



NORTHERN PROVINCE
NOORDELIKE PROVINSIE
XIFUNDZANKULU XA N'WALUNGU
PROFENSE YA LEBOA
VUNDU LA DEVHULA

Provincial Gazette Provinsiale Koerant Gazete ya Xifundzankulu Kuranta ya Profense Gazethe ya Vundu

(Registered as a newspaper) • (As 'n nuusblad geregistreer)
(Yi rhijistariwile tanihi Nyuziphepha)
(E ngwadisitšwe bjalo ka Kuranta)
(Yo redzhistariwa sa Nyusiphepha)

Selling price: Verkoopprys: Nxavo: Thekišo: Mutengo wa thengiso:	R1,50	Other countries: Buitelands: Ematikweni mambe: Naga tša kantele: Mañwe mashango:	R1,95
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Vol. 6

PIETERSBURG,

No. 404

19 FEBRUARY 1999
19 FEBRUARIE 1999
19 NYENYENYANA 1999
19 FEBREWARE 1999
19 LUHUHI 1999

Extraordinary

Buitengewoon

Ku katsa na Tigazete to
Hlawuleka hinkwato

Go hlakantšhwa le Dikuranta Dišele

Hu tshi katelwa na
Gazethe dza Nyingo

GENERAL NOTICE

NOTICE 49 OF 1999

Invitation by the Northern Province Casino and Gaming Board for comments on the draft Rules.

1. The Northern Province Casino and Gaming Board has produced draft rules in terms of section 87 of the Northern Province Casino and Gaming Act, (Act 4 of 1996), which are hereby published for general information and comment.
 2. (a) All interested parties are invited to submit written comment on the draft Rules as soon as possible. Such comment should be forwarded to the:-

Northern Province Casino and Gaming Board
Private Bag X9520
PIETERSBURG
0700

FAX TO: (015) 295 3566 Attention: Mr R Somanje
 - (b) Comments should reach the Board within 30 days from the date of this notice.
 - (c) The name, telephone number or fax number and address of the person who may be contacted in regard to the comment should also be stated clearly.
3. It is the intention that the draft Rules be revoked in the light of the comment received, and again be considered by the Board.

NPCGB : GAMING RULES

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1: ISSUANCE OF RULES; CONSTRUCTION; DEFINITIONS

1.010 Promulgation, amendment, modification and repeal.

The following Rules are issued pursuant to section 87 of the Northern Province Casino and Gaming Act, (Act No. 4, 1996). The Board will, from time to time, promulgate, amend and repeal such Rules, consistent with the policy, objects and purposes of the Northern Province Casino and Gaming Act, (Act No. 4, 1996) as it may deem necessary or desirable in carrying out the policy and provisions of that Act.

1.020 Construction.

Nothing contained in these Rules shall be so construed as to conflict with any provision of the Northern Province Casino and Gaming Act, 1996, the Northern Province Casino and Gaming Regulations or of any other applicable statute or Regulation.

1.030 Severability.

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

1.040 Definitions, words and terms, tense, number and gender.

The provisions of the Northern Province Casino and Gaming Act, (Act No. 4, 1996), relating to definitions, tense, number and gender apply and govern the interpretation of these Rules, except when otherwise plainly declared or clearly apparent from the context.

1.050 Definitions.

In these Rules, unless the context otherwise indicates: then

1. "Asset number" means a unique number permanently assigned to a gaming machine, slot cash storage box and roulette wheel for purposes of tracking such slot cash box machine, storage box and roulette wheel owned by a licensee.
2. "Business day" and "working day" means any day excluding Saturdays, Sundays and public holidays.
3. "Card game" means a game in which the casino licensee is not party to wagers and from which the casino licensee receives compensation in the form of a rake-off, a time buy-in, or other fee or payment from a player for the privilege of playing, and includes, but is not limited to the following: Poker, bridge, whist, solo, panguingui and other non-banking casino games.
4. "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.
5. "Establishment" means any premises where business is conducted, and includes all buildings, improvements, equipment and facilities used or maintained in connection with such business.
6. "Funds" means money or any other instrument of value.
7. "Gaming day" means an accounting period for a casino licensee beginning at 08:00 AM, or the actual time when the casino opens to the public, whichever is later, and shall terminate at 08:00 AM on the next calendar day.
8. "Premises", means land together with all buildings, improvements and personal property located thereon.
9. "Rake-off" means a percentage of the total amount anted and wagered by players during a hand in a card game.
10. "Regulations" means Regulations of the Board promulgated in terms of Section 88 of the Northern Province Casino and Gaming Act, (Act No. 4, 1996).
11. "Share" means any membership in a company; bond; debenture or other evidence of indebtedness; investment contract; voting trust certificate; certificate of deposit for a share; 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 of the foregoing. All of the foregoing are "shares" whether or not evidenced by a written document, provided that any evidence of indebtedness reported under Rule 9.130 is not a share.

