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## GENERAL NOTICE

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### NOTICE 1974 OF 2004

### Department of Trade and Industry

## NATIONAL GAMBLING REGULATIONS

### Draft

In terms of Item 8 of the Schedule to the National Gambling Act, Act 7 of 2004, the Minister of Trade and Industry, hereby publishes the following proposed regulations, to be made in terms of section 87 of the Act, for public information and comment.

Any person may comment on the proposed regulations in writing no later than :  
28 October 2004 to:-

The Director: Legal Support  
Consumer and Corporate Regulation Division  
Department of Trade and Industry  
Private Bag X84  
Pretoria  
0001

FOR ATTENTION: Mr. Nithyan Rama

## **PROPOSED REGULATIONS**

### **Chapter 1**

#### **Definitions**

1. In these regulations,
  - (a) any expression defined in the Act has the meaning assigned to it in that Act;
  - (b) a reference to a section or sub-section by number refers to the corresponding section of the Act;
  - (c) a reference to a regulation or sub-regulation by number refers to the corresponding item of these Regulations;

### **Chapter 2**

#### **Prohibited gambling, restricted activities and status of gambling debt**

##### **Exempted machines and devices**

2. (1) Playing cards and dice are exempted from the application of sections 9(1)(a) and (b).
- (2) All categories of gambling machine or device are exempted from the application of section 9(1)(b) with the exception of:
  - (a) gambling machine cabinets;
  - (b) tables manufactured for the purpose of gambling games or are capable in all material respects of being used in the conduct of such games;
  - (c) roulette wheels;
  - (d) bingo drawing devices, and
  - (e) card shufflers.
- (3) The following gambling machines or devices are exempt from the application of Part D of Chapter 2 of the Act:
  - (a) A gambling machine or device that-
    - (i) is located upon a cruise ship visiting the Republic;
    - (ii) has been seized in the Republic as a result of alleged criminal activity, and is in the possession of the South African Police Service, or any provincial licensing authority;
    - (iii) is in transit through the Republic for the sole purpose of delivery to another country;
    - (iv) has been submitted to a licensed testing agent solely for testing for compliance with foreign standards;
    - (v) has been manufactured within the Republic solely for export; or
    - (vi) is located within the Republic solely for temporary exhibition; and

- (b) Any other gambling machine or device, except a machine a machine or device of a category listed in sub-regulation 2 (2).
- (4) Where the standard applicable to a gambling device is amended or substituted, any type, variation or model of gambling device certified as complying to the former standard may be exposed for play for a maximum of three years after such substitution or amendment and, if it is to continue to be exposed for play after such period, must be certified against the amended or substituting standard

### **Excluded persons**

- 3. (1) The national register of excluded persons contemplated in section 14(7) shall contain at least the following information in respect of each excluded person:
  - (a) full registered names, including other names used and or known by;
  - (b) date of birth;
  - (c) identity number or passport number;
  - (d) residential address;
  - (e) telephone and cellular numbers, as applicable;
  - (f) e-mail address, if applicable;
  - (g) gender;
  - (h) height;
  - (i) weight;
  - (j) hair colour;
  - (k) eye colour, and
  - (l) visible distinguishing marks.
- (2) A notice to be submitted to the Board by a person wishing to register as an excluded person shall be in the prescribed form and shall, at a minimum contain a passport size colour photograph of that person, and that person's particulars as listed in sub-regulation 1.
- (3) A notice to cancel registration as an excluded person contemplated in section 14(2) shall be in the prescribed form and shall contain at least the excluded person's –
  - (a) name or names under which the exclusion is registered;
  - (b) date of birth and or identity number, and
  - (c) registration exclusion number assigned to such person by the Board.
- (4) Within seven days after receiving a notice contemplated in sub-regulation (2) or (3), the Board shall transmit a copy of the notice to all affected licence holders.
- (5) Within seven days after receiving a copy of the notice referred to in sub-regulation (4), each relevant licence holder shall forward written confirmation of receipt thereof to the Board.

