



# **FREE STATE GAMBLING & RACING BOARD**

## **GAMBLING RULES**

## **RULE 1: CONSTRUCTION AND DEFINITIONS**

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

The following Rules are issued in terms of Section 91 of the Free State Gambling and Racing Act, 1996. The Board will from time to time, promulgate, amend and repeal these Rules, consistent with the policy, objects and purposes of the Act, as it may deem necessary or desirable in carrying out the policy and the provisions of the Act.

### **Construction**

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

### **Severability**

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

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

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

### **Definitions**

In these Rules words and phrases shall bear the meaning determined in the Act and Regulations, unless the context otherwise indicates:

**"Announced bet"** means a wager made without chips or cash.

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

**"Board"** includes a committee of the Board.

**“Business day”** and **“working day”** means any day including weekends and public holidays.

**“Business year”** means the annual period used by a casino operator for internal accounting internal purposes.

**“Canister”** means a lockable metal container housed in a slot machine which stores banknotes accepted by such slot machine.

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

**“Cash desk”** means a physical structure immediately adjacent to the gambling floor that houses the cashiers and serves as central location in the casino for the following:

- (a) the custody of the cash desk inventory comprising currency including patrons' deposits, coins, patron credit instruments, chips, forms, documents and records currently in use and normally associated with the operation of a cash desk;
- (b) the approval, exchange, redemption, and consolidation of patron cheques received for the purposes of gambling ;
- (c) the distribution of patrons, and the redemption from patrons of gambling chips and tokens, and
- (d) the issue, receipt and reconciliation of imprest funds used in the acceptance of currency and coupons from patrons in exchange for currency.

**“Cash equivalents”** means:

- (a) guaranteed cheques, cashiers, cashier's cheques, recognised travellers cheques or recognised money orders, any of which are made payable to the casino operator or to the bearer thereof;
- (b) guaranteed cheques, cashiers or recognised money orders, any of which are made payable to the presenting patron and endorsed in blank, provided that no such instrument shall be accepted as such equivalent in the instrument was originally made payable to any person other than the presenting patron, and

- (c) recognised credit cards presented pursuant to the casino operator's ICS.

**"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, and includes, but is not limited to, inspectors, floor persons, pit bosses, casino shift managers, the assistant casino manager, and the casino manager;

**"Managing director"** means the natural person located at a casino hotel facility who is ultimately responsible for the daily conduct of an applicant's or casino licence holder's hotel and gaming business, regardless of the applicant's or casino licence holder's form of business form of business association or the particular title which the person holds;

**"Chip"** means a chip as defined in the regulations and shall include value chips, plaques, non value chips and promotional or tournament chips.

**"Vault"** means a separate area for the storage of coins, prize tokens, gambling machine tokens and bank notes.

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

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

**"Control unit"** means a device that shall be capable of –

- (a) connecting any camera to any monitor in the surveillance system;
- (b) controlling PTZ cameras at a variable speed; and
- (c) controlling all VCR recorders in the surveillance system;

**"Conversion"** means a change in a slot machine from one approved configuration to another approved configuration or from one approved mode of play to another mode of play.

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

**"Denomination of a machine"** means the lowest credit value configured on the gambling machine;

**"Drop"** means –

- (a) for gambling machines, the total amount of coins, gambling machine tokens or notes located in the machines drop box or note acceptor;
- (b) for table games, the total amount of currency, chips, tokens and credit markers contained in the drop box or note acceptor;

**"Drop box"** means a lockable metal container which is affixed to a gambling table in which banknotes, chips and table game documents are deposited.

**"EMS"** means an electronic monitoring system, certified by the SABS and approved by the Board.

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

**"Fiscal year"** means a period beginning on 1 April in any year and ending on 31 March the following year.

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

**"Game outcome"** means the final result of a wager.

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

**"Handle"** means the total rand value of coins, tokens and credits wagered in a slot machine.

**"ICS"** means the internal control standards of the casino operator as approved by the Board and shall include all gambling policies, gambling-related operating procedure manuals and gambling-related administrative and accounting procedure manuals of the casino operator.

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

**"Incompatible function"** means a function which places any person or department, in a position both to commit an error to penetrate a fraud and to conceal the error or fraud perpetrated or any irregularities that may have occurred in the normal course of his, her or its duties. Persons may be considered to have incompatible functions if such persons are members of separate departments that are not supervised independently of one another.

**"Jackpot"** means any money, merchandise, thing of value or any other consideration whatsoever specified by the casino operator or on the gambling device as a jackpot to be paid to a patron as the result of a specific winning combination(s) of characters indicated on slot machine or cards dealt in a table game.

**"Manufacturer"** means any person that manufactures, assembles, produces, programs, or makes modifications to any gambling equipment for use or play in the Province or for distribution outside of the Province;

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

**"Modification"** means a change or alteration in an approved gambling machine that affects the manner or mode of play of the device and includes a change to control or graphics programs and, except as provided in paragraphs (d) and (e), in the theoretical hold percentage but does not include :

- (a) a conversion;
- (b) replacement of one component with another, pre approved component;
- (c) rebuilding of a previously approved device with pre-approved components;
- (d) a change in the theoretical hold percentage of a gambling machine provided that the gambling machine as changed meets the prescribed requirements; or
- (e) a change in the theoretical hold percentage of an electronic gambling machine which is the result of a top award jackpot or bonus cheque payment which is paid directly by an attendant and which is not accounted for by the device;

**"Non-value chip"** a chip, other than a promotional chip, that has no monetary value inscribed on its sides.

**"Plaque"** includes chip;

**"PTZ camera"** means a video camera which possesses at least –

- (a) the capability of planning (rotating) 360° at a minimum speed of 120° per second;
- (b) the capability of tilting 180° ;
- (c) the capability to orientate itself;
- (d) pre-set capabilities with a minimum pre-set speed of 360° per second; and
- (e) a zoom capacity;

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

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

**"Security department member"** means any person employed by a casino licence holder to provide physical security in an establishment and to observe and participate in certain movements of cash and cash equivalents between secure locations and the casino floor;

**"Share"** means any membership in a company; any bond; or in general any interest or instrument commonly known as a "share"; or any certificate of interest or participation in, temporary or interim certificate for, receipt for, or warrant or right to subscribe to or purchase, any such interests.

**"Shift"** means a work period of a group of employees including those employees conducting and supervising the operation of table games, slot machines and cash desks, working in relay with another such succeeding or preceding group of employees within specific time frames, as stipulated in the casino operator's ICS.

**"Statistical drop"** means the estimated rand amount of cash and plaques put into the drop box as recorded by the table supervisor or dealer;

**"Statistical win"** wins means -

- (a) In the case of tables, the estimated rand amount won by the licence holder through table play as recorded by the table supervisor;
- (b) in the case of gambling machines, the machines handle multiplied by the theoretical hold percentage;

**“Supplier”** means any person that sells, leases, or otherwise distributes any gambling device from a location within the Province but excludes a route operator that has purchased gambling machines for distribution to the sites under the control of such route operator.

**“Surveillance department member”** means any person employed by a casino licence holder to perform covert surveillance of gambling operations through use of video cameras and recording equipment and this employee shall be independent of all casino-related operations;

**“Table game”** means any gambling game played in a casino other than a slot machine.

**“Theoretical drop”** means the estimated rand amount of cash and plaques deposited into the drop box as recorded by the table supervisor or dealer.

**“Theoretical win”** means:-

- (a) with reference to a table game, the estimated rand value won by the casino operator as recorded by the supervisor or dealer.
- (b) with reference to a slot machine, the handle multiplied by the theoretical hold percentage as determined by the manufacturer or such slot machine.

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

**“Video loss detector”** means a device that has the capability to detect loss in a video picture and signal and or generate an alarm when a loss is experienced;

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

**“Wager”** means a sum of money or other thing of value risked or staked on the outcome of a gambling game.

### **Calculation of time periods**

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



**Criminal liability**

- 1.7 Any person who contravenes or fails to observe one of the rules contained in these rules shall be guilty of an offence and liable on conviction to a fine not exceeding R10 000 or imprisonment for a period not exceeding 10 years, as provided in section 86(1) of the Act.

**Date of commencement and applicability**

- 1.8 (1) These Rules shall come into operation on a date to be determined by the board by notice in the *Provincial Gazette*.
- (2) Different dates may be determined in respect of different Rules.
- (3) Notwithstanding the provisions of sub rule (1), the board may on application exempt a licence holder from compliance with one or more of these Rules for a specified time so as to allow that licence holder an opportunity to achieve compliance.
- (4) A licence holder shall not be exempt from compliance with these Rules unless and until such exemption has been given in writing by the chief executive officer.
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**RULE 2: FREE STATE GAMBLING AND RACING BOARD****GENERAL****Improper attempts to obtain information**

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

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

- 2.2 (1) When an inspector of the board seizes any article of property, the custodian of evidence for the board shall place the evidence in a secure facility and enter in a suitable system sufficient information to establish a chain of custody: Provided that a failure to comply with this sub rule shall not render evidence inadmissible in any proceeding before the board or a Court.
- (2) (a) Any article or property, which constitutes a cheating device, shall not be returned to a claimant
- (b) All cheating devices shall become the property of the board upon their seizure and may periodically be disposed of by the board.
- (c) When disposing of a cheating device, the board shall document the date and manner of its disposal.
- (3) The board shall notify by registered mail each known claimant of a cheating device that he has 30 days from the serving of notice within which to file a written claim to contest its depiction as a cheating device.
- (4) Failure to timely file a written claim as provided in sub rule (3) constitutes an admission by all claimants that the article of property is subject to destruction.
- (5) The Chief Executive Officer shall have complete and absolute authority to rule on a claim filed pursuant to sub rule (3).
- (6) After expiration of the 30-day period, the board may retain or dispose of the cheating device in any reasonable manner.

### **RULE 3: LICENCE APPLICATIONS**

#### **Applications for gambling machine site licenses**

- 3.1 (1) An application for a gambling machine site licence shall not be granted if the operation of limited gambling machines is not incidental to the primary business conducted on the premises concerned.
- (2) In determining whether the applicant's proposed operation of limited gambling machines is incidental to the primary business at a particular location, the board may consider some or all of the following factors:
- (a) The amount of floor space used for the limited gambling machines as compared to the floor space used for the primary business;
  - (b) the amount of investment in the operation of the limited gambling machines as compared to the amount of investment in the primary business;
  - (c) the amount of time required to manage or operate the limited gambling machines as compared to the amount of time required to manage or operate the primary business;
  - (d) the revenue generated by the gambling machines as compared to the revenue generated by the primary business;
  - (e) whether a substantial portion of the financing for the creation of the business has been provided in exchange for the right to operate limited gambling machines on the premises; and
  - (f) other factors, including but not limited to the establishment's name, the establishment's marketing practices, the public's perception of the business, and the relationship of the limited gambling machines to the primary business.

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

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

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**Applications in general**

- 3.3 Any licence or registration which is issued, certificate of approval, certificate of suitability, or other approval by the board shall be deemed to be a revocable privilege contingent upon continuous suitability for the holding of such licence, registration or approval.

**RULE 4: LICENSED ACTIVITIES****Methods of operation**

- 4.1 (1) It is the policy of the board to require that all establishments wherein gambling is conducted in this Province be operated in a manner suitable to protect the public health, safety, morals, good order and general welfare of the inhabitants of the Province.
- (2) Responsibility for the employment and maintenance of suitable methods of operation rests at all times with the licence holder, and wilful or persistent use or toleration of methods of operation deemed unsuitable will constitute grounds for licence revocation or other disciplinary action.

**Grounds for disciplinary action**

- 4.2 (1) The board deems any activity on the part of any licence holder, his agents or employees, that is harmful to the public health, safety, morals, good order and general welfare of the people of the Province, or that would reflect or tend to reflect discredit upon the Province or the gambling industry, to be an unsuitable method of operation and shall be grounds for disciplinary action by the board in accordance with the Act.
- (2) Without limiting the generality of the foregoing, the following acts or omissions shall be grounds for disciplinary action:
- (a) failure to exercise discretion and sound judgement to prevent incidents which might reflect on the repute of the Province and act as a detriment to the development of the industry;
  - (b) permitting persons who appear to be visibly intoxicated to participate in gambling activity;
  - (c) serving of intoxicating beverages in the gambling area to persons who appear to be visibly intoxicated;
  - (d) possessing or permitting to remain in or upon any licensed premises any cards, dice, mechanical device or any other cheating device whatever, the use of which is prohibited by law;
  - (e) conducting, carrying on, operating or dealing any cheating or thieving game or device on the premises, which may have in any manner been marked, tampered with or otherwise placed in a condition, or operated in a manner, which tends to deceive the public or which might make the game more liable to be won or lost, or which tends to alter the normal random selection of criteria which determine the results of the game;
  - (f) failure to conduct gambling operations in accordance with proper standards of custom, decorum and decency, or permit any type of conduct in the gambling establishment which reflects or tends to reflect on the reputation of the Province or acts to the detriment to the gambling industry;
  - (g) except as provided in the Regulations and these Rules, the sale or assignment of any gambling credit instrument by a licence holder, unless the sale is to a publicly traded or other bona fide financial institution pursuant to a written contract, and the transaction and the terms of the contract, including but not limited to the discount rate, are reported to the board for approval;

- (h) issuing credit to a patron to enable the patron to satisfy a debt owed to another licence holder or person, including an affiliate of the licence holder: Provided that this sub rule shall not prohibit a licence holder from collecting a debt owed to an affiliate of the licence holder;
- (3) The provisions of this Rule shall apply *mutatis mutandis* to the holder of any registration issued by the board.

#### **Gambling by owners, directors, officers and employees**

- 4.3 (1) No owner, director, officer or employee of an entity which holds a gambling licence in the Province shall play or place a wager at any gambling game or gambling machine which is exposed to the public for play or wagering:
- (a) by that gambling licence holder;
  - (b) at or within the establishment in the Province which is owned or operated in whole or in part by that gambling licence holder.
- (2) The licence holder's policy with regards to gambling by owners, directors, officers and employees throughout South Africa must be submitted to the board for approval.

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

- 4.4 (1) The licence holder or registrant shall notify the board within 7 days of becoming aware of the criminal conviction of any owner, director, officer or registered employee.
- (2) The board may revoke or suspend the gambling licence, certificate of suitability or registration of a person who is convicted of a crime, even though the convicted person's post conviction rights and remedies have not been exhausted, if the crime or conviction discredits or tends to discredit the Province or the gambling industry.

#### **Ownership identification on gambling devices**

- 4.5 (1) A gambling machine operator shall affix in a prominent place, pursuant to his licence or any agreement, a sign or label that identifies the person responsible for repairs or malfunctions of the machine, payments of winnings, and disputes regarding payments.
- (2) A gambling machine site licence holder shall not expose for play any gambling device of a route operator that fails to display the information required by sub rule (1).

#### **Reports of violations**

- 4.6 (1) Each licence holder and registrant shall immediately notify the board of the discovery of any cheating or violation of the Act and of any violation or suspected violation of any gambling law.
- (2) Details of any actions taken or being taken as a result of the above must be provided to the board within 7 days of the action being taken.

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

- 4.7 (1) No applicant, licence holder, registrant or certificate holder shall neglect or refuse to produce records or evidence or to give information upon proper and lawful demand by the board or its agent, or shall otherwise interfere, or attempt to interfere, with any proper and lawful efforts by the board or any authorised employee to produce such information.
- (2) Each licence holder shall immediately on request make available for inspection by the board or its agent all records relating to the licence holder or registrant's business.

- (3) Each licence holder or registrant shall allow the board or its agent unrestricted access to its premises including examination of any equipment used directly or indirectly in the conducting of gambling activities.

**Collection of gambling credit**

- 4.8 (1) Only licence holder's employees, registered junket agent, attorneys, or affiliated or wholly-owned companies and their employees, may collect, on the licence holder's behalf and for any consideration, gambling credit extended by the licence holder.
- (2) Notwithstanding the provisions of sub rule (1), no licence holder shall permit any person who has been found unsuitable, or who has been denied a gambling licence or registration or other suitability approval, to collect, on the licence holder's behalf and for any consideration, gambling credit extended by the licence holder.
- (3) Each licence holder shall maintain, for the board's inspection, records that describe credit collection arrangements and that include any written contracts entered into with the persons described in sub rule (1), unless such persons are the licence holder's key employees or registered junket agents.
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## **RULE 5: ACCOUNTING RULES**

### **Extension of time for reporting.**

- 5.1 The Chief Executive Officer, in his sole and absolute discretion, may extend the time for filing any report or document required by this Rule.

### **Claims for refunds: procedures.**

- 5.2 (1) A licence holder filing a claim for refund of overpayment of gambling tax with the board shall serve a copy of the claim on the Chief Executive Officer which shall contain a memorandum of points in support of the claim, setting forth the legal basis and the licence holder's calculations of the amount of the refund.
- (2) The aforesaid claim for a refund shall be lodged with the board within 6 months after the financial year-end relating to the year in which the overpayment was made.

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

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



## **RULE 6: MINIMUM INTERNAL CONTROL STANDARDS**

### **Application of this Rule**

6.1 The provisions of this Rule shall apply only to the holders of, or applicants for, casino licences.

### **Organisational Structure**

6.2 All casino licence holders shall develop and implement an organisation 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.

### **Departments and supervisory positions**

- 6.3 (1) In addition to satisfying the requirements of Rule 6.2 above, each casino licence holder's organisation structure and system of internal controls shall, at least, include the mandatory departments and supervisory positions set out in sub rules (1) to (11), each of which shall be required to co-operate with, yet perform independently of, all other departments and supervisors.
- (2) (a) There shall be a surveillance department supervised by a person referred to herein as the surveillance manager who shall be subject to the reporting requirements specified in Rule 6.5 below.
- (b) The responsibilities of the surveillance department shall include, without limitation, the following:
- (i) the clandestine surveillance of the operation and conduct of the table games;
  - (ii) the clandestine surveillance of the operation of the gambling machines and currency acceptors;
  - (iii) the clandestine surveillance of the operation of the cashiers' cage and satellite cages;
  - (iv) the video taping of activities in the hard and soft count rooms;
  - (v) the detection of cheating, theft, embezzlement, and other illegal activities in the casino, count rooms, gambling machine booths, cashiers' cage and other locations within the casino;
  - (vi) the detection of the presence in the establishment 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;
  - (vii) the video taping and monitoring of illegal and unusual activities;

- (viii) providing timely notification to appropriate supervisors and ultimately the board, upon detecting, and also upon commencing video or audio recording of, any person who is engaging in or attempting to engage in, or who is reasonably suspected of cheating, theft, embezzlement, or other illegal activities, including those activities prohibited in the Act, Regulations or Rules;
  - (ix) providing timely notification to appropriate supervisors and ultimately the board upon detecting, and also upon commencing video or audio recording of, any person who is required to be excluded, or who may be excluded or ejected, or any person who is prohibited from entering a casino;
  - (x) documentation in an incidence log of all illegal and unusual activities monitored by the surveillance department.
- (3) (a) There shall be an internal audit department supervised by a person referred to herein as an internal audit manager, who shall be subject to the reporting requirements specified in rule 6.5 and 6.46 below.
- (b) The responsibilities of the internal audit department shall include, without limitation, the following:
- (i) the review and evaluation of the adequacy of internal controls;
  - (ii) monitoring the casino's compliance with the minimum internal control standards and the Act, Regulations and Rules;
  - (iii) the reporting to the board of directors or committee thereof, executive management and the board, instances of non-compliance with the minimum internal control standards, the Act, Regulations and Rules;
  - (iv) the reporting to the board of directors or committee thereof, executive management and the board of any material weaknesses in the system of internal control;
  - (v) the recommendation to management of procedures to eliminate any material weaknesses in the system of internal control; and
  - (vi) the preparation and maintenance of reports documenting the information referenced in subparagraphs (i) to (v) above.
- (4) (a) There shall be an electronic data processing (EDP) department supervised by a person referred to herein as an EDP department manager.
- (b) The EDP department shall be responsible for the quality, reliability and accuracy of all computer systems used by the casino licence holder in the conduct of casino operations 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 insure appropriately limited access to computers and the system-wide reliability of data;
  - (ii) computer tapes, disks, or other electronic storage media containing data relevant to casino operations; and
  - (iii) computer hardware, communications equipment and software used in the conduct of casino operations.
- (5) (a) There shall be a table games department supervised by a person referred to herein as a casino manager.

