookmaker licence shall, on request, produce such printouts of information contained in its records as the Board may require from time to time.

### **31.040 Tickets**

- (1) At a minimum, any ticket issued to a player shall contain –
  - (a) the ticket number;
  - (b) the type of event or contingency;
  - (c) the date of the event or contingency;
  - (d) the date and time the ticket was issued;
  - (e) the name or identifying number of the event or contingency;
  - (f) the venue of the event or contingency;
  - (g) the subject in respect of which the bet is laid;

- (h) the player's stake;
- (i) the bookmaker's commitment;
- (j) the bet type;
- (k) the name of the holder of a bookmaker licence; and
- (l) the address of the licensed premises.

### **31.050 Back-up procedure**

- (1) In the event of a power failure or system failure, a manual system of wagering record keeping may be implemented by the holder of a bookmaker licence to process bets: Provided that –
  - (a) the licence holder immediately informs the Board of the power or system failure telephonically, by way of a facsimile transmission or email: Provided that a confirmation of the successful transmission thereof has been generated;
  - (b) the licence holder notes, in a register kept for such purpose –
    - (i) the exact date and time of the failure;
    - (ii) the nature of the failure; and
    - (iii) the duration of the failure, specifying the exact date and time that reconnection to the system is established;
  - (c) all bets laid or taken by the licence holder during the failure shall simultaneously be manually recorded in a numbered ticket book, a field book and register used to keep record of all ticket books, field books and statement of account books; and
  - (d) upon reconnection to the power or system, all transactions manually recorded in the ticket book pursuant to paragraph (c) shall be recreated on the computerised wagering system and cross-referenced with the corresponding numbers in the ticket book.
- (2) Notwithstanding the provisions of subrule (1), the Board may, in respect of power or system failures generally, require or on written application by a licensed bookmaker, approve –
  - (a) the use of a master-slave system, which shall operate in such a manner that the master and slave components of the system have identical capabilities and may operate independently of one another without in any way compromising any of the system requirements laid down by the Board; or
  - (b) the use of an acceptable alternative source of electrical power generation on the licensed premises.

### **31.060 Deleted.**

### **31.070 Deleted.**

### **31.080 Contracts with third parties**

- (1) A bookmaker shall ensure that every third party with whom a gambling-related contract is entered into is a holder of a certificate of suitability approved by the Board.
- (2) A service level agreement for such gambling-related outsourced services, shall be maintained.

**CHAPTER XXXII**  
**RECORDING OF BETS ON LICENSED PREMISES BY THE HOLDER OF A TOTALISATOR  
OPERATOR LICENCE**

**32.010 General provisions**

- (1) A totalisator operator shall use only such computerised record-keeping system and upgrades, amendments or improvements thereto as have been approved by the Board for the purpose of recording betting transactions.
- (2) Controls relating to the physical and logical security of the system shall be contained in the licensee's internal control procedures.

**32.020 Computerised backups**

- (1) A totalisator operator shall make a daily backup of all operational data contained in its approved computerised record-keeping system pertaining to all contingencies on which betting is offered, on compact disc or such other storage device as may be required or approved by the Board, which shall be retained in a secure place of storage on the licensed premises, or on such other premise as may be approved by the Board, for a period of five (5) years from the date of creation thereof, or such further period, pending any investigation, as the Board may require.
- (2) A totalisator operator shall, quarterly, before the 15th day of the subsequent month, in respect of the transactions concluded during the preceding quarter, provide the information contemplated in sub paragraph (1) to the Board in the prescribed format.
- (3) A totalisator operator shall record the personal details of all players with whom it has laid bets on account or credit containing, at a minimum –
  - (a) In the case of a legal person –
    - (i) the name of the entity;
    - (ii) the registration number of the entity;
    - (iii) the registered trading address of the entity;
    - (iv) the telephone number at which the entity can be reached;
    - (v) the code or abbreviation used for the identification of such entity by the totalisator (where applicable); and
    - (vi) the account number used in respect of such entity; or
  - (b) In the case of a natural person –
    - (i) the name and surname of the person;
    - (ii) a copy of the personal identification document, drivers licence or passport of the person;
    - (iii) the residential address of such person substantiated by supporting documentation;
    - (iv) the telephone number at which such person can be reached;
    - (v) the code or abbreviation used for the identification of such person by the totalisator (where applicable); and
    - (vi) the account number used in respect of such person.
  - (4) Restoring a database is prohibited without the approval from the Board, which may be required in a prescribed format.
  - (5) A totalisator operator shall ensure that every duplicate backup disc or other storage device retained by the licence holder in terms of this rule clearly specifies in printed text on the exterior thereof –