- (6) A notice contemplated in sub-regulation (2) or (3) shall take effect upon the date of written confirmation of receipt contemplated in sub-regulation (5).
- (7) The measures to be taken by a licence holder in terms of section 14(11)(a) to determine whether a person is an excluded person, shall, at a minimum, be:
  - (a) to place at each entrance to any designated area, a member of staff or a device approved by the relevant licencing authority manned by a member of staff, at a location determined by the licence holder, whose duty shall be to monitor and control the entry of persons into the designated area; and
  - (b) to provide the member of staff contemplated in sub-paragraph (a) with sufficient prior access to the information contained in the database maintained by the Board to enable reasonable identification of excluded persons.
- (8) An exclusion, other than an exclusion ordered by a court, shall not be canceled until-
  - (a) a period of at least twelve months has elapsed from the date of that exclusion, and
  - (b) the excluded person provides reasonable evidence of having attended suitable rehabilitation programmes to address the problem that led to the exclusion.

#### **Advertisements**

4. (1) Advertising in respect of gambling must not:
  - (a) contain any lewd or indecent language, images or actions;
  - (b) portray excessive play;
  - (c) imply or portray any illegal activity;
  - (d) present any game, directly or indirectly, as a potential means of relieving financial or personal difficulties;
  - (e) exhort gambling as a means of recovering past gambling or other financial losses;
  - (f) contain claims or representations that persons who gamble are guaranteed personal, financial or social success;
  - (g) represent or imply that:
    - (i) gambling is an alternative to employment or a means of acquiring financial security;
    - (ii) winning is the probable outcome of gambling;
    - (iii) gambling involves skill;
    - (iv) gambling play is a form of investment;
    - (v) the more or longer one gambles, the greater the chances of winning; or
    - (vi) that gambling may make the players dreams a reality;

- (h) portray or contain persons or characters engaged in gambling who are, or appear to be, under the age of eighteen years;
  - (i) be placed:
    - (i) in media primarily directed at persons under the age of eighteen years;
    - (ii) at venues where the majority of the audience may reasonably be expected to be under the age of eighteen years; or
    - (iii) on outdoor displays directed at schools, youth centres, technikons or university campuses.
- (2) Each advertisement of a gambling device, gambling activity or licensed premises at which gambling activities are available, must -
- (a) include a statement warning against the dangers of addictive and compulsive gambling, which shall -
    - (i) in respect of any printed advertisement, be in a font of at least the same size as the font used for the body of the advertisement and shall incorporate, at a minimum:
      - (aa) the name, and toll-free number of the National Responsible Gambling Programme;
      - (bb) a reference to the fact that only persons of the age of eighteen years or older may lawfully participate in gambling;
      - (cc) one of the slogans contemplated in sub-regulation (4): Provided that a licensee shall rotate the slogan used in newspaper advertisements on a quarterly basis or as more frequently as the relevant provincial licensing authority may require; and
      - (dd) a slogan that the licensee is licensed;
    - (ii) in respect of any video or television advertisement-
      - (aa) incorporate at a minimum the information contemplated in sub-paragraph (i); and
      - (bb) be published in visual format so that each slogan appears in a legible and noticeable format for at least three seconds;
    - (iii) in respect of any radio advertisement or voice message on a telephone sent to the public -
      - (aa) incorporate at a minimum the information contemplated in sub-sub-paragraph (i)(bb);
      - (bb) and a slogan contemplated in sub-sub-paragraph (i) (cc); and
      - (cc) be in a clearly audible format;