- (b) The table games department shall be responsible for the operation and conduct of all table games approved and authorised by the board, but not including the count process or computer applications and data files, which are considered incompatible functions;
  - (c) The performance of all duties and responsibilities must be in accordance with the internal control procedures approved by the board.
- (6) (a) There shall be a gambling machine department supervised by a person referred to herein as a gambling machine manager.
- (b) The gambling machine department shall be responsible for the operation and maintenance of gambling machines approved and authorised by the board, but not including the count process that is considered an incompatible function;
  - (c) The performance of all duties and responsibilities must be in accordance with the internal control procedures approved by the board.
- (7) (a) Subject to paragraph (b), there shall be a credit department supervised by a person referred to herein as a credit manager.
- (b) Upon approval by the board, the cage department may perform the functions contemplated in this sub rule upon the casino licence holder's demonstration that there are no incompatible functions.
  - (c) The credit department shall be responsible for the credit function including:
    - (i) the verification of patron credit references;
    - (ii) the establishment of patron credit limits;
    - (iii) the maintenance, review and update of the patron's credit files;
    - (iv) the communication in writing of the names and addresses of patrons with newly approved credit limits to the supervisors of the table games and gambling machine departments on a daily basis in accordance with the casino licence holder's approved system of internal control;
    - (v) the performance of credit related procedures required by the Regulations and Rules;
    - (vi) the performance of all duties and responsibilities in accordance with the internal control procedures approved by the board.
- (8) (a) Subject to paragraph (b), there shall be a collections department supervised by a person referred herein as a collections manager.
- (b) Upon approval by the board, the collections department may be part of another department provided the casino licence holder can demonstrate that there are no incompatible functions.
  - (c) The collections department shall be responsible for the credit function including, without limitation, the following:
    - (i) contact by telephone and/or mail all customers with outstanding credit instruments for the purpose of collecting the entire outstanding balance;
    - (ii) maintenance of detailed records of all outstanding credit instruments and of all collection efforts performed;
    - (iii) receive collections and forward to cage;
    - (iv) preparation of routine reports to management responsible for the collection function of the collection status of all outstanding instruments;

- (9) (a) There shall be a security department supervised by a person referred to herein as a security manager.
- (b) The security department shall be responsible for the overall security of the establishment including, without limitation, the following:
- (i) the enforcement of the law;
  - (ii) the physical safety of patrons in the establishment;
  - (iii) the physical safety of personnel employed by the establishment;
  - (iv) the physical safeguarding of assets transported to and from the casino floor and secured locations such as the count rooms, gambling machine booths, cashier cage and other such secured locations etc.;
  - (v) the protection of the patrons' and the establishment's property from illegal activity;
  - (vi) the detainment of each individual as to whom there is probable cause to believe that he or she has engaged in or is engaging in any illegal activities, notifying law enforcement and the board as to the fact of the detainment;
  - (vii) the recording of any and all unusual occurrences within the casino for which the assignment of a security department employee is made and to this end each incident, without regard to materiality, shall be assigned a sequential number and at least the following information shall be recorded in indelible ink in a bound notebook from which pages cannot be removed and each side of each page of which is sequentially numbered:
    - (aa) the assignment number;
    - (bb) the date;
    - (cc) the time;
    - (dd) the nature of the incident;
    - (ee) the person involved in the incident; and
    - (ff) the security department employee assigned;
  - (viii) 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; and
  - (ix) the performance of all duties and responsibilities in accordance with the internal control procedures approved by the board.
- (10) (a) There shall be a casino accounting department supervised by a person referred to herein as a controller.
- (b) The controller shall be responsible for the control and supervision of the cashiers' cage, satellite cages, gambling machine booths and gambling machines cage.
- (c) The casino accounting department shall be responsible for, without limitation, the following:
- (i) accounting controls;
  - (ii) the preparation and control of records and data;
  - (iii) the control of stored data, the supply of unused forms, and the accounting for and comparing of forms used in operating the casino;

- (iv) the preparation of all financial and management reports;
  - (v) the hard count ; and
  - (vi) the casino and gambling machines soft counts.
- (11) (a) There shall be a department known as the cashiers' cage, which shall be supervised by a person, referred to herein as a cage manager.
- (b) The cage manager shall report to the controller and shall be responsible for the control and supervision of cage and gambling machine cashiers, change persons and casino pit clerks.
- (c) The cashiers' cage must be independent of the count of table games and gambling machine revenues.
- (d) The cashiers' cage shall be responsible for, without limitation, the following:
- (i) the custody of currency, coin, patron credit instruments, gambling chips, tokens and plaques, and documents and records normally associated with the operation of a cashiers' cage;
  - (ii) exchange, redemption, and consolidation of patron credit instruments;
  - (iii) the receipt, distribution, and redemption of chips, tokens and plaques; and
  - (iv) such other functions normally associated with the operation of cashiers' cage and cashier booths.

#### **Surveillance and Internal Audit Department**

6.4 The managers of the surveillance and internal audit departments required by Rule 6.3 above shall comply with the following reporting requirements:

- (a) the manager of the surveillance department shall report directly to a member of the executive management who does not participate in the conduct of daily operations of the casino and who is at least at the level of chief executive officer or managing director: Provided that the board may approve different reporting lines if the licence holder can demonstrate that there are no incompatible functions;
- (b) the manager of the internal audit department will report directly to the audit committee of the board of directors of the company or holding company or, in the absence of an audit committee, an independent member of the board of directors.

#### **Regulatory inspectorate, payment of Board's employees, and specifications for offices.**

- 6.5 (1) The licence holder shall allocate a permanent office for use by the Board's employees on a full time basis.
- (2) (a) Payment of the Board's employees who undertake investigation, inspectorate and other statutory duties shall be the responsibility of the licence holder.
- (b) Such payment shall be determined on an hourly rate and the level of seniority of the relevant employee:

**Senior employee – R250-00 per hour**

**Junior employee – R150- per hour**

and shall be reviewed on a yearly basis with the effect from the 1<sup>st</sup> April of each year.

- (3)1 Specifications for the office(s) of the Board's employees as provided in (1) above shall conform as follows:
- (a) The licence holder shall make available one office which shall be adjacent to, or in close proximity to the surveillance room of the casino;
  - (b) The size of the office must be approximately 30 square meters and shall be partitioned in accordance with the Board's requirement.
  - (c) The office must be suitable for normal day-to-day office work and must not be less than 2,30 metres in height throughout its dimensions;
  - (d) The offices must be equipped with the following:
    - (i) a table/desk with six (6) chairs;
    - (ii) 2 (two) steel lockable cabinets;
    - (iii) a digital telephone;
    - (iv) air conditioner
    - (v) at least four (4) electric plugs
  - (e) The surveillance office to be equipped with the following:
    - (i) a colour monitor
    - (ii) a digital control panel (password protected)
    - (iii) a VCR
    - (iv) audio capability
    - (v) real time viewing
    - (ii) scrolling capability
- (4) (1) The licence holder shall provide computer equipment which conforms to the following:
- (a) must have at least 128 MB memory;
  - (b) must be linked to the operator's CMS;
  - (c) must have real time read only and enquiry access to all reports;
  - (d) must have real time read only access to player tracking system.
- (5) (1) The licence holder shall also provide the following to the Board's employees:
- (a) access to bathroom and toilet facilities;
  - (b) access to photocopy, printer and telefax facilities;
  - (c) access to kitchenette facilities;
  - (d) e-mail facilities.

**Jobs compendium submission**

- 6.6 (1) (a) Each casino licence holder and applicant for a casino licence shall, prepare and maintain a jobs compendium consistent with the requirements of this rule detailing job descriptions and lines of authority for all personnel engaged in the operation of the casino.
- (b) Unless otherwise directed by the board, a jobs compendium shall be submitted to the board for approval at least 60 days prior to the projected date of commencing operations.
- (c) The board shall review each jobs compendium and shall determine whether the job descriptions and tables of organisation contained therein conform to the licensing or registration and chain-of-command requirements of the Act, Regulations and these Rules.
- (d) If the board finds any deficiencies, it shall specify the same in writing to the casino licence holder or applicant, who shall make appropriate alterations.
- (e) When the board determines a submission to be adequate with respect to licensing or registration and chain-of-command, it shall notify the casino licence holder or applicant accordingly.
- (f) Unless the board determines otherwise, no casino licence holder shall commence gambling operations unless and until its jobs compendium is approved by the board.
- (2) A jobs compendium shall include the following sections:
- (a) an alphabetical table of contents listing the position title and job code for each job description included in paragraph (c) below and the page number on which the corresponding job description may be found;
- (b) an organogramme for each department and division illustrating by position title the direct and indirect lines of authority within the department or division and each page of an organogramme shall specify the following:
- (i) the date of its submission;
- (ii) the date of the previously submitted organogramme which it supersedes; and
- (iii) a unique title or other identifying designation for that organogramme;
- (c) A description of each employee position which accurately corresponds to the position title as listed in the organogramme and as listed in the table of contents and each job description shall be listed on a separate page, organised by departments or divisions, and shall include, at least, the following:
- (i) position title and corresponding department;
- (ii) job duties and responsibilities;
- (iii) detailed descriptions of experience or educational requirements;
- (iv) access to secured or sensitive areas and keys to such areas;
- (v) the date of submission of each employee position job description and the date of any prior job description it supersedes; and
- (vi) the date of submission and page number of each organogramme on which the employee position title is included.

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- (3) (a) Any proposed amendment to a previously approved jobs compendium shall be submitted to and approved by the board before such amendment is implemented by the casino licence holder.
- (b) Unless otherwise directed by the board, any amendment required to be pre-approved pursuant to this sub rule shall be submitted to the board at least 60 days prior to the proposed effective date of the amendment.
- (c) Notwithstanding any other requirement of this rule, each casino shall submit a complete and up-to-date jobs compendium to the board 24 months after its receipt of a certificate of operation and every 24 months thereafter, unless otherwise directed by the board.
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**Personnel assigned to the operation and conduct of table games and gambling machines**

- 6.7 (1) (a) Each casino licence holder shall be required to employ the personnel herein described in the operation of its casino, regardless of the position titles assigned to such personnel by the casino licence holder in its approved jobs compendium.
- (b) Functions described in this rule shall be performed only by persons holding the appropriate registration required by the casino licence holder's approved jobs compendium to perform such functions, or by persons holding the appropriate registration required by the casino licence holder's approved jobs compendium to supervise persons performing such functions.
- (c) Each casino licence holder shall at all times maintain a level of staffing which ensures the proper operation and effective supervision of all table games and gambling machines in the casino.
- (2) The following personnel shall be used to operate the table games in an establishment in accordance with the approved system of internal controls:
- (a) a pit clerk shall be the person located at a desk in the pit to prepare documentation or enter appropriate information into the computer system required for the operation of table games including, without limitation, Requests for Fills, Requests for Credits, and Credit Instruments : Provided that this function may be performed by pit personnel in certain circumstances if the licence holder can demonstrate to the board that there are no incompatible functions;
- (b) dealers shall be the persons assigned to each licensed or registered table game to directly operate and conduct the game;
- (c) an inspector shall be the first level supervisor and shall be assigned the responsibility for directly supervising the operation and conduct of a licensed or registered table game: Provided that the number of tables assigned to an individual inspector shall be in terms of the company's internal controls as approved by the board;
- (d) a pit boss or floor man shall be the second level supervisor and shall be assigned the responsibility for the overall supervision of the operation and conduct of a limited number of licensed or registered table games;
- (e) a casino shift manager shall be the supervisor assigned to each shift with the responsibility for the supervision of table games conducted in the casino : Provided that in the absence of the casino manager and the assistant casino manager, should the establishment have an assistant casino manager, the casino shift manager shall have the authority of a casino manager;
- (f) a casino manager shall –
- (i) be the management employee assigned the responsibility and authority for the supervision and management of the overall daily activities and operation of casino licence holder's table games including, without limitation, the hiring and terminating of all table games personnel and the casino manager; and
- (ii) ensure that the table department operates in accordance with the policies and practices established by the casino licence holder's board of directors and in compliance with the Act, Regulations and these Rules.

- (3) The following personnel shall be used to operate the gambling machine department in an establishment in accordance with the approved system of internal controls:
- (a) gambling machine technicians shall-
    - (i) be the persons assigned the responsibility for repairing and maintaining gambling machines and currency acceptors in proper operating condition;
    - (ii) report directly to the gambling machine technical manager and, in the absence of a gambling machine technical manager, directly to the gambling machine manager;
    - (iii) be independent of gambling machine attendants and gambling machine supervisors;
  - (b) gambling machine attendants shall be the persons assigned the responsibility for the operation of gambling machines and currency acceptors, including, but not limited to, participating in manual jackpot pay outs and gambling machine fills;
  - (c) gambling machine supervisors shall be the first level supervisors assigned the responsibility for directly supervising the operation of gambling machines and currency acceptors;
  - (d) a gambling machine shift manager shall be the second level supervisor with the responsibility for the overall supervision of the gambling machine and currency acceptor operation for each shift: Provided that, in the absence of the gambling machine manager or assistant gambling machine manager, the gambling machine shift manager shall have the authority of the gambling machine manager;
  - (e) the gambling machine manager shall –
    - (i) be the management employee assigned the responsibility and authority for the supervision and management of the overall operation of the casino licence holder's gambling machines and currency acceptors including, without limitation, the hiring and terminating of all gambling machine department personnel.;
    - (ii) ensure that the gambling machine department operates in accordance with the policies and practices established by the casino licence holder's board of directors and in compliance with the Act, Regulations and these Rules;
- (4) The limitations in respect to signing authorities will be set in accordance to the company's internal control procedures and as approved by the board prior to implementation.
- (5) Nothing in this rule shall be construed to limit a casino licence holder from utilising personnel in addition to those described herein nor shall anything in this rule be construed to limit the discretion of the board to order the casino licence holder to utilise additional personnel who are necessary for the proper conduct and effective control and supervision of gambling in an establishment.

### **Gratuities**

- 6.8 The procedures and policies for the payment of gratuities to staff must be contained in the licence holder's minimum standards of internal controls as approved by the board.

### **Credit**

- 6.9 (1) Casino licence holders shall describe in their written system of internal controls submitted to the board all procedures used in the approval, granting, redemption and collection of credit instruments.
- (2) The only permissible credit instrument shall be a cheque signed by the patron.

- (3) Prior to the granting of any credit to a patron, the casino licence holder shall create a credit file which shall contain the patron's application for credit.
- (4) A patron's application for credit must contain at least the following information:
- (a) the patron's full names and identity number or passport number;
  - (b) the patron's spouse's name and identity number or passport number;
  - (c) the patron's residential address;
  - (d) the number of years the patron has lived at that address;
  - (e) the patron's home telephone number;
  - (f) employment information relating to the patron, including:
    - (i) the name of patron's employer, or an indication of self-employment or retirement;
    - (ii) the type of business;
    - (iii) the patron's position;
    - (iv) the number of years the patron has been employed by that employer;
    - (v) the patron's business address;
    - (vi) the patron's business telephone number;
  - (g) banking information relating to the patron, including:
    - (i) the name and location of patron's bank;
    - (ii) the account number of patron's personal cheque account upon which the patron is individually authorised to draw and upon which the patron's credit instruments may be drawn : Provided that cheque accounts of sole proprietors shall be considered as personal cheque accounts.
  - (h) the credit limit requested by the patron;
  - (i) the name of each casino where the patron has a casino credit limit, if this information is obtainable;
  - (j) the approximate amount of all other outstanding gambling related indebtedness of the patron;
  - (k) the patron's signature indicating acknowledgement of the following statement, which shall be included at the bottom of every completed application form containing the information required to be submitted by the patron pursuant to this sub rule:

"I certify that I have reviewed all the information provided above and that it is true, correct and accurate. I authorise (insert the name of the casino licence holder) to conduct such investigations pertaining to the above information as it deems necessary for the approval of my credit limit. I am aware that this application is required to be completed in accordance with the Regulations and Rules of the Free State Gambling and Racing Board and that I may be subject to civil and criminal liability if any material information provided by me is wilfully false."

- (5) The patron shall complete the application for credit truthfully, correctly and accurately.

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- (6) The credit limit, and any subsequent changes thereto, must be approved by any one or more of the individuals in the following categories:
- (a) a registered credit department key person; or
  - (b) a registered casino department key person; or
  - (c) a credit committee composed of licensed key persons which may approve credit limits as a group but whose members may not approve credit individually unless their job position is within the categories contemplated in paragraphs (a) or (b) above.
- (7) Approval of the credit limit shall be recorded in the patron's credit file and shall include:
- (a) any information used to support the credit limit and any changes thereto, including the source of the information if such information is not otherwise recorded pursuant to this rule;
  - (b) a brief summary of the key factors relied upon in approving or reducing the requested credit limit and any changes thereto;
  - (c) the reason credit was approved if derogatory information was obtained during the verification process; and
  - (d) the signature and full names of the employee or employees approving the credit limit.
- (8) The date and time shall be recorded contemporaneously with the transaction contemplated in this rule.
- (9) The credit department shall either re-verify the patron's credit information and creditworthiness or suspend a patron's credit privileges if a credit instrument is returned to any casino by a patron's bank.
- (10) All transactions affecting a patron's outstanding indebtedness to the casino shall be recorded in chronological order in the patron's credit file and credit transactions shall be segregated from safekeeping or similar deposit transactions: Provided that the following information shall be included in the patron's credit file:
- (a) the date, amount, and credit instrument number for each credit instrument accepted from the patron;
  - (b) the date, amount and credit instrument number of each consolidation credit instrument and the credit instrument numbers of the credit instruments returned to the patron;
  - (c) the date, method, amount and credit instrument numbers of each redemption transaction and the numbers of the redeemed credit instruments returned to the patron;
  - (d) the date, amount and credit instrument number of each substituted transaction and the number of the credit instrument returned to the patron;
  - (e) the date, amount and credit instrument number of each credit instrument deposited;
  - (f) the date, amount and credit instrument number of each credit instrument returned to the casino licence holder by the patron's bank and the reason for its return;
  - (g) the date, amount and credit instrument numbers which have been partially or completely written-off by the casino licence holder and a brief explanation of the reason for such write-off.

**Minimum credit extension and internal control procedures**

- 6.10 (1) Casino licence holders shall comply with the minimum requirements set out in this rule relative to the authorisation, granting and redemption of credit instruments.
- (2) The credit approval function (i.e., establishing the patron's credit worthiness) and the credit extension function (i.e., monitoring patron's credit play activity/availability) shall be segregated.
- (3) The provisions of sub rule (2) apply whether the credit is extended at a table game or at the cage.
- (4) If cage credit is extended to a single patron in an amount exceeding R5000,00, applicable table games supervisory personnel shall be notified immediately that the patron is playing on cage credit, the applicable amount of credit issued, and the remaining credit available : Provided that this may be accomplished by requiring cage personnel to immediately enter the applicable information into a computer system that is available to table games personnel for purposes of making appropriate patron inquiries.
- (5) Cage marker forms shall be at least in duplicate, pre-numbered by the printer or concurrently numbered by the computerised system, and utilised in numerical sequence.
- (6) The completed original cage marker shall contain at least the following information:
- (a) the marker number;
  - (b) the patron's appropriate banking information;
  - (c) the patron's full names and signature; and
  - (d) the amount of credit issued in both words and numerals.
- (7) If outstanding credit instruments are transferred to the licence holder's head office, collection agencies, or other collection representatives, a copy of the original credit instrument and a receipt from the collection representative shall be obtained and maintained until such time as the credit instrument is returned or payment is received.
- (8) A detailed listing shall be maintained to document all outstanding credit instruments that have been transferred as contemplated in sub rule (7) above.
- (9) The casino accounts department must on at least a monthly basis reconcile the listings of outstanding credit instruments.

**Credit instrument redemption rules**

- 6.11 (1) All payments received on outstanding credit instruments shall be permanently recorded in the licence holder's records.
- (2) When payments are made on credit instruments at the cage, evidence thereof shall be provided by a multi-copy receipt (or another equivalent document) which shall be issued by the licence holder and shall contain at least:
- (a) the same pre-printed receipt number on all copies;
  - (b) the patron's name;
  - (c) the date of payment;
  - (d) the amount of the payment;
  - (e) the method of payment (cash, chips, etc.);
  - (f) remaining balance and serial number if a new marker is issued;

- (g) the full names and signature of the individual receiving payment; and
  - (h) the serial number of marker on which payment is being made.
- (3) All payments on credit instruments shall be immediately recorded in the patron's credit file by cage personnel.

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

- 6.12
- (1) Access to a patron's credit information shall be restricted to those individuals that require such access by nature of their job function and are so authorised by management.
  - (2) Access to outstanding credit instruments shall be restricted to those individuals that require such access by nature of their job function and are so authorised by management.
  - (3) The positions of persons contemplated in sub rules (1) and (2) shall be documented in the licence holder's system of internal control.

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

- 6.13
- (1) When receipts or withdrawals of a customer deposit are made, evidence thereof shall be provided by a pre-numbered document which shall be issued by the licence holder and shall consist of at least two duplicate original copies, with one copy being handed to the patron and one copy remaining in the cage file for accounting and reconciliation purposes.
  - (2) The multi-copy document shall contain the following information:
    - (a) the same pre-printed number on all copies;
    - (b) the nature of the transaction (receipt or withdrawal);
    - (c) the patron's full names and identity number or passport number;
    - (d) the patron's signature;
    - (e) the date of receipt or withdrawal;
    - (f) the amount of the deposit or withdrawal;
    - (g) the nature of deposit or withdrawal (cash, cheque, chips);
    - (h) the full names and signature of the cashier receiving or disbursing the deposit.;
  - (3) Procedures shall be established and documented in the licence holder's system of internal control to ensure proper accountability of customer deposits and shall include:
    - (a) maintenance of a detailed record, by patron, of the date of all funds deposited and withdrawn and a running balance;
    - (b) maintenance of a current running balance of the total of all customer deposits which are in the cage/vault inventory for accountability; and
    - (c) reconciliation of the total current running balances with the individual deposits and withdrawals on at least a daily basis;

### **Table games rules**

- 6.14
- Controls relating to the day to day operations of the casino tables (e.g. table opening and closing, dealers' duties, table limits, order of payouts, inspectors' duties, and change procedures) shall be specified in the licence holder's internal controls procedures manual as approved by the board.

**Call bets and announced bets: Table Games**

- 6.15 (1) A call bet is a bet called to the dealer accompanied by an amount in chips or cash sufficient to cover the value of the bet.
- (2) An announced bet is a wager made without chips, plaques or cash and includes marked bets, which are supplemental bets made during a hand of play.
- (3) Announced bets are prohibited and any such bet which is placed shall be void.
- (4) The procedures for call bets shall be laid out in the company's internal control procedures manual as approved by the board.