- (a) the name of the licence holder to which the disc or other storage device relates;
- (b) the name of the licensed premises to which the disc or other storage device relates; and
- (c) the calendar month and year to which the disc or other storage device relates.

### **32.030 Tickets**

- (1) Any ticket issued by a totalisator operator to a player shall contain, at a minimum –
  - (a) the ticket number;
  - (b) the type of event or contingency;
  - (c) the date of the event or contingency
  - (d) the time the ticket was issued;
  - (e) the name or identifying number of the event or contingency;
  - (f) the venue of the event or contingency;
  - (g) the subject in respect of which the bet is laid;
  - (h) the player's stake;
  - (i) the code number of the licensed totalisator operator, and
  - (j) the code number of the totalisator terminal at which the ticket was issued.

### **32.040 Commingling initiatives**

- (1) Any commingling agreements with foreign totalisator operators must be approved by the Board before the implementation thereof by the holder of a totalisator operator licence.
- (2) Every application for the approval of commingling agreements with a foreign totalisator operator must disclose the take-out rates in respect of each bet type to be made available, and include calculations from which it may be reasonably be concluded that the implementation of the agreement will not lead to a contravention of the Mpumalanga gambling legislation.
- (3) In respect of commingling agreements with foreign totalisator operators –
  - (a) unless otherwise stipulated or required by the Board, the Rules in respect of totalisator betting of the host operator in respect of the event in question (“the host rules”) will apply;
  - (b) The host rules must be approved by the Board before the implementation of the agreement;
  - (c) on all occasions that betting is conducted pursuant to such an agreement, the licence holder must have a copy of the host rules available for perusal by the public;
  - (d) a notice, in the form required by the Board, must be given to the public, of such deviations between the host rules and the legislation, regulations, rules, policies and/or general practice in force in Mpumalanga as the Board may require; and
  - (e) sufficient written confirmation that approval has been obtained from the South African Reserve Bank which must be submitted to the Board.
- (4) Players betting on commingled events shall be pertinently notified of the exchange rate operative in respect of such betting transactions, as well as the fact that such rate is fixed on the morning of the event and will not be affected by any exchange rate fluctuations which might occur during the course of the day in question.

### **32.050 Aggregate takeout**

- (1) A totalisator operator shall, by no later than the end of the month immediately following a quarter, submit to the Board in the format required by it, all average return to player percentages in respect of transactions concluded during the preceding quarter on all events to which any commingling agreement with a foreign totalisator operator relates.
- (2) All average return to player percentages referred to in subrule (1) shall be calculated per day over a three month period.

### **32.060 Notice: “20 or more runners”**

The holder of a totalisator operator licence shall inform its clients or players that where, in respect of a horserace, there is a field in excess of 20 runners, all runners bearing the number 20 and higher shall be treated as a single runner (bearing the number 20, even if the runner actually bearing the number 20 is scratched), and that, notwithstanding the official result, all such runners shall be deemed to finish in the place that the first of such runners finishes.

### **32.070 Internal audit**

- (1) The internal audit department shall conduct a full audit of the totalisator operations, at least once every six months.
- (2) The results of every audit shall be reported to the audit committee of the board of directors of the totalisator operator and copies of these reports shall be submitted to the Board within 60 days of the period end.
- (3) In addition to the provisions of subrule (1), the internal audit department shall be responsible for the review and evaluation of the –
  - (a) fulfilment of its bid commitments;
  - (b) an assessment of compliance with its internal control procedures and determine its effectiveness and adequacy thereof;
  - (c) an assessment of compliance with all applicable gambling legislation;
  - (d) an assessment of the effectiveness and adequacy of the day-to-day gambling-related operations in respect of the Technical, Finance and Compliance Departments;
  - (e) the compilation and review of the operational risk profile in respect of the mandatory departments;
  - (f) a determination of whether the gambling and gambling-related financial and operating information is accurate, current, timely generated, complete, valid and reliable, including the reconciliation of such information with levy returns submitted to the Board;
  - (g) determination of whether all gambling-related levies are complete and accurate;
  - (h) an assessment of the integrity, adequacy, accuracy and reliability of all gambling-related information; and
  - (i) a review of all gambling-related balance sheet accounts.
- (4) The internal audit reports contemplated in subrule (2) shall address –