- (iv) in respect of any hold message on the telephone system of a licensee-
    - (aa) incorporate at a minimum the information contained in sub-sub-paragraphs (i) (aa), (i) (bb) and (i) (cc);
    - (bb) be broadcast at least once every 3 minutes; and
    - (cc) be in a clearly audible format;
  - (v) in respect of any text message service on a cellular telephone or similar device utilized predominantly for voice communication incorporate at a minimum the slogan contemplated in sub-sub-paragraph (i)(cc) or the words "NRGP 0800006008";
  - (vi) in the case of advertisements appearing on billboards, web pages or multi-page pamphlets, contain at a minimum the information contemplated in sub-paragraph (i), which shall be displayed on at least ten percent of the surface of the billboard, the home page of the web page or the front page of a multi-page pamphlet; and
- (b) contain such other information as may be required in terms of applicable provincial legislation.
- (3) The provisions of sub-regulation (2) shall not apply in respect of any advertisement of-
- (a) gambling devices placed in trade publications targeted at the licensed gambling industry; or
  - (b) facilities or amenities located or offered in or on licensed premises, but which are unrelated to a gambling activity.
- (4) The slogans contemplated in sub-regulation (2)(a)(i)(cc) which a licensee must use are the following-
- (a) "Chasing losses is not responsible gambling.";
  - (b) "Can you afford to gamble?";
  - (c) "Don't gamble money you cannot afford to lose.";
  - (d) "Excessive gambling may cause financial problems for some people.";
  - (e) "Excessive gambling may cause personal problems for some people.";
  - (f) "Excessive gambling may cause family problems for some people.";
  - (g) "Gamble for fun, not income.";
  - (h) "Gamble responsibly.";
  - (i) "Gamble with your head, not your heart";
  - (j) "Gambling can become addictive for some people.";
  - (k) "Gambling is for entertainment not an investment.";
  - (l) "Gambling is unlikely to improve your poor finances.";
  - (m) "Gambling is unlikely to make you rich.";
  - (n) "Some win, some lose, can you afford to gamble?";
  - (o) "Winners know when to stop."

**Credit extension**

5. (1) The holder of a casino licence, a bookmaker licence or a totalisator operator licence may extend credit to a patron only after-
- (a) obtaining sufficient information regarding the patron's identity, credit history and financial capabilities in terms of the credit being requested; and
  - (b) recording that information in the prescribed manner.
- (2) All credit extensions shall, unless the applicable provisions of provincial legislation determine otherwise, be evidenced by a credit instrument signed at the time of credit extension by the patron who receives the credit.
- (3) A credit instrument referred to in sub-regulation (2) shall contain –
- (a) sufficient information to allow for the collection of the debt following the receipt of the instrument; and
  - (b) such other details as may be required in terms of the relevant provincial legislation.
- (4) Failure by a licence holder to deposit a negotiable instrument for collection by the close of the banking day following the receipt of the negotiable instrument or the banking day following the completion of a continuous and uninterrupted residence by the patron concerned in the accommodation facilities located at the same licensed premises of the licensee, whichever is the later, shall, for the purposes of these regulations, be deemed to be an extension of credit.

**Prohibited transactions by licensed operator**

6. (1) A licence holder shall not exchange cash for cash except to enable a patron to participate in gambling where cash is used as the stake or for the purpose of converting cash won by the patron after participating in gambling for different denominations of cash.
- (2) A licence holder shall not issue a cheque or other negotiable instrument nor shall any transfer of funds be effected to or on behalf of a patron in exchange for cash other than by means of negotiable instruments, chips or tokens, unless the licence holder is satisfied that the patron has genuinely participated in gambling.



**Unlawful winnings**

7. (1) Unlawful winnings remitted to the Board in terms of section 16(3) of the Act shall be forwarded to the Board in such format as may be prescribed, under cover of a memorandum which shall reflect, at a minimum –

- (a) the name of the player to whom the winnings accrued;
- (b) the name and licence number of the licence holder at the premises of which the winning bet was struck;
- (c) the grounds on which it is alleged that the winnings cannot lawfully be paid to the player;
- (d) the amount of the winnings concerned; and
- (e) where applicable, proof of payment of the amount contemplated in paragraph (d) into the banking account of the Board.

(2) A licence holder who remits winnings to the Board in terms of section 16 must provide any further information reasonably required by the Board to satisfactorily conclude an investigation contemplated in section 16(4).

**Gambling premises****Standards for premises**

8. (1) No cash dispensing machine may be placed or operated within 5 metres of any point of unobstructed public access to a designated area in a casino, or anywhere in or on such designated area.

(2) No cash dispensing machine may be visible to the patrons from the designated area.

(3) No direction signs to cash dispensing machines may be placed anywhere in or on designated areas.