**Fill and credit rules**

- 6.16 (1) The provisions of this Rule shall apply to credit granted on table games.
- (2) (a) Fill and credit slips shall be-
- (i) in at least triplicate form;
  - (ii) in a continuous numerical series, and
  - (iii) pre-numbered or concurrently numbered in a form utilising the alphabet and only in one series at a time.
- (b) In the case of a computerised system, the computer shall assign each fill and credit slip a unique identification number that shall not be duplicated and shall allow for subsequent accounting for, and auditing of, all slips issued.
- (3) (a) Unissued and issued fill and credit slips shall be safeguarded and adequate procedures shall be employed in the distribution, use and control of such slips.
- (b) Employees of the cashier or table games departments shall have no access to the locked box or restricted copies of fill or credit slips.
- (c) In the case of a manual system, the accounting department or other department independent of fill and credit transactions shall be responsible for the issue and control of fill and credit slips.
- (d) For computerised systems, employees that participate in fill and credit transactions shall not have access to data files and shall have no ability to delete or alter such information.
- (4) (a) When a fill or credit slip is voided after being processed the cashier shall clearly mark "Void" across the face of the original and first copy.
- (b) The cashier and a representative from the security department shall then sign both the original and first copy, shall include their names under their signatures and shall submit all available parts to the accounting department for retention and accounting and auditing purposes.
- (c) For computerised systems, at least two persons from separate departments shall be required to enter authorising identities in order to void a fill or credit slip.
- (d) A complete chronological record of the transactions and authorisations shall be retained in the computer system and printed on an exception report.
- (5) (a) Fill transactions shall be authorised by a pit supervisor prior to the issuance of fill slips and the transfer of chips, tokens or monetary equivalents from the cage to the table.

- (b) A fill slip request shall be completed to document the authorisation contemplated in paragraph (a).
  - (c) A fill slip request shall be completed in at least duplicate, and shall contain, at least, the table number, the date, time, amount of fill requested by denomination and the names and signatures of the pit supervisor authorising the fill and the cashier that prepares the fill.
- (6)
- (a) One copy of the fill slip request shall remain in the pit for subsequent comparison to the fill slip and the other copy shall be transported to the cage by a security department representative for use by the cashier in the preparation of a fill slip.
  - (b) In the case of a computerised system, the pit supervisor shall provide the required information to the pit clerk who shall enter the information into the computer system and the copy of the fill slip request shall then be automatically printed in the cage.
- (7) At least three duplicate original copies of each fill slip shall be used and each shall be used as follows:
- (a) one copy shall be transferred to the pit with the fill and, after the appropriate signatures are obtained, deposited in table drop box;
  - (b) one copy shall be retained in the cage for reconciliation of the cashier bank; and
  - (c) one copy shall be retained intact in a locked machine in a continuous unbroken form in the case of a manual system or as a permanent record in the data files in the case of a computerised system.
- (8) The table number, date, time and amount of fill by denomination and in total shall be noted on all copies of the fill slip.
- (9) A representative of the security department shall carry all fills from the cashier's cage to the pit.
- (10) Each fill slip shall be signed by at least the following individuals as an indication that each has counted the amount of the fill and the amount agrees with the amount recorded on the fill slip:
- (a) the cashier who prepared the fill slip and issued the chips, plaques or tokens;
  - (b) the representative of the security department who carried the chips, plaques or tokens from the cage to the pit;
  - (c) the dealer who received the chips, plaques or tokens at the gambling table; and
  - (d) the pit supervisor who supervised the fill transaction
- and the names of each person signing the fill slip must be written below his or her signature.
- (11) Fills shall be broken down and verified by the dealer in view of the public and surveillance before the dealer places the fill in the table tray.
- (12) No person other than the dealer shall place fill slips and requests for fill slips in the drop box.
- (13)
- (a) When table credits are transacted, a credit slip request shall be prepared for transferring chips, tokens or monetary equivalents from the pit to the cashier area.
  - (b) A credit slip request shall be at least completed in duplicate and shall contain, at least, the table number, the date, time, amount of credit by denomination and the names and



- signatures of the pit supervisor authorising the credit and the cashier who prepares the credit slip.
- (c) One copy of the credit slip request shall be placed on the table layout in view of the public and surveillance for the purposes of verifying the credit slip for proper entries and to document the total amount of chips, plaques, tokens, and monetary equivalents removed from the table.
  - (d) One copy of the credit slip request shall be given to the security department and transferred to the cage with the chips, plaques, tokens and monetary equivalents and shall be used by the cashier to prepare the credit slip.
  - (e) In the case of a computerised system, the pit supervisor shall also provide the required information to the pit clerk who shall enter the information into the computer system and the copy of the credit slip request must then be automatically printed in the cage.
- (14) A credit slip shall consist of at least three duplicate original copies and each copy shall be used as follows:
- (a) one copy shall be retained in the cage for reconciliation of the cashier bank after obtaining the required signatures;
  - (b) one copy shall be returned to the pit by security personnel who transported the chips, plaques and tokens from the table game to the cage, and after the appropriate signatures are obtained, returned to the table game and deposited in the table drop box; and
  - (c) one copy shall be retained intact in a locked machine in a continuous unbroken form in the case of a manual system; or as a permanent record in the data files in the case of a computerised system.
- (15) The table number, date, shift, time and the amount of credit by denomination and in total shall be noted on all copies of the credit slip.
- (16) Only the dealer shall remove the chips, plaques and tokens from the table tray.
- (17) The chips, plaques and tokens shall be broken down and verified to the request for credit, or other acceptable designation, by the dealer in view of the public and surveillance prior to their being placed in racks for transfer to the cage.
- (18) Chips, plaques or tokens shall not be removed from the table game until a request for credit representing the amount being removed has been placed on the table layout.
- (19) All chips, plaques and tokens removed from the tables shall be transferred from the tables to the cashier's cage by a representative of the security department.
- (20) Credit slips shall be signed by at least the following individuals as an indication that each has counted and verified the amount to the amount recorded:
- (a) the cashier who received the items transferred from the pit and who prepared the credit slip;
  - (b) the security executive of the security department who carried the items transferred from the table to the cage and returned to the pit with the credit slip;
  - (c) the dealer who had custody of the chips, plaques and tokens prior to transfer to the cage; and
  - (d) the pit supervisor who supervised the credit transaction.

and the names of each person signing the fill slip must be written below his or her signature.

- (21) Only the dealer shall place the credit slip and request for credit in the drop box.
- (22) Chips, plaques and tokens shall be deposited on, or removed from, table games only when accompanied by the appropriate fill or credit slips.
- (23) Cross-fills between tables are strictly prohibited.

### **Soft count rules**

- 6.17 (1) The soft count shall not be performed at the same time and in the same location as the count of other revenue centres.
- (2) The following shall apply to the removal and transport of drop boxes:
- (a) the keys to the drop boxes as well as the drop box storage racks shall be signed out from the security department by the following people; member of the security department, cash desk supervisor and one of either the casino manager, casino night manager or count supervisor, and each of the aforementioned signatories shall sign as a witness and supply his or her name in under his or her signature;
  - (b) locked drop boxes shall be removed from the tables by the security department under the supervision and accompaniment of a pit boss;
  - (c) the drop boxes shall be transferred to a secure storage area that may be located in the soft count room;
  - (d) the removal and transportation of the drop boxes must be monitored and recorded by the surveillance personnel on the CCTV system and it must also be noted in the occurrence book;
  - (e) all drop boxes shall be cleared from the tables regardless of whether the tables were opened or not;
  - (f) the drop boxes removed from the tables shall be placed in a trolley for transportation purposes;
  - (g) the drop boxes and trolley shall always be in full view of the CCTV cameras;
  - (h) once all the drop boxes have been removed they shall be secured in the storage area; and
  - (i) the storage area shall be continuously recorded by the surveillance system.

### **The soft count room**

- 6.18 (1) The soft count will take place in a room separate from the gambling area and shall comply with the following:
- (a) the door to the soft count room shall be of a substantial, steel lined construction.
  - (b) authorised personnel shall only enter the soft count room after they have notified the surveillance department of their intention of entering the soft count room;
  - (c) during the count the door to the soft count room shall only be opened upon request of an authorised person after the count table has been cleared of chips and cash;
  - (d) the soft count room shall be of brick or concrete construction and both the ceiling and the floor must be solidly constructed;

- (e) the keys to the soft count room must be kept by the cage manager who together with a representative of the security department will sign them in and out: Provided that the security department must be notified prior to ANY entry to the count room : Provided further that the drop box contents keys must be sealed in a separate pouch and held by a representative of the security department ;
- (f) all keys referred to in paragraph (e) shall be subjected to strict security controls as contemplated in Rule 6.19;
- (g) the door to the soft count room shall have a spy hole fitted and will be locked or bolted from the inside while the count is taking place;
- (h) the count process will be monitored and recorded on CCTV, with sound, by the surveillance department and shall comply with the provisions of Rule 9;
- (i) the table on which the count is conducted shall –
  - (i) be made of clear toughened glass or a transparent scratch resistant alternative;
  - (ii) have no shelves or objects on, above or below it that may obstruct the clear view of the sheet person or CCTV;
  - (iii) contain a clear partition at one end so that cash and chips that have not been counted will be separated from cash and chips that have;
- (j) there shall be a panic alarm system fitted within easy reach of the count supervisor connected to the security office or the surveillance office which must be tested daily before the start of the count;
- (k) there shall be an internal telephone within easy reach of the count supervisor;
- (l) lighting in the count room shall be arranged so that there is no reflection from the count table on the CCTV picture;
- (m) the soft count room shall have no windows or apertures in the walls;
- (n) there shall be a battery emergency lighting system that comes on immediately the power is cut, and the emergency lighting will last at least 8 hours;
- (o) the soft count room shall be air conditioned, and the air conditioner shall be controlled from inside the count room;
- (p) when the soft count is to take place the day after the business day, the soft count room shall have the following additional features :
  - (i) the drop boxes shall be locked into a safe or lockable metal shelving system inside the count room, which will be covered by CCTV recording from the first box being brought into the room until the end of the count the following day;
  - (ii) very secure and high quality locks shall be used for the doors to the shelves;
  - (iii) there shall be a sensor on the inside of the count room to detect any movement within the room and which shall be connected to an alarm system;
  - (iv) the door shall also have a sensor connected to the alarm system contemplated in subparagraph (iii);

- (v) the alarm shall, subject to subparagraph (viii), be activated if the door is opened or movement is detected in the soft count room and the alarm has not been disarmed;
  - (vi) the alarm shall also sound in the surveillance room;
  - (vii) the alarm shall be armed once the boxes have been locked into the room; and
  - (viii) the control for the alarm shall be inside the count room and operate with a 10 second delays.
- (2) The count team shall be independent of the transactions being reviewed and counted (i.e. the table games department) and the subsequent responsibility for soft drop proceeds.
  - (3) There will be at least three persons present during the soft count including the account supervisor.
  - (4) Only English shall be spoken in the count room.
  - (5) The detailed count procedures and uniforms worn in the count rooms must be contained in the licence holder's internal control procedures as approved by the board.
  - (6) At no time during the count shall more than one person at a time leave the count room until all monies have been counted, verified and accepted into the responsibility of the cage or vault: Provided that the board may approve break provisions contained in the licence holder's internal control procedures.
  - (7) Count team members shall be rotated on a routine basis and the rotation shall be such that the count team is not consistently the same three individuals on more than four days in any week.
  - (8) Drop boxes shall be individually emptied and counted.
  - (9) No more than one drop box may be open at any one time.
  - (10) The count of each box shall be recorded in ink or other permanent form of recording.
  - (11) If currency counters are used and the count room table is used only to empty boxes and sort or stack the contents thereof, a count team member must at all times observe the loading and unloading of all currency into or from the currency counter, including rejected currency.
  - (12) Drop boxes, when empty, must be shown to the other members of the count team who are observing the count and to the CCTV camera.
  - (13) Cage and drop box copies of fill or credit slips shall be matched or otherwise reconciled by the count team to verify that the total rand amounts for the gambling day are identical.
  - (14) Requests for fills and credits shall be matched to the fill or credit slips.
  - (15) Fills and credits shall be traced to, or recorded on, the count sheet and examined for correctness.
  - (16) 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.
  - (17) The opening and 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 and closing table and marker inventory forms (if applicable) to the count sheet in place of the count team.
- (18) Any discrepancies shall be investigated and the findings documented and maintained for Board inspection.
- (19) 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 signature of at least two of the count team members next to the change, on the count sheet.
- (20) 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.
- (21) All members of the count team shall attest by signature to the accuracy of the table games count and shall include their names under such signatures.
- (22) All monies and monetary equivalents that were counted shall be turned over to the cage or vault cashier who shall be independent of the count team.
- (23) The cage or vault cashier shall certify by signature on the count sheet as to the accuracy of the monies delivered and received and shall include his or her name under such signature.
- (24) Access to stored drop boxes, full or empty, shall be restricted to only authorised members of the drop and count teams.
- (25) Access to the count room during the count shall be restricted to members of the drop and count teams: Provided that observers, inspectors of the board, supervisors for the purpose of resolving problems, maintenance personnel and personnel required to collect the empty drop boxes for purposes of putting them on the tables may enter the count room if properly authorised thereto.
- (26) The count sheet, with all supporting documents, shall be promptly delivered to the accounting department by the count team supervisor at the conclusion of the count : Provided that the documentation may be placed in a locked container to which only accounting personnel can gain access until retrieved by the accounting department.
- (27) At least two individuals independent of the cage department, one of which shall be security department representative, is required to access empty drop boxes.
- (28) The surveillance department shall observe all access of the locked empty drop box storage area.

### **Key control rules**

- 6.19 (1) The following shall apply to drop box release keys :
- (a) drop box release keys shall be maintained by a department independent of the tables department and it shall require persons from at least two separate departments supply access the keys;
- (b) only a representative from the security department shall be authorised to obtain drop box release keys;
- (c) persons authorised to remove table games drop boxes from the tables shall be precluded from having access to drop box contents keys;

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- (2) The following shall apply to drop box storage rack keys :
- (a) a representative from the security department shall be required to obtain and retain control of such keys each time drop boxes are removed from or placed in storage racks;
  - (b) persons who maintain custody and those authorised to obtain drop box storage rack keys shall be precluded from maintaining custody or having access to drop box release keys (with the exception of the count team in the limited case to reset the boxes during the count);
- (3) The following shall apply to drop box release keys:
- (a) the physical custody and access controls shall be such that obtaining the keys necessary for accessing stored full drop box contents requires the involvement of persons from at least three separate departments, one of which must be the security department;
  - (b) controls shall be implemented that provide for the surveillance department to be notified immediately each time the drop box release keys are accessed;
  - (c) surveillance personnel shall verify that persons obtaining the keys are authorised to do so and that at least three people from different departments are present;
  - (d) in cases of unscheduled access to drop box release keys referred to in sub rule (c) above, the surveillance department shall observe and record the movement of such keys for the entire time they are unsecured;
  - (e) obtaining access to the drop box release keys at other than scheduled count times shall require the involvement of at least three persons from separate departments one of which must be the security department;
  - (f) casino management personnel shall be required to authorise any unscheduled access to drop box release keys;
  - (g) the reason for the unscheduled access must be documented with the signatures of all participants and observers.
- (4) The following shall apply to count room keys :
- (a) at least three count team members are required to be present, at least one of whom is from the security department and one of whom is the count supervisor, when count room and other keys necessary to conduct the soft count are issued;
  - (b) controls shall be implemented that require the immediate notification of the surveillance department each time someone enters the soft count room;
  - (c) fixed surveillance cameras shall be positioned such that anyone entering the soft count room will be recorded.
- (5) The following shall apply to duplicate keys :
- (a) all duplicate keys shall be maintained in a manner, which provides the same degree of control as is required for the keys in use;
  - (b) it shall require representatives from at least three separate departments to be present and involved in obtaining keys necessary to gain access to the keys needed to access the contents of drop boxes;
  - (c) the storage location of duplicate keys shall be subject to 24-hour video surveillance and recording and controls shall be implemented such that the surveillance department will be immediately notified each time duplicate keys are accessed;

- (d) detailed records shall be maintained for each key that is issued, duplicated or destroyed which indicates the type of key, number of keys issued, made or destroyed, the date, the reason(s) and the signatures and names of all persons involved;
  - (e) representatives from at least two separate departments, one of which must be the security department, shall be required to authorise and verify the issuance, duplication and destruction process.
- (6) The following shall apply to key control logs :
- (a) key control logs shall be maintained for the following keys:
    - (i) drop box release keys;
    - (ii) count room keys;
    - (iii) drop box storage rack keys;
    - (iv) drop box contents keys;
    - (v) all duplicate keys for subparagraphs (i) and (iv);
  - (b) all key control logs shall contain, at least, the following information for each of the keys listed in (a) above:
    - (i) date and time keys are obtained;
    - (ii) legible signature, printed name and company ID or Gambling Board registration number of custodian releasing the keys;
    - (iii) legible signature, printed name and company ID or Gambling Board registration number of person obtaining the keys;
    - (iv) date and time keys are returned to custodian;
    - (v) legible signature, printed name and company ID or Gambling Board registration number of person returning the keys;
    - (vi) legible signature, printed name and company ID or Gambling Board registration number of custodian receiving the keys;
  - (c) key control logs shall be periodically forwarded to the internal audit department for review and retention;
  - (d) all entries in key logs shall be in ink or other form of permanent recordation.

#### **Table games computer generated documentation**

- 6.20 (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 least :
- (a) system exception information (e.g., appropriate system parameter information, corrections, voids, etc.);
  - (b) personnel access listing, which includes at least:
    - (i) employee name;
    - (ii) employee Gambling Board identification number;

- (iii) listing of functions employee can perform or equivalent means of identifying such functions.

### **Playing cards**

- 6.21 (1) Playing cards, not yet issued to the pit, shall be maintained in a locked and secure location to prevent unauthorised access and reduce the possibility of tampering.
- (2) Upon receipt from the manufacturer, an inventory of the playing cards received shall be carried out by a representative of the security department in the presence of a representative of the accounting department, who shall both verify the amount and propriety of the inventory received, sign the inventory document and include their names under their signatures.
- (3) The licence holder shall maintain complete and accurate records of all cards distributed to table games personnel and those collected and cancelled.
- (4) The accounting department shall, at least monthly, count inventory on hand and reconcile this to purchases and cancellations.
- (5) Inventory sheets shall be signed to provide evidence of the checks contemplated in sub rules (2) and (4).
- (6) The licence holder shall document all controls over playing cards in their system of internal control.

### **Table games accounting and auditing procedures**

- 6.22 (1) Table games accounting and auditing procedures shall be performed by personnel who are independent of the transactions being audited or 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 tax and VAT returns:
- (a) drop per table;
- (b) win per table;
- (c) total gross gambling revenue;
- (3) If a table game has the capability to determine drop (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 and 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 licence holder shall document the audit process undertaken and procedures used for auditing table games.
- (7) All follow-up performed on any noted exceptions shall be documented and retained for board inspection.



**Emergency clearances: tables**

- 6.23 (1) In certain instances an emergency clearance may be required and the procedures required to perform such clearances shall be listed in the internal controls of the licence holder and approved by the board.
- (2) In certain circumstances drop boxes will need to be reset before being locked into the table shrouds and the procedures required to perform such resetting shall be noted in the internal controls of the licence holder and approved by the board.

**Gambling machine coin and token drop rules**

- 6.24 (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 one of whom is the count supervisor.
- (2) If more than one drop team is used, a representative from the security department shall be assigned to each drop team for the duration of the drop process.
- (3) Proper security shall be provided at all times over the contents removed from the gambling machine drop cabinets prior to being transported to, and secured in, the hard count room.
- (4) If more than one trip is required to remove the gambling machine drop from all of the machines, the filled carts or coins shall be locked and secured immediately in the hard count room or secured in another equivalent manner and carts shall be under continuous surveillance coverage.
- (5) The surveillance department shall observe via CCTV and record the entire gambling machine drop process to ensure that all coins and tokens are adequately safeguarded during the drop process.
- (6) The time of clearance and the sequence in which machines will be cleared will be determined by gambling machine management and given to the board for approval.
- (7) Any time or sequence change must be forwarded to the board for approval two weeks prior to the intended change.
- (8) The licence holder shall submit the procedures relating to the physical clearance of gambling machines to the board for approval at least one month prior to implementation.

**Equipment rules**

- 6.25 (1) 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.
- (2) (a) An official from the security department shall be present whenever the calibration module is accessed for repair or re-calibration.
- (b) The surveillance department shall be notified prior to anyone accessing the calibration module.
- (3) (a) Each time the calibration module is accessed, a log shall be completed that includes the date, time, nature of the repair and the signatures and names of all persons observing the process.
- (b) The log contemplated in paragraph (a) shall be retained for board inspection.
- (4) 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.

- (5) 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 so that any unnecessary adjustments to it during the weigh process would be observed by other count team members and the surveillance department.
- (6) The internal audit department shall test the weigh scale and weigh scale interface (if used) on at least a quarterly basis with the test results being documented and retained for board inspection.
- (7) Prior to the gambling machine count beginning, at least two employees, at least one of whom is from the security department and one of whom is the count supervisor, shall verify the accuracy of the weigh scale and weigh scale interface with varying weights or with varying amounts of previously counted coin for each denomination to ensure the scale is properly calibrated.
- (8) (a) The weigh scale and weigh scale interface test results shall be documented by the persons performing the tests and all persons participating in the test shall date and sign the form stating the results of the test and include their names under their signatures.  
(b) The forms contemplated in paragraph (a) shall be retained for board inspection.