- (a) any contravention of the totalisator operator's internal control procedures and all applicable gambling legislation revealed by the audit;
- (b) all the areas of responsibilities referred to in subrule (3)(a);
- (c) any weaknesses in the totalisator operator's internal control procedures or the Act, Regulations or these Rules revealed by the audit;
- (d) gambling and gambling-related operations and activities;
- (e) instances of possible non-compliance with the provisions of the totalisator operator's internal control procedures and all applicable gambling legislation, revealed by the audit; and
- (f) assurance on the completeness and accuracy of gambling-related levies and fees.

(5) The Board may approve different reporting lines to those prescribed in subrule (2) above, upon demonstration by the totalisator operator that there are no incompatible functions.

(6) In addition to the observations and examinations required under subrule (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 an independent accountant which verification shall be performed within six months following the date of notification.

## **CHAPTER XXXIII** **WAGERING RECORD-KEEPING SOFTWARE**

### **33.010 Approval of betting devices and computer software programmes**

- (1) A manufacturer or distributor shall not distribute betting devices or computer software programmes and, subject to Rule 33.030, any upgrades, amendments or improvements thereto in the province and the holder of a bookmaker or totalisator operator licence shall not acquire, utilise or expose such for betting unless the betting device or computer software programme and upgrades, amendments or improvements thereto has been certified in the manner contemplated in Rule 33.020 and approved by the Board.
- (2) An application for approval of new betting devices and computer software programmes shall include a complete, comprehensive, and technically accurate description and explanation, in both technical and lay language, of the manner in which the betting device or computer software operates.
- (3) Any distribution and installation of the wagering record-keeping system and any upgrades to the wagering record-keeping system shall be subject to prior approval by the Board.

### **33.020 Minimum standards for betting**

- (1) No betting device or computer software programme shall be approved by the Board unless it has been tested in terms of the applicable SANS Standards, certified by the National Regulator for Compulsory Specifications and approved by the Board.
- (2) The Board's approval of a betting device or computer software programme shall not constitute a guarantee of its performance nor its safety.
- (3) The betting device(s) or software system(s) approved by the Board is for mere record-keeping purposes and does not usurp the functions of the Board in terms of auditing a licensed operator's financial position for tax purposes.
- (4) The Board is not bound to incorrect calculations generated by an error or malperformance in the software approved by the Board.

### **33.030 Change control management**

- (1) All software media submitted to the Board shall be clearly labeled, and shall contain sufficient information to identify the version and modification level.
- (2) The identifying information utilised shall strictly follow the supplier's identification system, as detailed in its software configuration control procedures.
- (3) Each software revision must indicate the category, effect or impact, reason for change and summary of change, modules affected and consequences if not approved and be implemented accordingly.
- (4) The supplier shall ensure that the new version of software submitted are cross-referenced back to previous certified releases, adhere to the conditions set forth therein where approval is granted.
- (5) The Board may from time to time issue guidance notices with respect to change control management.

### **33.040 Time of computerised record-keeping systems**

- (1) The holder of a bookmaker or totalisator operator licence which uses a computerised record-keeping system to process bets and issue tickets shall, on a daily basis, ensure that the time on the internal clock of the file server in use does not differ from the Standard South African time by more than ten seconds: Provided that if at any stage the time difference exceeds the prescribed norm, such licence holder shall adjust the time on the clock of the file server accordingly.
- (2) It shall be the responsibility of every licence holder contemplated in subrule (1) to ensure that, before a race meeting or sport event starts, the time on the file server corresponds with the Standard South African time.