(4) A licence holder in respect of gambling activity must-

- (a) affix visible and legible signage warning of the dangers of addictive or compulsive gambling on the front of every gambling machine and at all points of purchase on licensed premises utilised by a bookmaker or the operator of a totalisator, in the format determined by the relevant provincial licensing authority;
- (b) in a prominent place display poster of at least A3 format notifying persons of the availability of assistance with regard to problem gambling, as contemplated in section 14(12)(b);
- (c) have available for the public pamphlets or written manuals which educate members of the public on the issues of problem gambling.

- (5) The pamphlets or written manuals contemplated in sub-regulation (3)(b) must:
- (a) contain:
    - (i) a description of the National Gambling Programme's aims and activities;
    - (ii) an indication of the types of treatment available, and the extent to which these are funded by the National Responsible Gambling Programme; and
    - (iii) all available contact details in respect of the National Responsible Gambling Programme;
  - (b) be located in such a manner as to be easily accessible to the public in all areas in which gambling takes place.
- (6) A licence holder shall display information signs outside any entrance that leads onto or passes by a designated area which shall, at a minimum, carry a warning that visible gambling activities take place through such entrance, and, where available, directions to alternate entrances that do not lead onto or pass by designated areas.
- (7) The provisions of section 17(1) of the Act shall not apply to devices accessed by means of an integrated circuit card, other than a debit or credit card issued by a bank or similar institution, issued to a patron by a casino operator, by means of which –
- (a) funds are deposited by such patron to the credit of such card; and
  - (b) funds standing to the credit of such card are withdrawn or redeemed by such patron.

#### **Registration and certification of machines and devices**

##### **Record by manufacturer**

9. The record of gambling machines and devices to be kept by a manufacturer in terms of section 20(1) of the Act must include, in respect of each such machine or device –
- (a) the date of its manufacture or acquisition;
  - (b) the date of its sale, other distribution or disposal;
  - (c) the name, address and licence number of the person from whom it was acquired;
  - (d) the name, address and licence number of the person to whom possession has been transferred;
  - (e) a description of it;
  - (f) its serial number, if one is required or assigned to it;
  - (g) its licence or registration number, if one is required or assigned to it; and
  - (h) the purpose for which it was manufactured or acquired.

**National registry**

- 10.(1) The national register of gambling machines and devices to be maintained by the Board in terms of section 21(1)(a) of the Act, must contain, at a minimum, in respect of each such machine or device –
- (a) the name and contact details of its registered owner;
  - (b) the name and contact details of its current possessor; and
  - (c) the information contemplated in regulation 9.
- (2) The Board shall provide provincial licensing authorities with ongoing access to the information contained in the national register contemplated in sub-regulation (1).

**Registration of devices**

11. The information to be provided to the Board in terms of section 22(1) of the Act shall, at a minimum, include the information prescribed by regulation 9.

**Transfer of devices**

12. (1) An application for approval to transfer ownership of a gambling machine or device in terms of section 23(1) of the Act must contain, at a minimum, the information prescribed by regulation 9 and the name and licence number of the person to whom possession or ownership of such machine or device is proposed to be transferred.
- (2) A provincial licensing authority shall advise the Board of an approval or repossession contemplated in section 23(7)(c) of the Act in writing within ten working days after the date of such approval or the date on which such repossession came to its notice.

**Limited pay-out machines**

13. (1) The program for the gradual introduction of limited pay-out machines in the Republic in terms of section 26(2)(a) of the Act shall be divided into the following phases:
- (a) Phase 1, in terms of which a provincial licensing authority may roll out no more than fifty percent of the total number of limited payout machines allocated to the Province in terms of the Act;
  - (b) Phase 2, which shall not commence in a Province until the criteria contemplated in sub-regulation (2) have been met in that Province to the

satisfaction of the Minister, and in terms of which the relevant provincial licensing authority may roll out no more than a further thirty five percent of the total number of limited payout machines allocated to the Province in terms of the Act; and