#### **Gambling machine hard count and wrap rules**

- 6.26
- (1) For purposes of this rule "wrap" or "wrapping" includes terms such as "bag", "bagging", "rack" or "racking".
  - (2) The weigh or count process shall be performed by a minimum of three employees, at least one of whom will be a count supervisor.
  - (3) At no time during the weigh/count shall there be fewer than three count team members in the count room.
  - (4) The surveillance department shall be notified prior to the start of the weigh or count process so they may observe and record the weigh and wrap of the gambling machine drop.
  - (5) The gambling machine count team shall be independent of the gambling machine department and the subsequent accountability for gambling machine count proceeds.
  - (6) The following functions shall be performed in the counting of the gambling machine drop:
    - (a) the 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;
    - (b) labourer function, which is a count team member who assists in the weigh/count process in a non-supervisory capacity.
  - (7) (a) The amount of the gambling machine drop proceeds from each machine shall be recorded in ink on a gambling machine weigh/count document by the recorder or mechanically printed by the weigh scale.  
(b) 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.
  - (8) At least 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 and shall include their names under their signatures.

- (9) (a) 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 and shall include their names under their signatures.
- (b) The document contemplated in paragraph (a) must also be signed by a person from each of the casino accounts department and the vault department attesting to the accuracy thereof, who shall each include his or her name under his or her signature .
- (10) Coins and tokens shall be wrapped and reconciled in a manner that precludes the commingling of the current count with coin and tokens from the previous or next count.
- (11) (a) The total coins counted per machine will be compared to the meter readings obtained from the machine.
- (b) Investigation and reporting procedures with regards to variances will be contained in the licence holder's internal control manual as approved by the board.
- (c) The results of investigations contemplated in paragraph (b) shall be documented and maintained for board inspection.
- (d) Any discrepancy or shortage of more than 100 coins per machine shall be reported to the board by facsimile transmission within 24 hours.
- (12) At least three employees shall be present throughout the entire wrapping process of the gambling machine drop proceeds and these employees will remain responsible for all the proceeds until the funds are handed over to the safe custodian.
- (13) Transfers of values out of the count room during the gambling count/wrap process shall be either prohibited by the licence holder's internal control manual as approved by the board, 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 accounting department to ensure the accuracy of the reconciled wrapped gambling machine drop.
- (14) Transfers contemplated in sub rule (13) 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, each of whom shall include their names under their signatures.
- (15) 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 and if discrepancies exist between the counts, a re-count shall be performed and any differences reconciled;
  - (c) All documents contemplated in paragraph (b) shall be retained and forwarded to the accounting department.
- (16) (a) 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 and include their full names under their signatures, whereupon the accountability for the gambling machine drop proceeds shall transfer to the cage/vault department.

- (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) Investigation and reporting procedures with regards to variances between the weigh/count and wrap will be contained in the licence holder's internal control manual as approved by the board.
- (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 stored data, shall be immediately delivered to the accounting department by the count team or security : Provided that count documentation may be secured (e.g., in a locked container to which only accounting personnel can gain access) until retrieved by the accounting 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 using either of the following methods:
  - (a) 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 : Provided that this procedure is used, an employee independent of the gambling machine department and count team shall subsequently enter the corrected figure into the computer system prior to the generation of related gambling machine reports; or
  - (b) during the count process, correcting the error in the computer system and entering the passwords of the count team supervisor and at least one other count team members : Provided that if this method 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.

### **Currency acceptor drop and count rules**

- 6.27
- (1) The currency acceptor drop boxes shall be removed by an employee independent of the gambling machine department, placed in locked trolleys, transported directly to the soft count room or other similar restricted location and locked in a secure manner until the count takes place.
  - (2) The removal and transporting of currency acceptor drop boxes shall be performed by a minimum of three employees, at least one of whom shall be from the security department and the provisions of Rule 6.18(2) shall apply *mutatis mutandis* to the removal and transport of currency acceptor drop boxes.
  - (3) The currency acceptor count shall be performed in the soft count room or an equivalent secure area with comparable controls, as contemplated in Rule 6.19.
  - (4) The currency acceptor count shall be performed by a minimum of three persons.
  - (5) The currency acceptor count team shall be independent of transactions being reviewed and counted (i.e. the gambling machine department), and the subsequent accountability of currency drop proceeds.

- (6) 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.
- (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 and surveillance must be able to witness the loading and unloading of all currency at the currency counter, including rejected currency.
- (9) 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.
- (10) The notes counted will be compared to the machine meter reading on a daily basis.
- (11) Investigation and reporting procedures with regards to variances will be contained in the licence holder's internal control manual as approved by the board.
- (12) Corrections to information originally recorded by the count team on currency acceptor count documentation shall be made by crossing out the error, entering the correct figure, and then obtaining the initials of the count room supervisor and at least one other count team member who verified the change.
- (13) 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.
- (14) 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 and shall affix his or her name under his or her signature.
- (15) 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 shall be independent of the count team.
- (16) The vault/cage department representative shall certify by signature and name on the count sheet as to the accuracy of the currency delivered and received and upon signing the count sheet, the vault/cage becomes responsible and accountable for the drop proceeds.
- (17) Access to stored full currency acceptor drop boxes shall be restricted to only authorised members of the drop and count teams.
- (18) Access to the count room during the count shall be restricted to members of the drop and count teams: Provided that observers, inspectors of the board, supervisors for the purpose of resolving problems, maintenance personnel and personnel required to collect the empty boxes for purposes of putting them on the tables may enter the count room if properly authorised thereto.
- (19) All persons other than the authorised count team members shall be accompanied by a security department representative at all times they are present in the count room.
- (20) The count sheet, with all supporting documents, shall be promptly delivered to the accounting department by a count team member or a security department representative: Provided that it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.

**Emergency clearances of coin or notes**

- 6.28 (a) In certain instances an emergency clearance may be required.
- (b) The procedures required to perform such clearances must be listed in the internal controls of the licence holder and approved by the board.

**Hand payouts, gambling machine hopper fills, short pays and accumulated credit payouts**

- 6.29 (1) For all hand payouts and gambling machine fills, the payout form or documentation shall be at least three parts (single sheet if computer generated) and shall include, at least the following information:
- (a) the date and time;
  - (b) the machine number;
  - (c) the rand amount of cash payout (both in numbers and words) or the description and value of the prize awarded, if not cash;
  - (d) in the case of hand written payouts, the game outcome (including reel symbols, card values and suits, etc.);
  - (e) type of payout (e.g. progressive, jackpot, credit win, short pay, special pay or hopper fill);
  - (f) names and signatures of all persons verifying and witnessing the jackpot payout or gambling machine hopper fill;
  - (g) signature of the customer : Provided that in the case of jackpots and credit wins the name, address and signature of the customer shall be provided;
  - (h) the same pre-printed or concurrently printed sequential number on all copies of the form;
  - (i) in the case of hopper fills at least the information as contemplated (a), (b), (c), (e), (f) and (h) above.
- (2) For computer generated forms, a copy of the document must be available in electronic format for a period of at least 5 years.
- (3) Signature verification rules for the situations contemplated in sub rule (1) must be included in the licence holder's internal controls as approved by the board.
- (4) In the case of machine short pays and payouts required for accumulated credits, the payout form shall be the same form as described in sub rule (1) above and shall include at least:
- (a) the date and time;
  - (b) the machine number;
  - (c) the rand amount of the payout (in both numbers and words);
  - (d) the names and signatures of all persons verifying and witnessing the payout as per paragraph (c) above; and
  - (e) the name, address and signature of the customer.
- (5) (a) For short pays the value paid must also be recorded on the "machine entry log" contained in the machine.

- (b) The person authorising and making the payout shall sign the machine log and include his or her name thereunder.
- (6) (a) Computerised jackpot and fill systems shall be restricted so as to prevent unauthorised access to the system and fraudulent payouts by a single individual.
- (b) Password and physical controls shall be addressed in the licence holder's system of internal control as approved by the board and shall require supervisory authorisations of all corrections made to jackpot payout and gambling machine hopper fill information.
- (7) Computer systems used to record gambling machine transactions shall be capable of generating adequate documentation of all information recorded on the source documents (e.g., jackpot payout slips, gambling machine hopper fill slips, etc.).
- (8) All computer-generated documentation shall be restricted to authorised personnel with no incompatible functions.
- (9) Computer generated documentation shall include, at least :
  - (a) system exception information (e.g., appropriate system parameter information, corrections, voids, etc.);
  - (b) a personnel access list which includes at least the following :
    - (i) name of employee;
    - (ii) employee's board identification number;
    - (iii) listing of functions person or employee can perform or equivalent means of identifying such functions.
- (10) Jackpot payout and gambling machine hopper fill slips shall be controlled and routed in a manner that precludes any one individual from producing a fraudulent payout by forging signatures or by altering the amount paid out subsequent to the payout and misappropriating the funds.
- (11) A restricted copy of forms used to record all transactions contemplated in sub rule (10) shall be:
  - (a) treated as secured and controlled stationery;
  - (b) in triplicate with the same pre-printed number on all copies of the form; and
  - (c) accounted for by the accounting department personnel who shall investigate all missing or altered forms;
- (12) (a) In the case of a computerised system, the restricted copy shall be in the form of restricted computer storage medium that shall be verified by the accounting department against the documents issued on the casino floor.
- (b) Personnel participating in gambling machine payout and fill transactions shall not have access to this stored information contemplated in paragraph (a) for any purpose.

### **Promotional payouts and awards**

- 6.30 (1) Promotional payouts and awards are supplemental payouts or awards that are not reflected in the gambling machine pay table and shall comply with the provisions of this rule.
- (2) The payout form/documentation shall include at least the following information:
- (a) the date and time;

- (b) machine number and the machine denomination;
  - (c) the rand amount of payout (in numbers and words) or a description and value of the prize awarded if not cash;
  - (d) type of promotion (e.g., double jackpots, four-of-a-kind bonus, etc.);
  - (e) the name and signature of a gambling machine department supervisor and at least one other employee authorising and completing the transaction;
  - (f) name, address and signature of the customer; and
  - (g) if the payout or award has a value greater than R10 000, a supervisor or management employee from a department independent of the gambling machine department shall verify and witness the payout or award, shall sign the payout form and include his or her name under his or her signature.
- (3) All casino licence holders must submit to the board for approval the company's procedures for authorising hand pays.

### **Gambling machine department funds rules**

- 6.31
- (1) Imprest gambling machine booths and change banks, which are active during the shift, shall be counted down by out-going and incoming personnel and reconciled each shift utilising appropriate documentation to ensure the accountability of those involved and which shall be signed by both employees performing the count.
  - (2) Cashier float returns must be returned to the vault if there is no incoming employee, in which case a departmental supervisor shall verify the count and sign the documentation contemplated in sub rule (1), along with the out-going employee.
  - (3) Gambling machine booth and change bank documentation for ensuring accountability shall either be forwarded directly to the accounting department for verification at the end of the shift or placed in a secured location that is only accessible to accounting personnel.
  - (4) The wrapping of loose gambling machine booth and cage cashier coins shall be performed at a time or location that does not interfere with the hard count/wrap process, the accountability of those involved or the integrity of that process.
  - (5)
    - (a) A record shall be maintained to provide evidence of the transfers of value from each gambling machine booth.
    - (b) The gambling machine booth cashier and the recipient cashier shall both sign the transfer documentation and include their names under their signatures.
    - (c) Records shall be kept of all cashier shortages.

### **EPROM control**

- 6.32
- (1) On receipt of EPROMS from the manufacturer the following will be adhered to:
    - (a) the master program number, par percentage and pay table are to be verified against the manufacturer's specification sheet and board registration number;
    - (b) the task contemplated in paragraph (a) is to be performed by the technical manager (supervisor), security supervisor and a board official;
    - (c) on completion of this test, the master EPROM register will be signed by all parties present who shall include their names under their signatures.



- (2) Registered copies of all percentage, game or personality EPROMS must be kept under the dual control of at least two persons, each from different departments, one of whom shall be from the security department.
- (3) A register for all master EPROMS must be kept and shall include at least the following information:
  - (i) EPROM number;
  - (ii) board licence or registration number;
  - (iii) manufacturer;
  - (iv) date of par verification and signatures and names of all persons present;
  - (v) reason for removal from secured area and the signatures and names of persons authorising this;
  - (vi) date of destruction, the reasons therefor and the signatures and names of those involved;
  - (vii) the Kobetron signature number.
- (4) Procedures for the electronic storage and copying of EPROMS and the sealing of EPROMS into the machines will be documented in the licence holder's internal controls as approved by the board.
- (5) Procedures for the controlling of competition and promotional EPROMS will be documented in the licence holder's internal controls as approved by the board.

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

- 6.33 (1) In this Rule unless the context otherwise indicates:

**"actual hold"** means the Rand amount of wins divided by the Rand amount of pay in;

**"floor par"** means the sum of the theoretical hold percentages of all machines within a denomination weighed by coin in contribution.

- (2) Accurate and current theoretical hold worksheets shall be maintained for each gambling machine either on the floor or in the licence holder's inventory.
- (3) For those gambling machines or groups of identical machines (excluding multi-game machines) with differences in theoretical payback percentage exceeding a 4% spread between the minimum and maximum theoretical payback the following shall be performed:
  - (a) on a quarterly basis, the meters that contain the number of plays by wager (i.e., one coin, two coins, etc.) shall be recorded;
  - (b) on an annual basis, the adjusted theoretical hold percentage based on the distribution of plays by wager type shall be calculated;
  - (c) on an annual basis, this revised percentage shall be added to the gambling machine statistical report.
- (4) For multi-game machines the following procedures shall be performed:
  - (a) at least weekly the total coin-in meter shall be recorded;
  - (b) at least quarterly the coin-in meters for each game contained on the machine shall be recorded;

- (c) on an annual basis the theoretical hold percentage to a weighted average based upon the ratio of coin-in for each game shall be adjusted;
- (5) (a) The theoretical hold percentages used in the gambling machine analysis reports shall be within the performance rules and tolerances set by the manufacturer.
- (b) Any discrepancies shall be investigated and resolved immediately and appropriate documentation shall be prepared and retained for board inspection.
- (6) Records shall be maintained for each machine that reflects the date and type of changes made and the recalculation of theoretical hold as a result of the changes.
- (7) (a) Records shall be maintained for each machine that reflect the date the machine was placed into service, the date the machine was removed from operation, the date the machine was placed back into operation, and any changes in machine numbers and designations.
- (b) Machines shall retain the same assigned asset number during the entire time the licence holder owns the machine.
- (8) All gambling machines shall contain at least the following functioning meters:
- (a) coin-in;
- (b) coin-out;
- (c) drop (cash box);
- (d) jackpot/credit win (hand pay meter); and
- (e) games played meter (hand pull meter)
- (9) All gambling machines with currency acceptors shall contain functioning bill-in meters that record the Rand amounts or number of bills accepted, by denomination.
- (10) A representative of the accounting department shall record the meter reading information for the meters listed in sub rules (7) and (8) if manual meter readings are taken.
- (11) If a computerised system is in place the meters may be downloaded by the system at the time that the machine is cleared.
- (12) Upon receipt of the meter-reading summary, the accounting department shall review all meter readings for reasonableness using pre-established and documented parameters.
- (13) If a computerised system is in place, tolerance levels may be pre-set in the system to highlight these exceptions.
- (14) Prior to final preparation of statistical reports, meter readings that do not appear reasonable shall be reviewed with gambling machine department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected and.
- (15) All follow-ups performed on unreasonable meter readings shall be documented and retained with the report contemplated in sub rule (16).
- (16) A report shall be produced at least monthly showing month-to-date, year-to-date, and if practical, life-to-date actual hold percentage computations for individual machines and a comparison to each machine's theoretical hold percentage.
- (17) Each change to a gambling machine's theoretical hold percentage, shall result in that machine being treated as a different machine for purposes of preparing statistical reports (i.e., various hold percentages shall not be combined with one machine number).

- (18) If promotional payouts and awards are included as a factor in preparing gambling machine statistical reports, it shall be done in a manner that prevents distorting the actual hold percentages of the relevant machines.
- (19) A report shall be produced at least monthly showing year-to-date combined gambling machine performance, by denomination, and the report shall include the following information for each denomination:
  - (a) floor par;
  - (b) combined actual hold percentage;
  - (c) percentage variance ((b) – (a));
  - (d) projected rand variance (i.e., coin-in times the percentage variance).
- (20) Both gambling machine department management and relevant management as described in the system of internal control procedures shall review gambling machine statistical reports on at least a monthly basis.
- (21) Large variances between theoretical hold and actual hold shall be investigated by management and resolved and all findings shall be documented expeditiously.
- (21) The EDP department shall maintain the computerised gambling machine accounting and monitoring system data files.
- (22) Updates to the computerised gambling machine accounting and monitoring system to reflect additions, deletions or movements of gambling machines shall be made at the time of the change in order to ensure that reports reflect accurate information.

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

- 6.34 (1) When machines are temporarily removed from the floor, the gambling machine drop and hopper contents shall be protected to preclude the misappropriation of stored funds.
- (2) A representative of the security department shall be present when machine contents are secured and shall ensure that such contents are adequately safeguarded.
- (3) When machines are permanently removed from the floor, the hopper contents shall be added to the gambling machine drop by at least two persons and in the presence of a representative of the security department.
- (4) (a) A closing fill shall be made out to the equivalent value of the opening fill and the closing fill documentation will then be passed on to the casino accounting department.
- (b) The casino accounting department will pass on the closing fill documentation to the count personnel.

#### **Gambling machine drop and cabinet keys**

- 6.35 (1) Keys necessary to access gambling machine coin drop cabinets shall be safeguarded to the extent that it requires at least three individuals, one of whom shall be a representative of the security department, to access the drop cabinet area.
- (2) A security representative other than the key custodian and at least one other employee (separate from key custodian) shall be required to accompany such keys while they are checked out and observe each time gambling machine drop cabinets are accessed.
- (3) The surveillance department shall be notified and shall observe and record the drop process throughout the period the keys are checked out.

- (4) Procedures relating to the keys for gambling machine cabinets shall be included in the licence holder's internal control procedures.

### **Currency acceptor keys**

- 6.36 (1) The following shall apply to currency acceptor drop box release keys:
- (a) Only the employees authorised to remove the currency acceptor drop boxes, one of whom shall be from the security department, shall be allowed access to the release keys.
  - (b) For situations that require the removal of currency acceptor drop box at times other than scheduled drop times, the surveillance department shall be notified and shall observe and record the entire process.
  - (c) A representative of the security department and at least two other employees shall be present during the entire time the keys are checked out.
  - (d) The reason for obtaining the keys at other than authorised drop times shall be recorded in the key log.
  - (e) The currency acceptor drop box release keys shall be kept separately from the currency acceptor contents keys.
  - (f) Persons performing the removal of currency acceptor drop boxes shall be precluded from having access to the currency acceptor contents keys.
- (2) The following shall apply to currency acceptor drop box storage rack (trolley) keys:
- (a) At least three members of the count team shall be present each time storage rack keys are issued for the count.
  - (b) At all other times, a representative from the security department and at least two other authorised persons are required to accompany such keys and observe each time full drop boxes are placed in storage racks.
- (3) The following shall apply to currency acceptor drop box contents keys:
- (a) Keys necessary to access gambling machine currency acceptor contents shall be safeguarded to the extent that it requires at least three individuals from three separate departments, one of whom shall be a representative of the security department, to access the contents.
  - (b) For situations that require the removal of currency acceptor drop box at times other than scheduled drop times, the surveillance department shall be notified and shall observe and record the entire process.
  - (c) A management representative and a representative of the security department and at least one other employee from a separate department shall be present during the entire time the keys are unsecured.
  - (d) The reason for obtaining the keys at other than authorised drop times shall be recorded in the key log.
- (4) The following shall apply to currency acceptor count room keys:
- (a) At least three count team members shall be required to be present at the time count room and other count keys are issued for the count;
  - (b) Controls shall be implemented that provide for the automatic notification of the surveillance department each time the currency acceptor count room is accessed.

- (5) The following shall apply to duplicate keys:
- (a) All duplicate keys shall be maintained in a manner that provides the same degree of control as is required for the keys in use.
  - (b) Representatives from at least three separate departments shall be present and involved in obtaining keys necessary to gain access to the contents of gambling machine drop cabinets and currency acceptor contents.
  - (c) The storage location of duplicate keys shall be subject to 24-hour video surveillance and recording.
  - (d) Controls shall be implemented such that the surveillance department will be automatically notified each time that duplicate keys are accessed.
  - (e) Detailed records shall be maintained for each key that is issued, duplicated or destroyed which indicates the type of key, number of keys issued, made or destroyed, the date, the reason(s) and the signatures of all persons involved.
  - (f) Representatives from at least two separate departments, one of which must be the security department, shall be required to authorise and verify the issuance, duplication and destruction process.
- (6) The following shall apply to key control logs:
- (a) Key control logs shall be maintained for the following keys:
    - (i) gambling machine drop and cabinet keys;
    - (ii) count room keys; hard and currency acceptor count rooms;
    - (iii) currency acceptor drop box storage rack keys;
    - (iv) currency acceptor drop box release keys;
    - (v) currency acceptor contents keys; and
    - (vi) all duplicates for keys listed in subparagraphs (i) to (v) above.
  - (b) All key control logs shall contain, at least, the following information for each of the keys listed in paragraph (a) above:
    - (i) date and time keys are obtained;
    - (ii) legible signature, printed name and board registration number of custodian releasing the keys;
    - (iii) legible signature, printed name and board registration number of person obtaining the keys;
    - (iv) date and time keys are returned to custodian;
    - (v) legible signature, printed name and board registration number of person returning the keys; and
    - (vi) legible signature, printed name and board registration number of custodian receiving the keys.
  - (c) Key control logs shall be periodically forwarded to the internal audit department for review and retention.
  - (d) All entries in key logs shall be in ink or other form of permanent recording.

**Wide area progressive gambling machines (inter-casino linked progressives)**

- 6.37 (1) Any wide area progressive system must be adequately restricted to prevent unauthorised access (e.g., changing passwords at least monthly, restricted access to EPROMS, and restricted physical access to computer hardware, etc.).
- (2) Procedures shall be developed, implemented, and documented for:
- (a) reconciliation of meters and jackpot payouts;
  - (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 system of internal control as approved by the board.

**Gambling machine accounting/auditing procedures**

- 6.38 (1) Gambling machine accounting/auditing procedures shall be performed by employees who are independent of the transactions being reviewed.
- (2) For computerised gambling machine accounting and monitoring systems, procedures shall be performed on a random basis to verify that the system is transmitting and receiving data from the gambling machines properly and to verify the continuing accuracy of the meter readings as recorded in the gambling machine statistical report.
- (3) Follow-up shall be performed for any single machine having an unresolved coin variance in excess of 5% or R500 (whichever is the lesser) between actual drop and weigh scale reading and bill-in meter reading and soft count.
- (4) The follow-up contemplated in sub rule (3) performed and results of investigation shall be documented and retained.
- (5) Gross gambling revenue on tax returns shall be reconciled to the win in the gambling machine analysis report by denomination.
- (6) At least quarterly, accounting/auditing personnel shall randomly verify that EPROM changes are properly reflected in the gambling machine analysis reports.
- (7) Accounting/auditing employees shall review exception reports for all computerised gambling machine systems on a regular basis as determined in the licence holder's internal control system for propriety of transactions and unusual occurrences.
- (8) All gambling machine auditing procedures and any follow-up performed shall be documented and maintained for board inspection.

**Access to computerised systems**

- 6.39 (1) For all computerised gambling machine systems an access listing shall be maintained which includes, at least, the following information regarding all individuals having access to the system:
- (a) full names;
  - (b) board identification number (or equivalent); and
  - (c) listing of functions that individual can perform (or equivalent means of identifying these);

- (2) An audit trail shall be maintained of all changes made regarding any individual's access to the system and shall contain at least:
- (a) the name of the person who performed the change;
  - (b) the name of the person, who's access was changed;
  - (c) what access was added or deleted;
  - (d) the date and time of the changes;
  - (e) the audit trails must contain a computer generated sequential number; and
  - (f) if access rights are amended as a result of a system upgrade, these changes must be documented in an audit trail.

**Electronic data processing: general controls**

- 6.40 The following shall be addressed in the system of internal control for each applicable gambling section:
- (a) The main computers (i.e., hardware, software and data files) for each gambling department 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) Secured computer areas shall be subject to 24-hour video surveillance and recording.
  - (d) Computer systems, including application software, shall be secured through the use of passwords or other approved means.
  - (e) Management personnel or persons independent of the department being controlled shall assign and control access to system functions.
  - (f) Passwords shall be controlled as follows unless otherwise addressed in these rules:
    - (i) each user shall have their own individual password;
    - (ii) passwords shall be changed at least monthly with changes being documented; and
    - (iii) the system shall preclude an individual from using the same password for more than one month in every twelve months.
  - (g) Adequate backup and recovery procedures shall be in place, and if applicable, shall include:
    - (i) daily backup of data files;
    - (ii) backup of all programs;
    - (iii) secured off-site storage of all backup data files and programs, or other adequate protection; and
    - (iv) recovery procedures shall be tested at least quarterly;
  - (h) Adequate system documentation shall be maintained, including descriptions of both hardware and software, operator manuals, etc.

**EDP department**

- 6.41 (1) The EDP department shall be independent of all gambling areas (i.e., cage, pit, count rooms, etc.).
- (2) EDP department personnel shall be precluded from unauthorised access to-
- (a) computers and terminals located in gambling areas;
  - (b) source documents; and
  - (c) live data files (not test data).
- (3) Program changes for in-house developed systems shall be documented as follows:
- (a) requests for new programs or program changes shall be reviewed by the EDP supervisor;
  - (b) approvals to begin work on the program shall be documented and retained;
  - (c) a written plan of implementation for new and modified programs shall be maintained and include, at least, 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;
  - (d) testing of new and modified programs shall be performed and documented prior to implementation; and
  - (e) 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.
- (4) Computer security logs, if generated by the system, shall be reviewed by EDP supervisory personnel for evidence of:
- (a) multiple attempts to log-on, unless the system is so programmed that it denies access after three attempts to log-on;
  - (b) changes to live data files; and
  - (c) any other unusual transactions.

**Modems**

- 6.42 If remote dial-up to any associated equipment is allowed for software support, the licence holder shall maintain an access log which includes:
- (a) the name of the person authorising modem access;
  - (b) the name of authorised programmer or manufacturer's representative;
  - (c) in the case of a manufacturer's representative, the name of the manufacturer;
  - (d) the reason for the modem access;
  - (e) a description of work performed; and
  - (f) the date, time, and duration of access.



**Electronic storage media**

- 6.43 (1) Documents may be scanned or directly stored to an electronic storage medium on the following conditions:
- (a) the electronic storage medium must contain the exact duplicate of the original document;
  - (b) all documents stored in electronic storage media shall be maintained with a detailed index containing the casino department and the date, in accordance with the board's record keeping requirements, and must be available upon request;
  - (c) upon request by the board or any board inspector, hardware (terminal, printer, etc.) and paper reasonably necessary to perform audit procedures shall be provided by the licence holder;
  - (d) controls must exist to ensure the accurate reproduction of records, up to and including the printing of stored documents used for auditing purposes.
- (2) Notwithstanding the provisions of sub rule (1), if source documents and summary reports are stored on re-writeable electronic storage media, the electronic storage medium used may not be relied upon for the performance of any audit procedures, and the original documents and summary reports must be retained.

**Casino accounting department**

- 6.44 (1) Controls relating to the day to day operations of the casino accounting department shall be specified in the licence holder's internal controls procedures manual as approved by the board.
- (2) The casino accounting department will be independent of the gambling departments.
  - (3) The casino accounting department shall be responsible for the controls over controlled or secured stationery and will ensure that: the following are complied with-
    - (a) stationery that requires strict security controls in that it may represent value in the casino shall only be purchased from a company that has been approved by the board and granted a certificate of suitability; and
    - (b) secured stationery must be checked on a daily basis for completeness;
    - (c) all copies of secured stationery are present,
    - (d) no unauthorised alterations have been effected to secured stationery;
    - (e) secured stationery is used in numerical sequence; and
  - (4) The internal control procedures which are to be approved by the board shall identify all secured stationery and the specific controls relating to each form required.
  - (5) On a daily basis a member of the department shall check, verify and attest to the accuracy of both the hard and soft counts.
  - (6) The casino controller will be responsible for ensuring that access to the casino management system is only given to authorised personnel and that the access given does not compromise the minimum rules of internal controls.
  - (7) The casino accounting department shall perform the day-to-day accounting functions with regards to the operation of the gambling departments and the cage and vault departments.
  - (8) The casino controller shall authorise all journal entries and ensure that revenues, expenses, assets and liabilities are reconciled to the general ledger on a monthly basis.

- (9) The cage and vaults must be audited on at least a monthly basis by a member of the casino accounting department and all variances must be reported to the casino controller.

### **Internal audit**

- 6.45 (1) The board may publish checklists, programs, and guidelines as a supplement to these rules.
- (2) Whenever possible, internal audit observations shall be performed covertly (i.e., without the employees knowing that their activities are being observed).
- (3) All casino licence holders shall maintain a separate internal audit department (whose primary function is performing internal audit work and which is independent with respect to the departments subject to audit).
- (4) Documentation (e.g., checklists, programs, reports, etc.) shall be prepared to provide evidence of all internal audit work performed as contemplated in this Rule.
- (5) The results of internal audit work shall be reported to the board of directors, executive management or ownership personnel who are independent of the departments under audit.
- (6) Copies of the reports contemplated in sub rule (5) must be forwarded to the board.
- (7) All material exceptions resulting from internal audit work shall be investigated and resolved, with the results of such being documented and retained for at least five years.
- (8) Observations and examinations of the following activities, with emphasis on compliance with the Minimum Internal Control Standards as contained in these Rules, shall be performed (based on the licence holder's business year end) on the following activities as applicable to the operation.
- (9) The following shall be reviewed or, in the case of surprise testing, performed at least once during each quarter:
- (a) 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;
  - (b) gambling machines - jackpot payout 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;
  - (c) cage and credit procedures - all cage, credit, and collection procedures, and the reconciliation of trial balances to physical instruments on a sample basis;
  - (d) cage and vault accountability is reconciled to the general ledger;
  - (e) electronic data processing functions - review for compliance with EDP rules; and
  - (f) gross revenue is reconciled from the accounting records to Board tax returns.
- (10) At least six monthly, all casino related balance sheet accounts shall be received by the internal audit department and supplied to the board.

**Retention of unclaimed monies**

- 6.46 (1) The licence holder shall maintain a register or report of all prize money which has not been claimed by the end of the shift during which the win occurred.
- (2) Access to the records of unclaimed prize money shall be restricted to authorised personnel only.
- (3) The licence holder must supply the board with sufficient records and information so those amounts that are unclaimed can be identified.
- (4) All prizes that are unclaimed may not be deducted for purposes of calculating gambling tax.
- (5) The procedures with regards to:
- (a) monies or prizes won by a minor; and
  - (b) collection of unclaimed prizes must be submitted to the board for approval.
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## **RULE 7: MANUFACTURING, SUPPLY AND MAINTENANCE OF GAMBLING AND ASSOCIATED DEVICES**

### **Employee or individual to respond to inquiries from the board**

- 7.1 (1) Each manufacturer and supplier, manufacturer of associated devices and supplier of associated devices shall employ or retain an individual that understands the design and function of each of its gambling machines and associated devices who shall respond within the time specified by the Chief Executive Officer to any inquiries from him concerning the gambling machine, associated equipment or any modifications to the machine or associated devices.
- (2) Each manufacturer and supplier shall on or before 31 December of each year report in writing the name of the individual designated in terms of this Rule and his or her telephone number and shall report in writing any change in the designation within 15 days of the change.

### **Approval of gambling devices: applications and procedures**

- 7.2 (1) A manufacturer or supplier shall not distribute gambling devices in the Province and a licence holder shall not offer gambling devices for play unless it has been certified by the SABS and approved by the board.
- (2) Applications for approval of new gambling devices must be made and processed in such manner and using such forms as prescribed or determined by the board and must 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 layman's language of the manner in which the devices operates, signed under penalty of perjury.
- (3) In considering whether new gambling devices will be given final approval, the Chief Executive Officer shall consider whether approval of the new gambling machine is consistent with the public policy of the Province.
- (4) The approval of a gambling machine does not constitute certification of the machine's safety.

### **Minimum standards for gambling devices**

- 7.3 (1) All gambling devices submitted for approval must be certified by the SABS as meeting the requirements of SABS 1718.
- (2) All costs involved in the certification and approval of gambling devices shall be met by the person or organisation submitting the gambling devices.

### **Rules for gambling devices**

- 7.4 (1) This rule applies to all gambling devices offered for play in the Province to the extent that it does not conflict with the requirements of the SABS and in any cases of conflict the requirements of the SABS shall prevail.
- (2) The theoretical payback percentage of a game which uses a single game chip set must not be capable of being changed without changing the chip set in the machine.
- (3) When a change contemplated in sub rule (2) is made the following must be recorded:

- (a) the name of the person effecting the change;
  - (b) the closing hard and soft meters of the machine; and
  - (c) details of the change, e.g. the chip's identification and Kobetron numbers, etc.;
- (3) Where a gambling device or gambling machine contains a chip set with more than one game name, RTP or bet size combination, all game, RTP and bet size combinations on the installed chip must be approved.
- (4) Where a gambling device or gambling machine contains a chip set with more than one game, RTP or bet size combination, the set of games to be made available to the player may be varied via the monitoring and control system (MCS).
- (5) When a change contemplated in sub rule (4) is made the following must be recorded by the MCS:
- (a) the name of the person affecting the change; and
  - (b) the closing soft meters of the games or games being replaced.
- (6) The payback percentage changes contemplated in this rule may not occur more than once a month.
- (7) The changes contemplated in this rule may not take place during a time that the machine is being offered for play.
- (8) For purposes of this 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.
- (9) All gambling machines must be equipped with mechanical, non-resetable counters having not less than six digits to accumulate the "in," "out," "drop," and "handpay" values in units equal to the denomination of the machine or Rand value.
- (10) All gambling machines must accumulate the same values contemplated in sub rule (9) in electronic digital storage and provide the means for on-demand display of the stored information.
- (11) For gambling machines with note acceptors a meter giving the total value of notes accepted is required, in units equal to the denomination of the machine or Rand value.
- (12) Gambling machine "in" meters must accumulate all coin and credit transactions that result in wagers.
- (13) The "out" meters must accumulate all coin and credit transactions paid by the gambling machine for winning combinations.
- (14) The "drop" meters must accumulate the number of coins or Rand value thereof that have been diverted into a drop box.
- (15) The hand-pay meter must accumulate the number of coins, credits or their equivalent, paid via hand pay.
- (16) Gambling machines must have electronically stored digital meters of at least 6 digits which record the number of plays since "power on" and the number of plays since "door closure".
- (17) When the maximum reading of the meters contemplated in sub rule (16) has been reached, the meters must remain at that value until reset by occurrence of the appropriate event (power on and number of plays since door closure).

- (18) Each gambling machine must provide the means for on-demand display of the stored information.
- (19) All hard meters shall be clearly and permanently labelled as to whether they are counting in units or value.

### **Double up and gamble features**

- 7.5 Double up and gamble features are not permitted on limited gambling machines in the Province.

### **Maintenance of gambling machines**

- 7.6
- (1) A licence holder shall not alter the operation of approved gambling machines and may only allow maintenance on gambling machines by persons authorised to do so by the board.
  - (2) Licence holders shall maintain gambling machines and available to the public for play in a suitable condition.
  - (3) No person shall make changes or repairs to parts of the gambling machine that effect the game outcome unless specifically authorised to do so by the board.
  - (4) Each licence holder shall keep a written list of repairs made to gambling machines offered for play to the public that required a replacement of parts that affect the game outcome, including the name of the person making such repairs, and shall make the list available for inspection by the board.

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

- 7.7
- (1) Only a registered manufacturer, route operator, casino licence holder; the board or the SABS may duplicate the contents of a gambling machine program storage medium.
  - (2) The procedure for performing such duplication must be contained in the licence holder's internal control manual as approved by the board.

### **Records to be kept in respect of distribution of gambling devices**

- 7.8
- (1) Manufacturers and distributors shall not distribute gambling devices, gambling device parts or amusement machines contemplated in Rule 7.7(1) within or out of the Province without keeping proper records, which shall include at least the following:
    - (a) the full name, province of residence, physical address, telephone number, identification number or passport number of both the purchaser and the person to whom the shipment is being made, if neither is currently licensed or registered by the board :  
Provided that if the purchaser or person to whom the shipment is being made does not have an identification number or passport number, the birth date of the purchaser or person to whom the shipment is being made may be substituted;
    - (b) the name, registered address, and physical address of the purchaser or person to whom the shipment is being made if either is currently licensed or registered by the board;
    - (c) the destination, including the port of exit if the destination is outside South Africa;
    - (d) the number of elements to be shipped;
    - (e) the model number, game type, EPROM number(s) of each game, and year each machine or device was manufactured, if known;
    - (f) the denomination of each machine or device;
    - (g) the serial number of each machine or device;

- (h) in the case of gambling devices or amusement machines which have been registered by the board, the registration numbers thereof;
  - (i) the expected date and time of shipment;
  - (j) the method of shipment and name and address of carrier;
  - (k) the seal number(s) of the container(s) in which the equipment is being shipped;
  - (l) a copy of a valid licence or registration of the person to whom the shipment is being sent and the end user, or in respect of countries where such licenses or registrations are not required, a sworn statement to that effect, together with supporting documentation, including a sworn statement by the purchaser that the machine or device will be used only for lawful purposes; and
- (2) Manufacturers, distributors and licence holders shall not supply gambling devices, gambling device parts or amusement machines contemplated in Rule 7.7(1), to a person who is not licensed or authorised to possess such equipment or to a destination where possession of such gambling equipment is unlawful.

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

- 7.9 (1) Except as otherwise provided in sub rule (2), a manufacturer or distributor shall not distribute a gambling machine in the Province or from a location within the Province out of the Province unless the gambling machine has:
- (a) the 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; and
  - (b) in the case of machines distributed in the Province, the board approval number or, if the machine has been modified since initial approval of the machine, the modification approval number, affixed on all program storage media placed in the machine.
- (2) Each manufacturer or distributor shall keep a written list of –
- (a) the date of each delivery and receipt of gambling machines;
  - (b) the container(s) seal number(s);
  - (c) the serial numbers of the machines;
  - (d) the board approval number, or if the machine has been modified since initial approval of the machine, the modification approval number, and
  - (e) the name, province of residence, addresses and telephone numbers of the person to whom the gambling machines have been distributed and shall provide such list to the Chief Executive Officer or an inspector of the board immediately upon request.

### **Approval to sell or dispose of gambling devices**

- 7.10 (1) A licence holder shall not dispose of gambling devices or gambling device parts without the prior written approval of the board: Provided that if the gambling device or part is sold or delivered to such licence holder's affiliated companies or to a registered manufacturer or distributor within the Province, approval is deemed to have been granted if the details of the gambling devices or parts being shipped are given to the board in advance and the shipment is verified by the board.

- (2) Applications for approval to sell or otherwise transfer or dispose of gambling machines must be made, processed, and determined in such manner and using such forms as the Chief Executive Officer may prescribe.
- (3) Each application must include items or information as the board may require.

**Installation of associated devices**

- 7.11
- (1) The board will maintain a list of associated devices
  - (2) A licence holder shall not install or use associated devices without prior written approval of the Chief executive officer.
  - (3) Applications for approval to install or use associated devices shall be made and processed in such manner and using such forms as may be prescribed or determined by the board.
  - (4) The Chief Executive Officer may consider the approval of associated devices by other gambling regulatory jurisdictions in his determination of the approval.

**Maintenance of associated devices**

- 7.14
- A licence holder shall not alter the manner in which associated devices operate without prior written approval of the Chief Executive Officer.
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## **RULE 8: CHIPS, TOKENS, PLAQUES, DICE, CARDS, ROULETTE WHEELS AND BALLS**

### **Gambling chips: value and non-value; physical characteristics**

- 8.1
- (1) All gambling chips and plaques shall conform to SABS 1718.
  - (2) Each non-value chip utilised in a casino shall be issued solely for the purpose of gambling at roulette.
  - (3) No person at a roulette table shall be issued or permitted to gamble 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.
  - (4) 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, close to the outer rim of the roulette wheel.
  - (5) 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.
  - (6) When non-value chips are 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.
  - (7) Each casino licence holder shall have the discretion to permit or prohibit the use of value chips by persons playing at roulette.
  - (8) It shall be the responsibility of the casino licence holder and its employees to keep accurate account of the wagers being made with value so that the wager made by one player is not confused with those made by another player at the table.
  - (9) Each casino licence holder shall keep a monthly summary of the value chip inventory for each table and design, by colour, which shall include at least, the following:
    - (a) the balance on hand at the beginning of the month;
    - (b) the number of value chips distributed to the gambling tables during the month;
    - (c) the number of value chips returned to inventory during the month;
    - (d) the balance on hand at the end of the month; and
    - (e) documentation as to who is holding these chips (if known).
  - (10) The summary contemplated in sub rule (9) shall be shown in a format that makes provision for the daily movement.
  - (11) No casino licence holder or other person licensed by the board or registered in terms of section 34 of the Act shall manufacture for, sell to, distribute to or use in any casino outside of the Province, any value or non-value chip having the same design as those approved for use in a casino in the Province.

### **Gambling plaques**

- 8.2
- (1) No gambling plaque shall be issued until the casino licence holder has submitted to the board and the board has approved, a system for accounting for gambling plaques and cage procedures.

- (2) Where a value chip exists for a denomination equivalent to a plaque, the primary colour used on the value chip must be utilised as the primary colour for the plaque.

### **Primary, secondary and reserve sets of gambling chips**

- 8.3
- (1) Unless otherwise authorised by the board, each casino licence holder shall have a primary set of gambling chips and a reserve set of value chips which shall conform to the requirements of SABS 1718 and these Rules.
  - (2) The secondary set of value chips shall have at least different second and third colours to the primary set and shall be required for denominations over R500.
  - (3) Each casino licence holder shall have a reserve non-value chip set for every 20 roulette tables in the casino with a design or symbol different from those non-value chips comprising the primary set.
  - (4) The casino licence holder shall remove the primary set of gambling chips from active play whenever –
    - (a) it is believed the casino is receiving or redeeming counterfeit chips;
    - (b) any impropriety or defect in the utilisation of the primary set of chips makes removal of the primary set necessary; or
    - (c) the board or its agent or an inspector of the board so directs  
whereupon the reserve set shall be placed into active play.
  - (5) Whenever the primary set of chips is removed from active play, the casino licence holder shall immediately notify the board of this and the reason for such occurrence.