- (c) Phase 3, which shall not commence in a Province until the criteria contemplated in sub-regulation (2) have again been met in that Province to the satisfaction of the Minister, and in terms of which the relevant provincial licensing authority may roll out the outstanding number of limited payout machines allocated to the Province in terms of the Act.
- (2) Before any successive phase of the program contemplated in sub-regulation (1) may be proceeded with in a Province, the Board, having been requested thereto by the relevant provincial licensing authority and after consultation with such authority, must commission and fund a study in respect of the socio-economic impact of the licensed limited gambling machine industry in that Province, having specific regard, but not limited, to the -
- (a) actual impact of licensed operations on the social and economic well-being of the Province; and
  - (b) projected impact of the introduction of the further prescribed allocation of limited payout machines on the social and economic well-being of the relevant Province,
- and submit the results of such study to the Minister.
- (3) Upon receipt and consideration of the study referred to in sub-regulation (2), the Minister may -
- (a) without calling for further information, approve the implementation of the next phase of the program in the relevant Province;
  - (b) postpone the making of a decision regarding the implementation of the next phase of the program in the relevant Province, pending the receipt of such further information as he or she may deem necessary; or
  - (c) refuse to grant approval for the implementation of the next phase of the program in the relevant Province.

#### **National central electronic monitoring system**

14. (1) The national central electronic monitoring system must be capable of analysing and reporting data in accordance with the requirements of the standards

determined in respect of such system in terms of the Standards Act, 1993, Act 29 of 1993.

- (2) The monitoring fees to be paid by a licensee in relation to limited payout machines shall be as prescribed from time to time, after consultation with the operator of the monitoring system and the licensed operators of limited payout machines.
- (3) A licensed operator of limited payout machines shall be afforded ongoing access to all information on the national central electronic monitoring system, which relates to the operations of that licensee.

### Licensing of persons employed in the gambling industry

#### **Employment licences**

15. (1) The categories of work that are subject to the requirements of section 28 of the Act pertain to –

- (a) every director of a licence holder;
- (b) every person who is employed at or by a gambling business who is directly involved in the conduct of gambling operations;
- (c) every person who may exercise control over gambling operations or the exercise of their functions by the persons contemplated in paragraph (b);
- (d) every employee of a licence holder who, by virtue of his or her functions may reasonably be in a position –
  - (i) to influence the outcome of a gambling game; or
  - (ii) to make representations regarding the liability for tax of any licence holder; and
- (e) such other categories of persons as may be required to be licensed as employees in terms of provincial legislation.

(2) A licence holder, shall within fourteen days after a licensed employee has-

- (a) become employed by it;
- (b) been assigned a different job description or position,
- (c) to its knowledge, become disqualified to continue in its employ, or
- (d) left its employment

inform the relevant provincial licensing authority thereof in writing.

16. (1) Where a provincial licensing authority is satisfied that -

- (a) the operations of the holder of a licence will be seriously prejudiced or disadvantaged by a delay in the employment of an applicant for an employment licence;

- (b) the commencement of the employment of the person concerned will not prejudice the integrity and proper operation of the licensee concerned; and
- (c) the provincial licensing authority has already received an application for the permanent licensing of that employee,
- the provincial licensing authority may issue a temporary licence to that employee in terms of this Act or the applicable provincial legislation, pending the outcome of such application for a permanent licence.
- (2) Where a provincial licensing authority refuses an application for the licensing of a person who holds a temporary license, the employer concerned shall summarily terminate the employment of that person.
- (3) The provisions of subregulation (2) shall be a condition of employment.
- (4) The provisions of sections 40 and 42 shall not apply to a temporary employment licence

### **Chapter 3**

#### **Jurisdiction**

##### **Response to evaluation**

17. A provincial licensing authority must, within thirty days after receiving an evaluation report contemplated in section 34(4)(a) of the Act submit a written response in respect thereof to the Chief Executive Officer.

##### **Information sharing**

18. A provincial licensing authority shall submit the report contemplated in section 35(2) of the Act to the Board on a quarterly basis.

#### **National Licences**

##### **Application for national licence**

19. An application for a national licence in terms of section 38(3) shall be in writing in the prescribed form, and must be accompanied by the fee stipulated in Schedule 1 in respect of such category of national licence.