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

- 8.4
- (1) A casino licence holder shall submit to the board and the SABS 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, for certification and approval.
  - (2) A casino licence holder shall not utilise chips, plaques or promotional chips for gambling purposes until they have been approved by the board.
  - (3) Once the board has approved the final artwork and the chips, plaques and promotional chips have been ordered, a sample of each must be supplied to the board prior to the said chips being utilised for gambling purposes.

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

- 8.5
- (1) All wagering on authorised games in a casino, other than games on gambling machines, shall be conducted with chips or plaques: Provided that promotional chips shall be permitted for use in wagering at authorised games in accordance with the provisions of the Act, Regulations and Rules.
  - (2) Gambling chips previously issued by a casino licence holder which are not in active use by that casino licence holder, shall not be used for wagering at authorised table games.
  - (3) Gambling 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 transaction other than a gambling transaction.
  - (4) Gambling chips shall only be issued to casino patrons from a cash desk or at gambling tables and shall only be redeemed at the cash desk (cage): Provided that gambling chips

may be exchanged by a patron at the gambling machine booths for currency, coin, or gambling machine tokens required to play the gambling machines.

- (5) Each gambling chip and plaque is evidence of a debt that the casino licence holder owes to the person legally in possession of the gambling chip or plaque, and shall remain the property of the issuing casino licence holder, which shall have the right at any time to demand that any person in possession of the gambling chip or plaque, surrender the item to that casino licence holder.
- (6) Each casino licence holder shall promptly redeem its own genuine gambling chips and plaques, unless the gambling chips or plaques were obtained or are being used unlawfully.
- (7) A casino licence holder shall redeem gambling chips or plaques by exchanging them for –
  - (a) an equivalent amount of cash; or
  - (b) upon request by a patron who surrenders gambling chips or plaques in any amount over R10 000, a casino cheque of that casino licence holder in the amount of chips or plaques surrendered and dated the day of such redemption.
- (8) The casino cheque shall only be issued for that portion of the redemption which can be established as being winnings.
- (9) The casino may issue a cheque to a patron for a lesser amount but only up to the amount that relates to winnings.
- (10) Each casino licence holder shall have the right to demand the redemption of its gambling chips and plaques from any person in possession thereof and such person shall redeem said chips and plaques upon presentation by the casino licence holder of cash to an equivalent amount.
- (11) Each casino licence holder shall promptly redeem its own genuine gambling chips and plaques presented to it by any other legally operated casino licence holder.
- (12) The redemption process for credit plaques from another casino must be contained in the casino licence holder's minimum standards of internal controls as approved by the board.
- (13) Each casino licence holder shall submit to the board for approval, a system for chip and token exchange between themselves and other legally operated casino licence holders, of gambling chips, plaques and tokens –
  - (a) that are in its possession and that have been issued by other legally operated casino licence holders; and
  - (b) that it has issued and that are presented to it for redemption by any other legally operated casino licence holder.

**Receipt of gambling chips or plaques from manufacturer or distributor; inventory, security, storage and destruction of chips and plaques**

- 8.6
- (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 accounting or auditing department of the casino licence holder and one from the surveillance department of the casino licence holder.
  - (2) The casino licence holder must notify the board at least one week prior to the pending arrival of the said chips or plaques.

- (3) 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.
- (4) After checking the gambling chips and plaques received, the casino licence holder shall record in a chip inventory ledger:
  - (a) the denomination of the chips and plaques received;
  - (b) the number of each denomination of chips and plaques received;
  - (c) the serial number of each plaque received;
  - (d) the number and description of all non-value chips received;
  - (e) the date of such receipt; and
  - (f) the signatures and names of the individuals who checked such chips and plaques.
- (5) 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 inventory ledger as reserve chips or plaques and shall be stored in a separate locked compartments in –
  - (a) an approved casino vault or safe;
  - (b) a comparable secure area, approved by the board, which is adjacent to and accessible exclusively from the casino.
- (6) Any gambling chips received from such manufacturer or distributor that are part of the secondary set of chips shall be recorded in the chip inventory ledger as such and shall be stored separately from the value and non-value reserve chips in locked compartments in –
  - (a) an approved casino vault or safe;
  - (b) a comparable secure area, approved by the board, which is adjacent to and accessible exclusively from the casino.
- (7) 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 performed 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 inventory ledger together with the date, names and signatures of the individuals carrying out this process.
- (8) A casino licence holder shall –
  - (a) compute and record the unredeemed liability for each denomination of chips and plaques at the end of each gambling day;
  - (b) cause to be made, at least on a monthly basis, an inventory of chips and plaques in circulation and in reserve; and
  - (c) cause the result of such inventory to be recorded in the chip inventory ledger.
- (9) 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.
- (10) A physical inventory of chips and plaques in the reserve shall only be required once a year if the inventory procedure incorporates the sealing of the locked compartments and the seals have not been broken.

- (11) Prior to the destruction of gambling chips and plaques, the casino licence holder 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.
- (12) 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 surveillance department of the casino licence holder.
- (13) The denomination, number and amount of value chips and plaques, and in the case of non-value chips the description and number so destroyed, shall be recorded in the chip inventory ledger together with the names and signatures of the individuals carrying out such destruction, and the date on which said destruction took place.
- (14) The casino licence holder shall also maintain a written log of the names and registration numbers of all casino personnel involved in each such destruction, as well as the names and addresses of all non-casino personnel involved.
- (15) A casino licence holder shall ensure that at all time there is adequate security, as approved by the board, for all gambling chips and plaques in its possession.

### **Gambling machine tokens**

8.7 All tokens shall conform to SABS 1718.

### **Issue and use of gambling machine tokens; promotional tokens or tournament tokens from gambling and gambling machine token; promotional token or tournament token specifications**

- 8.8 (1) Each casino licence holder may, with the board approval, issue:
- (a) "gambling machine tokens" that shall be;
    - (i) designed for gambling use in the hoppers of the casino licence holder's gambling devices;
    - (ii) capable, upon insertion into the coin acceptor of the gambling device operated by the casino licence holder that issued the gambling machine token, of activating the play of that gambling device;
    - (iii) issuable to a patron upon request and in exchange for cash or credit;
    - (iv) issuable only from a gambling machine booth, cash desk (cage) or a change machine;
    - (v) exchangeable, by a patron at the casino where the gambling machine token was issued on request, only at a gambling machine booth, cash desk (cage); and
    - (vi) redeemable, by the issuing casino licence holder promptly upon request of the patron surrendering one or more gambling machine tokens, only at a coin redemption booth, a gambling machine booth or cash desk (cage) for an equivalent amount of cash or a casino cheque of that casino licence holder in the amount of the gambling machine tokens surrendered and dated the day of the redemption; and
  - (b) "promotional tokens or tournament tokens" that must be of such shape and size and have such other specifications so as to be distinguishable from other tokens as approved by the board and which are incapable of activating gambling device play on any gambling device which is capable of accepting coins or gambling machine tokens;

- (2) A licence holder shall not permit the use of promotional tokens or tournament tokens in any transaction other than the promotions or tournament for which they are used.
- (3) Each promotional token or tournament token shall be designed so that: -
  - (a) it clearly identifies the name or trade name and location of the licence holder;
  - (b) it clearly states its face value;
  - (c) it clearly bears the inscription on each side of each token "No Cash Value"
  - (d) it is not deceptively similar to any currency or past coin of the Republic of South Africa or any other nation;
  - (e) 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 equipment; and
  - (f) it incorporates such anti-counterfeiting features and other security measures as the board may require.
- (4) No gambling machine token, promotional token or tournament token shall be issued by a casino licence holder or utilised in a casino unless and until the design specifications of the proposed token are submitted to the SABS for certification and approved by the board prior to the manufacture of the token concerned.
- (5) The submission to the SABS and the board shall include a detailed schematic depicting the actual size of the token including its diameter and thickness and, as appropriate, of the following:
  - (a) each face;
  - (b) the edge; and
  - (c) any words, logos, designs, graphics or security measures contained on the tokens.
- (6) No casino licence holder shall issue, use or allow a patron to use in its casino any gambling machine token, promotional token, tournament token or card that it knows, or reasonably believes, is materially different from the sample of that gambling machine token, promotional token, tournament token or card approved by the board.

**Wagering at gambling machines: use of gambling machine tokens, tournament tokens or any other method approved by the board**

- 8.9 All wagering at gambling machines in a casino shall only be conducted with coins, gambling machine tokens or any other methods approved by the board: Provided, however, that currency may be accepted through bill validators or other means approved by the board.

**Redemption of gambling machine tokens**

- 8.10 (1) Except as provided in sub rule (5) below and as may be specifically approved by the board, each casino shall only redeem gambling machine tokens from its patrons.
- (2) Each gambling machine token is evidence of a debt that the issuing casino licence holder owes to the person legally in possession of the gambling machine token, and shall remain the property of the issuing casino licence holder, which shall have the right at any time to demand that any person in possession of the gambling machine token surrender the item upon the casino licence holder exercising its right of redemption in accordance with the provisions of sub rule (3) below.

- (3) Each casino licence holder, upon demand, shall have the right to redeem its gambling machine tokens from any person in possession thereof, who shall surrender the gambling machine tokens upon the casino licence holder presenting the person with an equivalent amount of cash.
- (4) Each casino licence holder shall accept, exchange, use or redeem gambling machine tokens that it has issued and may accept, exchange, or redeem gambling machine tokens, or objects purporting to be gambling machine tokens, that have been issued by any other licensed casino.
- (5) Each casino licence holder shall redeem promptly its own genuine gambling machine tokens presented to it by any other legally operated casino licence holder upon the representation that such gambling machine tokens were received or accepted unknowingly, inadvertently or in error, were unavoidably received in gambling machines through patron play, or mistakenly were redeemed from patrons.
- (6) Each casino licence holder shall submit to the board for approval a system for the exchange of gambling machine tokens with other legally operated casino licence holders:-
  - (a) that are in its possession and that have been issued by any other legally operated casino licence holder; and
  - (b) that it has issued and that are presented to it for redemption by any other legally operated casino licence holder.

**Gambling machine tokens, promotional tokens and tournament tokens: receipt, inventory, security, storage and destruction**

- 8.11
- (1) Each casino licence holder shall inspect all gambling machine tokens, promotional and tournament tokens or any combination thereof, upon receipt from the manufacturer or distributor to ensure, at least, that:
    - (a) the quantity and denomination of gambling machine tokens, promotional tokens and tournament tokens that are actually received from the manufacturer or distributor agrees with the amount of such tokens listed on the invoice; and
    - (b) there are no physical defects in the gambling machine tokens or prize tokens that were so received.
  - (2) The inspection required by sub rule (1) above shall be conducted by at least three people (excluding a representative from the board) which shall consist of at least one representative from each of the following categories:
    - (a) a representative of the accounting or auditing department of the casino licence holder; and
    - (b) a representative of the casino surveillance or security department of the casino licence holder;
  - (3) The board must be notified by the casino licence holder at least one week prior to the pending arrival of tokens contemplated in this rule.
  - (4) Each casino licence holder shall report to the board promptly after an inspection required by above sub rules discloses any discrepancy in the shipment or invoice including, but not limited to, the following:
    - (a) the shipment or invoice contains defective gambling machine tokens, promotional tokens or tournament tokens; or

(b) the quantity and denomination of the gambling machine tokens, promotional tokens or tournament tokens actually received does not agree with the amount listed on the shipping documents or invoice.

- (5) Each casino licence holder shall submit to the board for approval procedures to record and process the receipt, inventory, storage and destruction of gambling machine tokens, promotional tokens or tournament tokens.

**Dice: physical characteristics**

8.12 Each die used in gambling shall conform to the requirements of SABS 1718.

**Dice, receipt, storage, inspection and removal from use**

- 8.13 (1) Immediately upon receipt of dice for use in a casino from the manufacturer or distributor thereof, they shall be inspected by a member of the surveillance department and a member of the casino department to ensure that the seals on each box are intact, unbroken and free from tampering.
- (2) Boxes that do not satisfy the criteria referred to in sub rule (1) shall be inspected immediately to ensure that the dice conform to the board rules and are fully in a condition to assure fair play.
- (3) Boxes satisfying the criteria contemplated in sub rule (2), together with the boxes having unbroken, intact and untampered seals shall then be placed for storage in a locked cabinet in the surveillance department within a primary and secondary storage area.
- (4) Dice that are to be distributed to gambling pits or tables for use in gambling shall be distributed from the primary storage area, the location and physical characteristics of which shall be subject to the approval of the board.
- (5) Secondary storage areas shall be used for storage of surplus dice.
- (6) Dice maintained in secondary storage areas shall not be distributed to gambling pits or tables for use in gambling until such dice have been moved to a primary storage area.
- (7) All secondary storage areas shall be located in secure areas, the location and physical characteristics of which shall be subject to the approval of the board.
- (8) All secondary storage areas shall have two separate locks and the casino surveillance department shall maintain the key to one lock and the casino department shall maintain the key to the other lock: Provided that no person employed by the casino department below the level of Assistant Casino Manager shall have access to the casino department's key.
- (9) Dice stored in the primary storage area shall be secured by a lock, the key to which shall be maintained by the surveillance department.
- (10) Prior to commencement of each day, the surveillance department shall cause to remove the appropriate number of dice for that gambling day from the primary storage area.
- (11) All envelope 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.
- (12) The envelope bags or containers and the method used to seal them shall be designed or constructed so that any tampering shall be evident.
- (13) The envelope bags or containers and seals shall be subject to the approval of the board.
- (14) All dice shall be inspected and distributed to the gambling tables in accordance with the following provisions:



- (a) the casino surveillance operator 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 the Pit Boss;
  - (b) at the time of receipt, a box person at each dice table shall in the presence of the dealer inspect the dice given to him or her with a micrometer, or any other approved instrument which performs the same function, in order to assure that the dice are in a condition to assure fair play and otherwise conform to these Rules;
  - (c) following this inspection the box person shall in the presence of the dealer place the dice in a cup on the table for use in gambling, 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 the pit stand which shall be placed in a locked compartment, the keys to which shall be in the possession of the Pit Boss or Casino Supervisor;
  - (e) no dice taken from the reserve shall be used for actual gambling until or unless inspected in accordance with the provisions of paragraph (b);
  - (f) the casino licence holder shall remove any dice from play at any time on the gambling day if:
    - (i) there is any indication of tampering or other defects that might affect the integrity or fairness of the game; or
    - (ii) the board or an inspector of the board so requests;
  - (g) at the end of each gambling day or at such other times as may be necessary, the Pit Boss or Casino Supervisor identified in sub rule (15) below, shall visually inspect each die for evidence of tampering and such evidence discovered at this time or at any other time shall be immediately reported to the board;
  - (h) the inspection required by this sub rule shall be performed by a Pit Boss other than the one who originally inspected the dice;
  - (i) any dice showing evidence of tampering shall be placed in a sealed envelope bag or container;
  - (j) a label shall be attached to each envelope or container which shall identify the table number, date and time and shall be signed by the box person and Pit Boss, who shall include their names under their signatures;
  - (k) the surveillance person receiving the dice shall sign for the receipt of the dice, writing his or her names under such signature, and shall retain the dice in a safe or vault with in the surveillance department for a period of two months or such longer period as required by the board;
  - (l) all other dice shall be put into envelope bags or containers at the end of each gambling day or at such other times as may be necessary and a label shall be attached to each envelope bag or container which shall identify the table number;
  - (m) the envelope bag or container shall be appropriately sealed and kept in a secure place within the pit until collection at the end of the gambling day by the surveillance department.
- (15) All extra dice in the reserve that are to be destroyed shall be placed in a sealed envelope bag or container and a label shall be attached to each envelope bag or container which

identifies the date and is signed by the Pit Boss, whose names must appear under his or her signature.

- (16) At the end of each gambling day, or at least once each gambling day at the same time each day, as determined by the casino licence holder and approved by the board, and at such other times as may be necessary, a casino surveillance officer shall collect and sign all envelope 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.
- (17) No dice that have been placed in a cup for use in a game shall remain on the table for more than 24 hours.
- (18) At the end of each gambling day, or at least once each gambling day at the same time each day as determined by the casino licence holder and approved by the board, and at such other times as may be necessary a surveillance officer may collect all extra dice in reserve that are still sealed.
- (19) The casino licence holder shall submit to the board for approval, procedures for:
  - (a) a dice inventory system which shall include at least the recording of the following:
    - (i) the balance of dice on hand;
    - (ii) the dice removed from storage;
    - (iii) the dice returned to storage or received from the manufacturer;
    - (iv) the date of the transaction; and
    - (v) the signatures and names of the individuals involved;
  - (b) a reconciliation on a daily basis 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;
  - (c) a physical inventory of all the dice at least once every month, to which the following shall apply -
    - (i) this inventory shall be performed by an individual with no incompatible functions and shall be compared to the balance of the dice on hand required in paragraph (a) above;
    - (ii) any discrepancies shall immediately be reported to the board.
- (20) All destruction and cancellations of dice, other than those retained by the surveillance department required in sub rule (14) (k) above, shall –
  - (a) be completed within 48 hours of collection;
  - (b) occur either by drilling a hole through each die or by incineration;
  - (c) take place in a secure place, the location and physical characteristics of which shall be subject to the approval of the board;
- (21) A magnet shall be kept in a compartment at the pit stand and shall be at all times readily be available for use by the board upon request.
- (22) A licence holder shall not use a storage area, secure place or bag which is subject to the approval of the board in terms of this subrule and which has not been so approved.

**Cards: physical characteristics**

- 8.14 (1) Cards used in gambling shall conform to the requirements of SABS 1718.
- (2) The cards used by the casino licence holder at poker must be visually distinguishable from the cards used by a casino licence holder to play any other table game.
- (3) For each card game the casino licence holder shall be required to have at least six visually distinguishable card back designs.
- (4) A licence holder shall submit to the board for approval card back designs before making them available for play.
- (5) All card back designs shall include a white border around the sides of the card.

**Card receipt, storage, inspection and removal from use**

- 8.15 (1) When decks of cards are received for use in the casino facility from the manufacturer or distributor thereof, they shall be placed for storage in a primary, daily issue or secondary, bulk storage area by at least two individuals, one of whom shall be from the casino department and the other from the casino surveillance department.
- (2) The daily issue or primary storage area shall be located in the casino surveillance department, the location and physical characteristics of which must be approved by the board.
- (3) Secondary bulk storage areas shall be used for storage of surplus cards.
- (4) Cards maintained in the secondary storage area shall not be distributed to gambling pits or tables for use in gambling until the cards have been moved to the primary storage area.
- (5) All secondary bulk storage areas shall be located in secure areas.
- (6) All secondary storage areas shall have two separate locks and the casino surveillance department shall maintain the key to one lock and the casino department shall maintain the key to the other lock: Provided that no person employed by the casino department below the level of Assistant Casino Manager shall have access to the casino department's key.
- (7) Cards stored in the primary storage area shall be secured by a lock, the key to which shall be maintained by the casino's surveillance department.
- (8) 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.
- (9) Each gambling table's gambling cards shall be placed in a sealed envelope bag or container for distribution to the pit stand.
- (10) A set of replacement cards needed for each pit shall also be placed in an envelope bag or container.
- (11) The Pit Boss or Floor Supervisor will examine each package at the table to determine if all decks are present and of the same colour.
- (12) Prior to their use at the table, all decks shall be inspected by the dealer and the inspection shall be verified by an in house inspector in the employ of the licence holder.
- (13) Card inspection at the gambling table shall require each pack to be used to be sorted into sequence and into suit to ensure that all cards are in the deck and the dealer shall also check the back of each card to ensure that it is not scratched or marked in any way.

- (14) (a) If, after checking the cards, the dealer finds that a card is unsuitable for use, a Pit Boss or Casino Supervisor shall bring a substitute card from the replacement set in the pit stand.
  - (b) The unsuitable card shall be placed in a sealed envelope or container, identified by table number, date and time and shall be signed by the dealer and inspector assigned to that table, whose names must appear under their signatures.
  - (c) The Pit Boss or Casino Supervisor shall keep the envelope or container in a secure place within the pit until collection at the end of the gambling day by a casino surveillance officer.
- (15) (a) All envelope bags and containers used to hold or transport cards collected by surveillance shall be transparent.
  - (b) All envelope bags or containers and the method used to seal them shall be designed or constructed so that any tampering will be evident.
  - (c) The envelope bags or containers and seals must be approved by the board prior to the use of that type of bag, container or seal by a licence holder.
- (16) All cards which have been opened and placed on a gambling table shall be changed at least every 24 (twenty four) hours or such longer period as the board may allow: Provided that the board's prior written permission is needed before cards of that type can be used for longer than 24 hours.
- (17) (a) Cards damaged during the course of play shall be replaced by the dealer who shall request a Pit Boss to bring a substitute card from the pit stand.
  - (b) The damaged card shall be placed in a sealed envelope, identified by the table number, date and time and shall be signed by the dealer and the individual who brought the replacement card to the table, whose names must appear under their signatures.
  - (c) The Pit Boss or Casino Supervisor shall keep the envelopes or containers in a secure place within the pit until they are collected by a casino surveillance officer at the end of the gambling day.
- (18) (a) Subject to the provisions of sub rule (17), at the end of each gambling day, at the same time each day, as designated by the casino licence holder and approved by the board, and at such other times as may be necessary, the Pit Boss or Casino Supervisor shall collect all used cards.
  - (b) These cards shall be placed in a sealed envelope bag or container and a label shall be attached to each envelope bag or container which will identify the table number, date and time which shall be signed by the dealer and floor person assigned to the table, whose names must appear under their signatures.
  - (c) The Pit Boss or Casino Supervisor shall maintain the envelope bags or containers in a secure place within the pit until collection at the end of the gambling day by a casino surveillance officer.
- (19) The casino licence holder 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 or an inspector of the board.
- (20) All extra decks 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, whose names must appear under their signatures.

- (21) At the end of each gambling day or, in the alternative at least once each gambling day at the same time each day, as designated by the casino licence holder 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 or containers with damaged cards, cards used during the gambling day, and all extra decks in the replacement set with broken seals and shall return the envelope bags or containers to the casino's surveillance department appending his or her name under his or her signature in every case.
- (22) When the envelope bags or containers of used cards and replacement sets are returned to the casino surveillance department, they shall be inspected for tampering, marks, alterations, missing or additional cards or anything that might indicate unfair play.
- (23)
  - (a) The casino surveillance department shall inspect all the decks used during the day.
  - (b) The casino licence holder shall also inspect all cards which the board or an inspector of the board requests the casino licence holder to remove for the purpose of inspection, any cards the casino licence holder removes for identification of tampering and all cards used for poker.
  - (c) The procedures for inspecting all decks required to be inspected under this sub rule shall at least include the sorting of cards sequentially by suit, the inspection of the packs with ultraviolet 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 paragraph (c) above, each deck of cards shall be destroyed, and may not be re-used for gambling.
  - (e) The casino licence holder shall develop internal control procedures for issuing cards and the returning of unused sealed cards to the storage area.
  - (f) Evidence of tampering, marks, alterations, missing or additional cards or anything that might indicate unfair play discovered at the time of inspection, or at any other time, shall be immediately reported to the board together with a copy of the licence holder's investigation report.
  - (g) Notwithstanding the provisions of paragraph (d), the licence holder shall retain the cards relating to incidents contemplated in paragraph (f) until such time as it is given permission by the board to destroy the cards.
- (24) The casino licence holder shall submit to the board for approval procedures for:
  - (a) a card inventory system which shall include, at least, the recording of the following:
    - (i) the balance of cards on hand;
    - (ii) the cards removed from storage;
    - (iii) the cards returned to storage or received from the manufacturer;
    - (iv) the date of transaction; and
    - (v) the signatures and names of the individuals involved;
  - (b) a reconciliation on a daily basis of the cards distributed, the cards destroyed, the cards returned to the storage area; and

- (c) a physical inventory of the cards at least once every three months which shall comply with the following:
  - (i) the inventory shall be performed by an individual with no incompatible functions and shall be compared to the balance of cards on hand required in paragraph (a)(i) above;
  - (ii) any discrepancies shall immediately be reported to the board.
- (24) The destruction of cards shall be by shredding or such 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.

### **Roulette balls**

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

### **Roulette wheels**

- 8.17
- (1) Roulette wheels used in gambling shall conform to the requirements of SABS 1718.
  - (2) Maintenance of roulette wheels should be meticulously carried out on a monthly basis by trained personnel and shall include at least the following:
    - (a) the cylinders must be removed and the bowl cleaned of fluff and dust by using of a dust air blower;
    - (b) special attention shall be given to the cleaning of the edge of the cylinder and the bowl;
    - (c) the security seals must not be tampered with or broken, and the bowl/cylinder numbers must correspond;
    - (d) the top and bottom bearings must be oiled at the marked points;
    - (e) the top of the spindle must be oiled;
    - (f) when lubricating moving parts of the roulette wheel, the correct oil must be used as specified by the manufacturer of the wheel and the use of grease and similar products must be avoided;
    - (g) built up grease along the ball track must be cleaned with cleaning materials as prescribed by the registered manufacturer;
    - (h) the ball pockets/compartments must be cleaned of dust and dirt by using a dust air blower;
    - (i) when the cylinder is replaced it must run freely and smoothly; and
    - (j) the ball pockets must be measured with the dial calliper gauge device during wheel maintenance and tolerances must be checked.
  - (3) The alignment of the bowl of the roulette wheel must be checked on a daily basis by using a spirit level and resting it across the bowl from rim to rim.
  - (4) The cylinder must be checked on a daily basis and after being replaced during wheel maintenance.
  - (5) When removing, replacing or resetting the wheel, this must be done according to specifications and procedures determined by the registered manufacturer.
  - (6) Any major repairs such as the replacement or adjustment of the spindle or the breaking of the security seals for any reason whatsoever must only be performed by the registered manufacturer.

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- (7) A maintenance log must be kept for each roulette wheel and must be available for inspection by members and inspectors of the board.
  - (8) If the wheel or bowl is found to be faulty, as contemplated in sub rules (1) to (7), the wheel must be removed and repaired before it can be used for gambling purposes.
  - (9) All roulette wheels must be inspected by a registered manufacturer or supplier on a 6 monthly basis during which such manufacturer shall at least:
    - (a) ensure that cleaning and maintenance procedures have been followed as prescribed or set out in these Rules;
    - (b) check all security seals to ensure that they are all intact as originally supplied;
    - (c) check all manufacturing tolerances to ensure that they are in the specified and correct operational condition;
    - (d) fully calibrate the roulette wheel;
    - (e) check the rise and fall of the cylinder to the bowl;
    - (f) check the ball track for signs of wear;
    - (g) check the pocket surfaces and replace if any have been damaged; and
    - (h) check all "hazards" are firm and secure.
  - (10) A special log shall be kept for inspections contemplated in sub rule (9) and this log shall be available for inspection by the board or inspectors of the board at any given time.
  - (11) Any defective devices or equipment must be removed from the gambling floor immediately.
  - (12) During non-operating hours, or while the roulette table is closed, a transparent security plate must be fitted over the bowl and the turret of the roulette wheel to prevent tampering.
  - (13) The plate contemplated in sub rule (12) must be fixed in a manner preventing access to the area covered by the security plate and the sealing and unsealing or locking and unlocking of the seals or locks used for this purpose must be recorded in a log book and verified by a Senior Security Officer and a Pit Boss, for both table opening and closing.
  - (14)
    - (a) The board must be notified prior to the removal of a damaged wheel.
    - (b) The number of the new wheel must be recorded in the maintenance logbook for that table.
    - (c) The new wheel must be properly levelled and tested before play can commence on that table.
  - (15) Spare roulette wheels must be stored in a secure area.

## **RULE 9: SURVEILLANCE SYSTEMS**

### **Application of this Rule**

- 9.1 (1) The provisions of this Rule shall apply to casino licence holders only.
- (2) Notwithstanding the provisions of sub rule (1), the provision of Rule 9.9, 9.10 and 9.11 shall apply *mutatis mutandis* to all licence holders who are required to comply with video surveillance requirements in terms of the Act of the Regulations.

### **Minimum rules**

- 9.2 The board may, in its discretion require a licence holder to comply with surveillance system requirements that are more stringent than those set forth in this Rule.

### **Surveillance systems: general requirements**

- 9.3 (1) (a) Only high-resolution monitors with audio transmitting capabilities shall be used in the surveillance room.
- (b) All controls on the monitors shall be front mounted.
- (c) Each monitor shall have the capability to display any selected view.
- (d) The number of cameras and the intensity of the camera coverage must be considered when determining how many monitors shall be fitted into the surveillance room.
- (e) The surveillance system shall include a minimum of one monitor for every 25 (twenty-five) cameras in the gambling machines area and one monitor for every 15 (fifteen) cameras for the tables area.
- (f) A ratio of one surveillance officer to eight monitors must be maintained during casino operating hours.
- (g) Any cash up, transaction or count area shall be included in the above ratios.
- (2) (a) Cameras shall be fitted in such a way to prevent tampering by patrons and employees.
- (b) Cameras shall be selected and controlled from the surveillance room by means of a variable speed control unit.
- (c) In the case of cameras located on the casino floor and count rooms each camera shall be connected to its own dedicated video recorder: Provided that the board may require other cameras to be connected to dedicated video recorders.
- (d) Cameras of different resolutions shall be used in different conditions and for different purposes in order to provide optimum clarity of that which needs to be recorded.
- (e) High-resolution colour cameras shall be used to cover all table games.
- (f) Each camera shall have the capability of having its picture displayed on a video monitor.
- (3) A video recorder shall have the capability to be selected and controlled from the control unit in the surveillance room.

### **Surveillance systems: count rooms and casino cash desks (cage)**

- 9.4 (1) Every licence holder shall install, maintain, and operate at all times a surveillance system that monitors and records clear unobstructed views of:



- (a) scales in the hard count room and these scales shall also have interface capabilities to the surveillance system;
  - (b) the administration office of the hard count room including the walls, doors, equipment and employees and their movements;
  - (c) the administration office of the hard count room, which shall have a panic alarm which has the capability to be interfaced in to the surveillance system and be recorded.
  - (d) the soft count room, which shall have a dedicated camera on the counting surface and a dedicated camera on the stacked currency;
  - (e) the soft count room note counters and the counters shall have interface capabilities to the surveillance system;
  - (f) the soft count room, which shall have a panic alarm with the capability to be interfaced in to the surveillance system and be recorded;
  - (g) the casino 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;
  - (h) the casino cash desk transaction areas, which shall have a panic alarm with the capability to be interfaced in to the surveillance system and be recorded.
- (2) All transactions within the hard count room, soft count room and casino cash desk (cage), must 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 paperwork.
- (3) The soft count room, administration office of the hard count, and each transaction window in the casino cash desk (cage) shall have audio monitoring capabilities.
- (4) The soft and hard count room tapes (video) must be retained for a minimum of thirty (60) days.

#### **Surveillance systems: gambling machines**

- 9.5
- (1) 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 machine cabinet and a maximum of twelve (12) machines shall be covered by one camera: Provided that this rule is based on the distance that would be covered by 12 standard machines installed next to each other: Provided further that gaps between machines must be taken into account when reviewing the required number of cameras.
  - (2) Notwithstanding the provisions of sub rule (1), where a licence holder makes use of PTZ cameras a maximum of 30 machines may be covered by one camera as long as the views inside the machine cabinets are not obstructed: Provided that a minimum of three (3) cameras shall respond to an illegal door open and one (1) camera to any other legal event.
  - (3) All counting equipment in the gambling machine booths shall have interface capabilities in to the surveillance system.
  - (4) All gambling machines booths shall have panic alarm buttons directly linked to the surveillance system.
  - (5) The casino monitoring system must be interfaced with the gambling machines, coin counters and weigh scales to ensure that all the following error codes, conditions and information are reported on the system:
    - (a) In the case of gambling machines, then gambling machine error codes and conditions;

(b) In the case of coin counters -

- (i) the denomination;
- (ii) the rand value of coins counted;
- (iii) the booth number; and
- (iv) the date and time

(c) In the case of weigh scales -

- (i) the denomination;
- (ii) the value;
- (iii) the weight or mass;
- (iv) the machine number; and
- (v) the date and time.

**Surveillance systems: casino surveillance and or security offices**

- 9.6 (1) The board and its agents and inspectors shall at all times be provided immediate access to the surveillance room and other surveillance areas.
- (2) The inside of the surveillance room including working areas, employees and their movements shall be recorded and the surveillance room shall have audio monitoring capability.

**Surveillance systems: Electronic Monitoring System**

- 9.7 (1) The outside of the control room for the Electronic Monitoring System shall be recorded.
- (2) The board and its agents and inspectors shall at all times be provided immediate access to the Electronic Monitoring System control room.

**Surveillance systems recording requirements**

- 9.8 The procedures used for labelling, storing and record keeping of video recordings must be submitted in writing to the board for approval, one calendar month prior to operation or one calendar month prior to amendment to the existing approved method.

**Surveillance system plans: alterations to surveillance systems**

- 9.9 (1) The surveillance system plan must include the following:
- (a) a casino floor plan that shows the placement of all surveillance equipment;
  - (b) details of the camera view;
  - (c) the identification of the machines and tables covered by the cameras as a narrative;
  - (d) a detailed inventory of the surveillance system which shall include the number of cameras and monitors, specifications of all equipment including cameras and the detailed matrix plan including the procedures covering areas secured by alarms, entrances and exits;
- (2) The surveillance plan in respect to camera installation shall be signed off and approved by the board on completion of the installation of the cameras.
- (3) In respect to all other issues, board approval must be granted prior to installation.

- (4) (a) An applicant for a licence or a licence holder shall submit to the board an amended plan reflecting any alteration of the surveillance system no later than thirty (30) days prior to the proposed alteration.
- (b) The sub rule will also be applicable for temporary or semi-permanent installations.
- (c) A two-day notice period must be given to the board where it is requested to consider the installation of cameras used for the purposes of covert operations.

**Surveillance systems**

- 9.10 Subject to the provisions of Rule 9.6, a single camera may be used to cover limited gambling machines on a site: Provided that the board may determine that more cameras must be used.

## **RULE 10: MONITORING AND CONTROL SYSTEMS (MCS)**

### **General requirements**

- 10.1 (1) The board requires that the gambling machine route operators and casinos implement a computerised on-line central monitoring and control system (MCS) capable of meeting with the board's requirements.
- (2) The monitoring and control system for casinos shall comply with the requirements set out in SABS 1718: Provided that automatic deactivation of the gambling equipment is not mandatory in a licensed casino venue;
- (3) In addition to those set out in SABS 1718, the following logging, searching and reporting of gambling equipment events and capabilities are to be included in the monitoring and control system of a casino:
- (a) cash box door open; and
  - (b) cash box door close;
  - (c) collection of individual device financial data;
  - (d) collection of individual soft meter data at the game level which will include at least -
    - (e) in meter;
    - (f) out meter;
  - (g) coin drop meter to cash box;
  - (h) hand-pay meter;
  - (i) handle pull meter; and
  - (j) bill validator meters reflecting value of notes accepted by denomination;
  - (k) reconciliation of soft meter data against cash box hard count;
  - (l) systems security;
  - (m) the collection of soft meter data of a casino must be performed via a secure link to the machine software;
  - (n) the monitoring and control system of a casino must log of all manual inputs to that monitoring and control system including the person performing and authorising the input; and
  - (o) any other requirements of the board.
- (4) The monitoring and control systems for Route and Site licence holders shall comply with the requirements set out in SABS 1718 : Provided that automatic deactivation of the gambling equipment is mandatory in a limited gambling machine operation operated by such licence holders;
- (5) In addition to those set out in SABS 1718, the following logging, searching and reporting of gambling equipment events and capabilities are to be included in the case of an monitoring and control system relating to limited gambling machine operations:
- (a) cash box door open;
  - (b) cash box door close;

- (c) collection of individual soft meter data at the game level which will include at least:
    - (i) in meter;
    - (ii) out meter;
    - (iii) coin drop meter to cash box;
    - (iv) hand-pay meter;
    - (v) handle pull meter; and
    - (vi) bill validator meters reflecting value of notes accepted by denomination;
  - (d) reconciliation of meter data against cash box hard count;
  - (e) systems security;
  - (f) validation of gambling equipment in the field;
  - (g) the system must at least be able to collect soft meter data via a dial up method;
  - (h) logging of all manual inputs to the system including the person performing and authorising the input.
  - (i) the system must be able to disable or enable a gambling machine;
  - (j) performance reporting as specified from time to time by the board; and
  - (k) any other requirements as required by the board.
- (4) The monitoring and control system must be computer based with sufficient capacity (processing, memory, communication interfaces and hard disk storage) to efficiently monitor, log and control all gambling devices as contemplated in sub rules (2) and (3) for at least 10 days.

### **MCS hardware and software**

- 10.2 (1) The SABS must certify and the board must approve the hardware and software configuration of a monitoring and control system.
- (2) The certification and approval process will evaluate the total configuration for reliability, recovery, auditability, redundancy and security contemplated in SABS 1718.
- (3) Any upgrades or changes to the software systems must be certified by the SABS and approved by the board, prior to upgrade or change taking place.

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

- 10.3 Operational procedures, software, etc. must be in place which, together with the maximum counting abilities 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.

### **Device configuration database**

- 10.4 (1) The board requires a gambling device monitoring system to maintain the following information for each gambling device which it monitors:
- (a) location;
  - (b) device description (e.g. Serial number, manufacturer; board registration number);
  - (c) configuration (i.e. denomination, software version installed, games available, progressive status); and

(d) history of upgrades, movements and re-configurations.

- (2) The monitoring contemplated in sub rule (1) may be done by the monitoring and control system, a separate computer or manual system, or any combination thereof, but , in any case the information must be readily retrievable.

### **Password protection**

- 10.5 (1) The operating system or systems used, as well as the monitoring and control system must provide comprehensive password security.
- (2) All programs and important data files shall only be accessible by entry of a password, which will be known only to authorised personnel.
- (3) The board requires that storage of passwords and personal identification numbers (PINs) be in an encrypted form.
- (4) A program must be available that will list all registered users on the system, including their privilege level on both the operating system and monitoring and control system.

### **Access by the board**

- 10.6 (1) The board shall be able to access the monitoring and control system at any time using either the electronic link to the board, or from a facility on the operator's site.
- (2) The monitoring and control system is to provide comprehensive search mechanisms for the purpose of examination of events and statistical data which must cater for a variety of "keys" for the search including date, time, event number, machine/terminal number, etc., and combinations thereof.
- (3) The board must be able to log onto the computer and monitoring and control system to execute external audit and interrogation programs.
- (4) The password that an officer or inspector of the board uses must give him or her READ ONLY access to all data: Provided that there should be sufficient space available to enable the officer or inspector of the board to save a report comprising the read only information.

### **User interface, documentation and reporting**

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

### **Link to Board's computing facilities**

- 10.8 (1) The monitoring and control system operator is to provide and maintain, at its cost, such electronic access or link to its central computing facilities as the board may require from time to time.

- (2) The electronic link must include all necessary equipment (i.e. lightning protection, computer terminals, Telkom lines, NTU's, routers, modems, etc.)
- (3) The monitoring and control system operator must supply the board with the necessary software electronic links and relevant training to enable the board to link to and log on to the operator's monitoring and control system.
- (4) This link shall allow either logging onto the operator's monitoring and control system interactively or downloading data at a frequency as specified by the board.
- (5) The monitoring and control system operator must provide communications and systems security to the satisfaction of the board.

**Facilities for inspectors**

- 10.9 Facilities within the monitoring and control system to be provided for the board's inspectors shall include at least the following:
- (a) the ability to determine operational software version levels and record operational hardware;
  - (b) the ability to verify that gambling machines and other devices and equipment are on-line;
  - (c) facilities to support an inspector working in the field; and
  - (d) the ability to perform signature checks (limited gambling machines only)

## **RULE 11: GENERAL PROVISIONS**

### **Employee Registration**

- 11.1 (a) Subject to section 65 of the Act, a licensee, shall not employ anybody until such time as the prospective employee has applied for and been granted a certificate of approval by the Board.
- (b) A licensee shall, within 14 (fourteen) days of termination of the employment of an employee, notify the Board in writing of such termination and the reasons therefore.
- (c) A licensee shall also, within 14 (fourteen) days of promotion or change of title of any employee, notify the Board in writing of such promotion or change of title.

### **Registration of suppliers**

- 11.2. (1) The following categories of suppliers of goods or services shall be required to apply for a certificate of suitability from the Board:

(a) gaming related; including any applied financial software linked to the central monitoring system (CMS);

(b) consistent suppliers of goods or services to the premises of the licensee other than gaming category, the value of which is R200 000-00 or more per annum;

(c) non-consistent suppliers to the premises of licensee, the value of which is R200 000-00 or more per annum.

11.2.2 The certificate shall only be granted upon payment of the prescribed fee.

11.2.3 It shall be the responsibility of the licensee to ensure that its qualifying suppliers comply with Rule 11.2.1.

11.2.4 Any supplier other than suppliers of gaming goods or services may apply for exemption from the provisions of Rule 11.2. The Chief Executive Officer may, if satisfied of the merits of the application or any further additional oral evidence, grant such exemption on such conditions as he considers appropriate.



## SECONDARY SUPPLIERS

**'Secondary suppliers'** means a supplier of a primary supplier within the premises of the licensee.

**'Primary supplier'** means a supplier of goods or services to patrons, punters or visitors of the casino, within the premises of the licensee.

11.2.5 All secondary suppliers are exempt from obtaining a certificate of suitability, except those that have a 20% equity in the business of the primary supplier.

### Discretion

11.2.6 The Chief Executive Officer shall have discretion to determine whether a supply of services or goods is gambling related or is a consistent supplier, non-consistent supplier or primary supplier.

### Tenders

11.2.7 A licensee shall include the provisions of this Rule in all invitations for tenders.

### Exemptions

11.2.8 All the state utilities, banking institutions and insurance companies are exempt from the provisions of this Rule.

### Duty to inform

11.2.9 A licensee shall inform the Chief Executive Officer of any contractual undertaking or undertakings exceeding R200 000-00.

## RULE 12: BINGO RULES

### Definitions

- 12.1 In this Rule, words and phrases shall have the meaning accorded to them in the Act, Regulations and these Rules and, unless the context otherwise indicates –
- “bingo centre”** means the licensed premises on which the game of bingo is conducted in terms of a bingo licence;
- “bingo licence holder”** means the holder of a bingo 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 the licensed premises and **“operator”** and **“bingo licence holder”** shall have a corresponding meaning;
- “card”** means a bingo card;
- “central bingo centre”** means a bingo centre at which number selection takes place during a simultaneous game;
- “draw”** means selection of a number to be marked off by players during a game of bingo;
- “game”** means the game of bingo;
- “linked bingo centre”** means a bingo centre linked to the central bingo centre during a simultaneous game;
- “player”** means any person who has bought a card with the intention of participating in a game of bingo;
- “simultaneous game”** means a game of bingo played at more than one bingo centre at the same time.