**Evaluation of proposed licence**

20. (1) A notice of intent to evaluate a proposed licence contemplated in section 42(2) of the Act, shall contain, at a minimum -

- (a) the name of the applicant to which the relevant application refers;
- (b) the type of licence to which the relevant application refers;
- (c) the reasons for the proposed oversight evaluation, and
- (d) an indication of which provincial licensing authorities requested the oversight evaluation, if applicable.

**Provincial licences****Prizes for amusement games**

21. Any prize offered in respect of a single amusement game -

- (a) shall be limited to a non-cash prize with a market value of no more than fifty rand; and
- (b) shall not be capable of being exchanged for cash.

**National Licence certificate**

22. A national licence certificate to be issued by a provincial licensing authority shall be in the prescribed form and shall, at a minimum, contain -

- (a) the name of the licence holder;
- (b) the trading name of the licence holder, if applicable;
- (c) the licence number;
- (d) the licence type;
- (e) the address or addresses at which the licence holder is authorised to conduct the licensed activities;
- (f) the name of the provincial licensing authority which issued the licence;
- (g) the date of issue of the licence;
- (h) the date of expiry of the licence, and
- (i) an indication of whether any additional conditions have been imposed in respect of such licence, and, if so, a schedule to the licence in which such conditions are listed.

### Licensing norms and standards

#### **Disqualifications for licences or holding of financial interest**

23. A person shall be disqualified for an employment or other licence or to hold a financial interest in a licence if that person has been sentenced to a fine exceeding R 3 000 in the circumstances contemplated in sections 49(1)(f) or 50(2)(i) of the Act.

#### **Disqualification after licence issued**

24. A person who becomes disqualified as contemplated in section 51(2)(a) of the Act, must, within ten working days after having become aware of the disqualification, deliver a written notice of that disqualification to the relevant licensee, if applicable, and the licensing authority which issued the licence.

### Licence investigations, transfer and surrender

#### **National probity register**

25. The national probity register to be compiled by the board in terms of section 57(3) of the Act shall be in the prescribed form so as to be accessible to all provincial licensing authorities.

#### **Transfer of or acquisition of controlling interest in licence**

26. The investigations to be conducted by a provincial licensing authority before granting a transfer of a licence or approving an acquisition in terms of section 59(3) shall include, at a minimum, the conduct of such investigations as are necessary to ensure compliance with section 50(2) of the Act.

## Chapter 6

### Fees, costs, application for and duration of licences

#### **Fees in respect of national licences**

- 27.(1) In respect of national licences -
- (a) the new licence application fees in respect of a new national licence of the type set out in Column 1 of the table contained in Schedule 1 shall be as



specified alongside such licence type in Column 2 thereof and shall be payable by the applicant to the relevant provincial licensing authority on submission of an application for a new national licence;

- (b) the fees in respect of the annual renewal of a national licence of the type set out in Column 1 of the table contained in Schedule 1 shall be as specified alongside such licence type in Column 3 thereof, and shall be payable by the applicant to the relevant provincial licensing authority upon submission of the application for renewal of the licence, and
- (2) All fees contemplated in this regulation are not refundable and are exclusive of Value Added Tax.

### **Investigation costs in respect of national licences**

28. In respect of national licences –

- (1) all reasonable costs directly incurred by a provincial licensing authority in investigating and probing an application for a licence or the renewal thereof shall be paid by the applicant in the manner prescribed in this regulation, provided that, in the case of an employment licence, all such fees shall be paid by the employer or proposed employer of such applicant;
- (2) the costs to be incurred during the course of probity investigations conducted by a provincial licensing authority in respect of an application for a licence or the renewal thereof must be estimated by the provincial licensing authority, which shall require the applicant to pay such deposit in respect of such costs as it may deem appropriate before commencing such investigation;
- (3) all costs incurred by a provincial licensing authority during the course of a probity investigation conducted by it shall be recouped by that authority from time to time from the account contemplated in paragraph (b).
- (4) A provincial licensing authority may, at any stage during the investigation of an application, require the applicant to pay such additional deposits in respect of investigative costs as may be necessary;
- (5) upon completion of its investigation, a provincial licensing authority shall, upon request, supply the applicant with a detailed account of investigative costs incurred and any balance standing to the credit of the account held on behalf of the applicant must be maintained in such account, or refunded, as the case may be;
- (6) a provincial licensing authority shall not take final action on any application unless all investigative costs have been paid in full.

**Procedure in respect of application for national licences and renewal thereof**

29.(1) An application for a licence or the renewal thereof shall be submitted in the prescribed manner and form, and shall be accompanied by the fees stipulated in the table contained in Schedule 1.

(2) An application for renewal of a licence shall be submitted to the provincial licensing authority which issued that licence, provided that if-

- (a) the location at which the licence holder performs the activities authorized by the licence; or
- (b) the licence holder's primary place of business or residence,

no longer falls within the area of jurisdiction of the provincial licensing authority which issued the licence, the licence holder may apply to the provincial licensing authority within whose area of jurisdiction the criteria contemplated in paragraphs (a) or (b) are satisfied for renewal of the licence.

**Duration of national licences**

30. All national licences shall be valid for a period of twelve months and, subject to compliance with all applicable legislation, shall be renewable on an annual basis.

**Accountability, audits and reports**

31.(1) The holder of a national licence must keep such records as the provincial licensing authority which issued the licence may require, in accordance with generally accepted accounting practice.

(2) The holder of a national licence must at the end of each financial year prepare financial statements in accordance with generally accepted accounting practices.

(3) The holder of a national licence must appoint a person registered as an accountant or auditor in terms of section 15 of the Public Accountants' and Auditors' Act, 1991 (Act 80 of 1991), to audit its financial statements in accordance with generally accepted accounting standards.

(4) The auditor contemplated in subregulation (3) shall be appointed for no more than 5 years in any consecutive 10 year period.

**Administrative procedures**

- 32.(1) The holder of a national licence must establish and maintain administrative and accounting procedures for the purpose of exercising effective control over its internal financial affairs.
- (2) The procedures contemplated in subregulation (1) must be designed to ensure that -
- (a) assets are safeguarded;
  - (b) financial records are accurate and reliable;
  - (c) transactions are performed in accordance with management's general or specific authorisation;
  - (d) transactions are adequately recorded to permit proper reporting of revenue, fees and taxes; and
  - (e) functions, duties and responsibilities are appropriately segregated and performed in accordance with sound practices by competent qualified personnel.
- (3) The holder of a national licence must establish a compliance committee, which must meet a minimum of once a month, to facilitate compliance with control standards as contained in the relevant provincial legislation.
- (4) The holder of a national licence must maintain an audit committee, which must comprise at least three members, the majority of whom shall be independent of management.

**Bookmakers record keeping systems**

- 33.(1) The computerized record keeping system of a bookmaker licensed in terms of provincial legislation must, with effect from 28 February 2005 comply with the standards as determined for such system as determined in terms of the Standards Act, 1993 (Act No. 29 of 1993).
- (2) With effect from 30 June 2005 a bookmaker licensed in terms of provincial legislation must make record all bets laid or taken back by that bookmaker on a computerized record keeping system contemplated in sub-regulation (1).

**Short title and commencement**

34. (1) These regulations are called the National Gambling Regulations, 2004, and shall, subject to sub-regulation 2, commence on 01 November 2004.
- (2) Sixty days after the commencement of these regulations, the following shall come into effect:
- (a) all requirements in these regulations in respect of the registration and recording of gambling machines or devices;
  - (b) regulation 8(1).

**SCHEDULE 1**

<b>Licence Type</b>	<b>New licence application fee</b>	<b>Annual renewal fee</b>
<b>Employment licence</b>	<b>R 2 000</b>	<b>R 4 000</b>
<b>Manufacturer licence (other than bookmakers record keeping systems)</b>	<b>R 100 000</b>	<b>R 200 000</b>
<b>Manufacturer licence (bookmakers record keeping systems only)</b>	<b>R 20 000</b>	<b>R 50 000</b>
<b>Testing agent licence</b>	<b>R 50 000</b>	<b>R 100 000</b>