### Application of rules

- 12.2 These Rules shall be applicable to all bingo licence holders, applicants for bingo licences and casino licence holders who have been authorised by the board to conduct the game of bingo.

### Requirements for bingo centres

- 12.3 (1) Every bingo centre shall contain the following equipment: -
- (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 be clearly visible to all players;
  - (c) a public address system which shall relay all instructions and information from the control desk in relation to the conduct of the game and shall be clearly audible to all players;
  - (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) the face value of the card being played;
    - (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 number 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 respect of the game currently being played;
- (e) a closed circuit television system, of which at least one of the monitors 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, with physical characteristics approved by the board, in which a 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 until removed to the Treasury;
  - (iii) any other equipment needed by the cashier to perform his functions; and
  - (iv) any other items which the board may require from time to time;
- (g) a computer system, approved by the board, which shall be used to record and store the game records, required in terms of Rule 12.4.

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

- 12.4 (1) A bingo licence holder shall not use any random number selecting device unless such a device has been certified by the SABS 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 is 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 equal the eligible game numbers on the tickets and the numbers reflected on the balls shall be the same numbers reflected on the game tickets, the lowest of which shall be number one and the highest of which shall be equal to the highest number 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 so as 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 at least on completion of 1000 games or on completion of such other number of games as may be 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 is not in perfect condition in respect of its colour, numbering, weight, size, roundness 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 for a period of at least three months on the licensed premises.

- (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.

### **Approval of floor plan**

- 12.5 (1) Every applicant for a bingo licence shall submit to the board for approval a detailed scale floor plan 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 12.3.
- (2) If a licence holder intends effecting any change to the floor plan as approved by the board, such licence holder shall apply to the board, in writing, for approval of such changes.
- (3) The application contemplated in sub rule (2) shall be accompanied by a revised floor plan, which shall incorporate the proposed changes.
- (4) No change to a floor plan may be made by a licence holder without the prior approval of the board.

### **Requirements for bingo cards**

- 12.6 (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 other device as may be approved by the board.
- (2) All bingo cards shall be manufactured in sets of at least 6000 cards.
- (3) No two bingo cards in a set shall be identical to one another with regard to -
- (a) their unique serial numbers; or
  - (b) the numbers to be marked off by players.
- (4) The following shall be printed on each bingo card:
- (a) the price of the card;
  - (b) the numbers to be marked off by the players;
  - (c) the set to which the card belongs;
  - (d) its unique serial number within the set;
  - (e) the number of cards making up the set;
  - (f) a design, logo or the name of the bingo centre at which the card is sold;
  - (g) different types of prize winning combinations and the proportionate share of each prize;
  - (h) the applicable gambling tax; and
  - (i) the requirement that the rules of the game will be made available on request by the holder of that card.
- (5) Every bingo card shall be valid for one game only.
- (6) All bingo cards shall be manufactured in a material allowing them to be marked by the players.

**Sale of bingo cards**

- 12.7 (1) Bingo cards may only be sold in the bingo centre where the game for which such cards are sold, is to be conducted.
- (2) All cards shall be issued consecutively according to their serial number within each of the sets.
- (3) The sale of cards in each game shall begin with number one of a particular set, or the number following the number of the last card sold in a previous game, as the case may be.
- (4) If the number of cards in the set being sold is insufficient to satisfy the demand of the players, cards of a second set may be sold for the same game, subject to the following requirements:
- (a) the second set to be sold shall have the same selling price per card as the first;
  - (b) the sale of the second set shall commence with the next consecutive number of such set; and
  - (c) the cards of the second set shall be sold up to the serial number immediately preceding the serial number of the first card sold in the first set, to ensure that no two cards identical to one another in the numbers to be marked off by the players, may be sold or used in the same game of bingo.

**Retention and destruction of bingo cards**

- 12.8 The following cards shall be dealt with in the manner described below:
- (a) all prize winning cards shall be attached to the record of the relevant game and kept for a period of three months;
  - (b) any card which may constitute evidence of an offence or any contravention of the Act, Regulations or Rules shall be retained and submitted to the board on request and shall not be destroyed until the board has approved, in writing, the destruction thereof;
  - (c) any card which forms the subject of a dispute or which may lead to the resolution of a dispute, shall be retained and submitted to the board on request thereof and shall only be destroyed with the prior written approval of the board; and
  - (d) any damaged or void card shall be kept for a period of three months.

**Receipt, storage and use of bingo cards**

- 12.9 (1) Bingo cards shall be packaged and supplied to operators in such a manner that no more than two sets are packaged together and sealed before the opening of the packaging by the bingo licence holder, in order to prevent any tampering with the cards.
- (2) All bingo cards received by the licence holder from the manufacturer or supplier thereof, shall be checked by the centre manager or other designated key employee, immediately after receipt, 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 and whose packaging is intact and the seals free from tampering, shall be stored in a locked storage area, the location and physical characteristics of which must be approved by the board.

- (5) Bingo cards referred to in sub rule (4) shall not be removed from their packaging as contemplated in sub rule (2), except in order to be sold to players.
- (6) The operator shall submit to the board, for approval, procedures for:
  - (i) the control of access to all bingo cards;
  - (ii) removal of bingo cards from the locked storage area;
  - (iii) return of unused cards to the locked storage area;
  - (iv) daily reconciliation of the bingo cards received, sold and returned to the storage area;
  - (v) monthly reconciliation and inventory of all bingo cards;
  - (vi) a disaster recovery plan in the event of any of the bingo cards being stolen or lost; and
  - (vii) control of all keys of the bingo centre.

### **Type and format of bingo to be approved**

- 12.10
- (1) Every applicant for a bingo licence and any casino licence holder which wishes to present the game of bingo 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 or at a specific bingo centre or casino, shall be conducted in or at such bingo centre or casino.
  - (3) The holder of a bingo licence or casino licence shall apply to the board in writing, before effecting any change to the type and format of bingo conducted in its bingo centre or casino, including the types of prizes and jackpots and the manner in which it may be won.
  - (4) No amendment contemplated in sub rule (3) shall be implemented until the board has approved it.

### **Conducting the game of bingo**

- 12.11
- (1) Every session or game of bingo shall start with the sale of cards or tickets for that particular session or game.
  - (2) The game of bingo shall be conducted in the following manner:
    - (a) Before the commencement of the sale of cards for the first game of each day, the desk or duty manager shall inspect all equipment mentioned in Rule 12.3 in order to verify that it is in proper working condition.
    - (b) The sets (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 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 number selection.
- (d) Numbers must be successively selected, using the random number selection device.
- (e) Every number selected shall be announced through or by means of 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 or panels.
- (f) The first player or players to complete the combination necessary for a prize on that player's card and, where applicable, within the required number of draws, shall be entitled to the applicable prize, if that player 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, who shall check the card in order to verify whether the claim is legitimate.
- (h) If the check reveals that the relevant prize has been won, this shall be announced through or by means of the public address system and displayed on monitors and if the prize has not been won, the game will continue until all available prizes have been won.
- (i) Once the existence of a prize winning card has been verified and announced or displayed, the caller shall enquire from the players whether there are any other winning cards, allowing a reasonable time before ordering the game to be resumed or declaring it to have ended, as the case may be.
- (j) Once the caller has declared the game to have ended all rights to claim any prize in respect of said game, shall be lost.
- (k) 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 before the commencement of the next game.

### **Suspension of game and refunds**

- 12.12 (1) If, during the course of a game, and before commencement of number selection, any malfunction occurs in any of the equipment required in terms of Rule 12.3 or any other incident occurs which prevents the continuation of the game, the game shall be provisionally suspended and if the problem which has arisen cannot be resolved within a reasonable period of time –
- (a) the game shall be abandoned;
  - (b) each player shall be refunded the full amount paid for each card purchased for that particular game; and
  - (c) each card sold for that particular game, shall be returned to the licence holder.
- (2) If a malfunction of any of the equipment required in terms of in Rule 12.3 or any other incident occurs which prevents the continuation of the game, after commencement of number selection, the game shall be provisionally suspended and if the problem which has arisen cannot be resolved within a reasonable period of time -
- (a) the game shall be abandoned;
  - (b) each player shall be refunded the full amount paid for each card purchased for that particular game less the pro-rata share of prizes paid; and

- (c) each card sold for that particular game shall be returned to the licence holder: Provided that any prize which has been claimed and verified, before such malfunction or incident, shall be paid out to the winner.
- (3) If any malfunction or incident, referred to in sub rules (1) or (2) occurs, the centre or duty manager shall read the relevant sub rule to the players before proceeding with any further steps.
- (4) The withdrawal of a player during the course of a game shall not entitle such player to a refund of the purchase price or any part thereof for the cards bought by such player: Provided that a player may transfer his cards to any other player if he so wishes.
- (5) If an error occurs in the announcement of any of the numbers selected, such error shall be corrected immediately, a note shall be made in the game record and the game shall continue.

### Prizes

- 12.13 (1) No prize, other than money or such other prizes as may be approved by the board, may be offered to any player in respect of the game of bingo.
- (2) All monetary prizes shall be paid to the winners thereof in cash, unless one of the following occurs:
- (a) the winner requests or consents to the prize being given by cheque; or
  - (b) the amount of the prize is more than R1000.00, in which case a cheque, which shall not be post dated, may be issued to the winner.

### Game records

- 12.14 (1) Each operator shall have a computer system, approved by the board and linked to the control desk, on which shall be recorded, simultaneously with the playing of each game, all information relevant to each game of bingo, including, but not limited to, the following:
- (a) the date;
  - (b) the series and serial number of the first card sold;
  - (c) the series and serial number of the last card sold;
  - (d) the total number of cards sold;
  - (e) details of unsold or damaged cards;
  - (f) the amount of the face-value of the cards;
  - (g) the amount accumulated in the jackpot, if any, after the sale of the cards;
  - (h) the time of commencement of number selection;
  - (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 number 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 not be capable of being changed after being recorded and such information shall only be accessible to the board, including inspectors, authorised staff members of the bingo licence holder or its franchiser, the casino licence holder and the auditors of the operator, franchiser or casino licence holder.
- (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.
- (4) In the event of a malfunction of the electronic recording device, such device shall be repaired or replaced within 24 hours of such malfunction occurring or such longer period as may be approved by the board.

### **Inspection and complaints book**

- 12.15
- (1) Every operator shall have an inspection and complaints book, with numbered pages, in which shall be recorded any complaint by any player.
  - (2) All complaints by players shall be written in the complaints book and shall be signed by the complainant as well as the centre manager, whose names must appear under their signatures.
  - (3) The complaints book shall detail at least the following:
    - (a) the name and address of the complainant;
    - (b) the date and time of complaint;
    - (c) the nature of complaint; and
    - (d) the measures or steps taken to resolve the complaint.

### **Simultaneous games**

- 12.16
- (1) The game of bingo may be played simultaneously at the bingo centres of more than one bingo licence holder, subject to the provisions contained in these Rules in general and this part specifically.
  - (2) Unless the context indicates otherwise, the rules as contained in Rules 12.1 to 12.15 shall apply *mutatis mutandis* to a simultaneous game: Provided that in the event of a conflict between the other Rules, including Rules 12.1 to 12.15, and Rules 12.16 to 12.19, the provisions of Rules 12.16 to 12.19 shall prevail in respect of a simultaneous game to the extent that the conflict exists.
  - (3) Simultaneous bingo shall be conducted at the bingo centre of a bingo licence holder, to which other bingo licence holders shall be linked, in order that all significant events of the game be communicated to all participating players, simultaneously with the events taking place.
  - (4) The maximum number of simultaneous games allowed to be played in one day, shall be five or such other number as may be approved by the board.

### **Equipment required for simultaneous bingo**

- 12.17
- (1) The equipment required in terms of Rule 12.3, to be contained in a bingo centre, may be used when conducting a simultaneous game.
  - (2) In addition to the equipment required in terms of Rule 12.3, the following equipment shall be contained in the bingo centres in which simultaneous games are conducted:

- (a) the central bingo centre shall have a random number selecting device, which shall comply with the provisions of Rule 12.4;
- (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 a visual or audio signal for distribution to the linked bingo centres which system must be approved by the board prior to the use thereof in any simultaneous game;
  - (ii) all the draws of each game shall be recorded on 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 transmit a visual or audio signal by means of a direct link to each linked bingo centre, in order to ensure that each draw made is displayed to or announced to the players in each linked bingo centre, simultaneously with the draw being made in the central bingo centre; and
- (c) if 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, simultaneously with the selection thereof.

(3) (a) The central bingo centre:

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

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

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

- 12.18 (1) A simultaneous game of bingo shall start with commencement of number selection.
- (2) The central bingo centre shall determine the types of prizes available, the type of bingo to be played and the starting times of each game.
  - (3) The sale of cards for a simultaneous game may start no earlier than four hours before the scheduled start of the simultaneous game and shall cease no later than 5 minutes before such scheduled start or such shorter period as may be approved by the board.
  - (4) All bingo cards to be used in simultaneous games shall have serial numbers which shall be different to any of the serial numbers used in ordinary bingo and shall be clearly distinguishable as bingo cards for the purpose for a simultaneous game.
  - (5) Before commencement of the sale of cards, each linked bingo centre shall obtain permission for such sale from the central bingo centre, which permission shall only be granted after it has been established by the central bingo centre that no two identical cards will be sold to any two players who will participate in a simultaneous game.

- (6) Bingo cards for simultaneous games may be sold in the rest periods between ordinary games of bingo.
- (7) No later than 5 minutes before the start of a simultaneous game or such shorter period as may be approved by the board, 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 send the information to the central bingo centre via the central distribution network.
- (8) The information received from the linked bingo centres shall be processed at the central bingo centre, whereafter the information to be displayed on the information panels in the linked bingo centres, shall be sent to the linked bingo centres from the central bingo centre.
- (9) The commencement of the game shall be announced, followed by the random number selection.
- (10) All prizes shall be paid out at the linked bingo centre where that prize has been won, at the end of every simultaneous game.

### **Refund**

- 12.19
- (1) In the event of a malfunction of the central distribution network or the link between linked bingo centres after commencement of the game, the full purchase price of all tickets sold at all the bingo centres where such malfunctions occur, shall be paid back to every player.
  - (2) Notwithstanding the provisions of sub rule (1), the game shall continue in the linked bingo centres where no malfunction of the central distribution network has occurred and the prizes available to the players shall remain the same as those announced at the beginning of the game.

### **Organisational structure**

- 12.20
- (1) All bingo licence holders 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 licence holder's organisational structure and system of internal controls shall include, at least, 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 licence holder or, in the absence of an audit committee, an independent member of the board of directors of the bingo licence, which department shall be responsible for, without limitation, the following:
      - (i) the review and evaluation of the adequacy of the operator's internal controls;

- (ii) monitoring the operator's compliance with the minimum internal control standards provided for in the Act, Regulations and these Rules;
- (iii) reporting to the board of directors of the bingo licence holder or the audit committee thereof, the executive management of the bingo licence holder and the board of instances of non-compliance with the minimum internal control standards provided for in the Act, Regulations and these Rules;
- (iv) reporting to the board of directors of the bingo licence holder or the audit committee thereof, executive management of the bingo licence holder and the board, of any material weaknesses in the system of internal control; and
- (v) recommending to the management of the bingo licence holder procedures to eliminate any material weakness in the system of internal control holder:

Provided that unless a company has more than one bingo licence, it is not required to have multiple internal audit departments;

- (b) an electronic data processing department, supervised by a person referred to herein as the EDP department manager, which department shall be responsible for the quality, reliability and accuracy of all computer systems used by the bingo licence holder 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;
  - (iii) computer hardware, communications equipment and software used in the conduct of all bingo operations; and
  - (iv) adequate backup and recovery procedures.
- (c) a security department, supervised by a person referred to herein as the security manager, which department shall be responsible for the overall security of the establishment, including, without limitation, the following:
  - (i) enforcement of the law;
  - (ii) the physical safety of patrons in the establishment;
  - (iii) the physical safety of personnel employed by the establishment;
  - (iv) the protection of patrons and the establishment's property from any illegal activity;
  - (v) the identification and removal of any person who is required to be excluded or who may be excluded or rejected or of any person who is prohibited from entering a bingo centre; and
  - (vi) all other functions assigned to it by the bingo licence holder and approved by the board
- (d) a bingo operations department, supervised by a person referred to herein as the centre manager, which shall be responsible for the operation of the game of bingo, including the cash desk and whose staff members shall include, at least, the persons referred to in Rule 12.21(4); and

- (e) a bingo accounting department, which shall be independent of the Bingo operations department, supervised by a person referred to herein as the bingo accounts manager, which shall be responsible, without limitation, for the following:
  - (i) daily verification of the reconciliation by the cash desk, in accordance with the reconciliation procedures approved by the board;
  - (ii) the control over unsold bingo cards as well as money at hand;
  - (iii) control over security stationery;
  - (iv) the day to day accounting functions with regard to the operation of the bingo operations department, including the cash desk; and
  - (v) the monthly audit of the cash desk by a member of the bingo accounts department, after which all variances must be reported to the head of the bingo accounts department;
  - (vi) 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.
- (3) In the case of a casino having authority to conduct the game of bingo, such casino shall have a separate department contemplated in paragraph (d) of sub rule (2) while the functions of the departments contemplated in paragraphs (a),(b),(c) and (e) of sub rule (2) shall be performed by the relevant department in the casino which performs those functions.

### **Jobs compendium submission**

- 12.21 (1) (a) Each bingo licence holder and applicant for a bingo licence holder licence shall prepare and maintain a jobs compendium, consistent with the requirements of this chapter, detailing job descriptions and competencies and lines of authority for all positions in the operation of the bingo centre.
- (b) Unless otherwise directed by the board, a jobs compendium shall be submitted to the board for approval at least 60 days prior to the projected date of commencing operations.
- (2) (a) The board shall review each job compendium and shall determine whether the job descriptions and tables of organisation contained therein conform to the licensing or registration and chain-of-command requirements of the Act, Regulations and Rules.
- (b) If the board finds any insufficiencies, it shall specify the same in writing to the bingo licence holder or licence applicant, who shall make the appropriate alterations.
- (c) When the board determines a submission to be adequate with respect to licensing or registration and chain-of-command, it shall notify the bingo licence holder licence applicant accordingly.
- (d) No bingo licence holder shall commence gambling operations unless and until its jobs compendium is approved by the board.
- (3) A jobs compendium shall include the following sections:
- (a) an alphabetical table of contents listing the position, title and job code for each job description included in paragraph (c) below and the page number on which the corresponding job description may be found;

- (b) an organogramme for each department and division illustrating, by position and title, direct and indirect lines of authority within the department or division and each page of the organogramme shall specify the following:
  - (i) the date of its submission;
  - (ii) the date of the previously submitted organogramme which it supersedes; and
  - (iii) a unique title or other identifying designation for that organogramme;
- (c) a description of each employee position which accurately corresponds to the position title as listed in the organogramme and as listed in the table of contents and each position description shall be listed on a separate page, organised by departments or divisions, and shall include, at least, the following:
  - (i) position title and corresponding department;
  - (ii) duties and responsibilities;
  - (iii) detailed descriptions of experience or educational requirements;
  - (iv) access to secured or sensitive areas and keys to such areas;
  - (v) the date of submission of each employee position job description and the date of any prior job description it supersedes; and
  - (vi) the date of submission and page number of each table of organisation on which the employees position title is included.
- (4) The following types or classes of occupation shall be included in the bingo operations department, and shall be bingo occupations, for which registration of key persons or gambling employees will be required:
  - (a) the desk or 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, the complaints book and the checking of prize winning;
  - (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 desk or 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 sellers, who shall collect bingo cards from the cashier, sell them to the players, and deliver the purchase price to the cashier;
  - (e) any other type or class of job determined by the board to be a bingo occupation.
- (5) Any proposed amendment to a previously approved jobs compendium shall be submitted to and approved by the board before such amendment is implemented by the bingo licence holder.
- (6) Unless otherwise directed by the board, any amendment required to be pre-approved in terms of this rule shall be submitted to the board at least 60 days prior to the proposed effective date of the amendment.

- (7) Notwithstanding any other requirement of this rule, each bingo licence holder shall submit a complete and up-to-date jobs compendium to the board 24 months after issuing of its licence and every 24 months thereafter, unless otherwise directed by the board.
- (8) The provisions of sub rule (4) shall apply mutatis mutandis to a casino with a bingo department and such department shall be included in such casino licence holder's jobs compendium.

**Cash desk procedure**

- 12.22
- (1) Procedures for the reconciliation of bingo card floats and money by the cash desk shall be submitted to the board for approval, prior to implementation of such procedures.
  - (2) Any amendment to the approved procedures shall be submitted to the board for approval, prior to implementation of such amendment.

**Internal audit**

- 12.23
- (1) In addition to the responsibilities provided for in Rule 12.20(2), but subject to the reporting requirements contained in the said rule, the internal audit department shall conduct a full audit of the bingo operations of every bingo hall, at least once every three months.
  - (2) The results of every audit shall be reported to the audit committee of the board of directors of the licence holder or, in the absence of an audit committee, an independent member of the board of directors of the licence holder and copies of these reports shall be submitted to the board.
  - (3) Every Bingo licence holder shall submit an internal audit programme to the board for approval.