1.060 Calculation of time periods

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

RULE 2: NORTHERN PROVINCE CASINO AND GAMING BOARD: ORGANISATION AND ADMINISTRATION

2.010 Definitions.

1. "Chairperson" means a person appointed as Chairperson in terms of section 4 of the Act.
2. "Extraordinary meeting" means a meeting called by the Board which may be used to gather information regarding any matter so determined by the Board provided that no decision in terms of the Act or Regulations relating to the granting, amendment, renewal, transfer, removal or revocation of a licence or certificate, shall be taken at an extraordinary meeting.
3. "Hearing" means an investigation, hearing or inquiry conducted by one or more members of the Board, or its authorized designee, conducted in accordance with section 20 of the Act and Chapter V of the Regulations.
4. "Meeting" means the gathering of members of the Board at which a quorum is present, for the purpose of deliberating or making a decision. The term includes, but is not limited to, the consideration of licence applications, transfers of interest, claims for tax refunds, petitions for re-determination, disciplinary proceedings, and exclusion list proceedings.

2.020 Delegation to Chairperson.

1. The Board hereby delegates to the Chairperson the authority to issue preliminary rulings on scheduling, procedural, and evidentiary matters, and other matters provided by these Rules, that may be presented to the Board during the course of conducting a meeting, or that may arise when the Board is not meeting.
2. The Board may, upon a majority vote in a specific case, temporarily abrogate the general delegation granted pursuant to subsection 1 of this section.
3. Any specific ruling or decision of the Chairperson pursuant to subsection 1 of this section is subject to consideration by the entire Board upon the request of any Board member, or upon timely motion of a person affected by the ruling or decision.
4. The Board shall be deemed to have ratified an action of the Chairperson taken pursuant to subsection 1, under the following circumstances:
 - a. If the Chairperson's action occurred during a Board meeting, the Chairperson's action is ratified if the Board does not overturn or address the action at that meeting.
 - b. If the Chairperson's action occurred at a time other than during a meeting, and the Board does not overturn or address the Chairperson's action at the next meeting concerning that particular matter.
5. The Chairperson may sign all orders on behalf of the Board.

2.030 Board meetings.

1. Except as otherwise specifically provided by these Rules, any member of the Board may place an item on a Board agenda for consideration by the entire Board.
2. The Chairperson may alter the order in which matters on the Board agenda are heard.
3. Requests for special and recessed meetings will be granted only upon a showing of exceptional circumstances. The Board may require that a person requesting a special or recessed meeting pay the costs associated with such meeting, in addition to those costs usually assessed against an applicant.
4. In the absence or incapacity of the Chairperson, the Deputy Chairperson may call an extraordinary meeting. In the absence or incapacity of both, any two members of the Board may call an extraordinary meeting.
5. Unless otherwise ordered by the Board, requests for continuances of any matter on the Board agenda must be in writing, must set forth in detail the reasons why a continuance is necessary, and must be received by the chief executive officer no later than eight calendar days before the meeting.
6. Unless otherwise ordered by the Chairperson, the original and 15 copies of any documentation supplementing an application or required by the Board must be received by the chief executive officer no later than ten (10) calendar days before the meeting. Documentation not timely received will not be considered by the Board unless the Board, in its discretion, otherwise consents. The Chairperson may defer to another meeting any matter for which documentation has not been timely submitted. The applicants must appear at the meeting to which the matter is deferred, unless the Chairperson waives their appearances.

2.040 Appearances.

Unless an appearance is waived by the Chairperson, all persons and their attorneys and agents, if any, must appear at the Board meeting at which their matter is to be heard. Requests for waivers of appearances must be in writing, must be received by the chief executive officer no later than ten (10) business days before the meeting, and must explain in detail the reasons for requesting the waiver. If at the time of its meeting the Board has any questions for an applicant who has been granted a waiver and is not present, the matter may be deferred to another meeting of the Board.

2.050 Recessed meetings.

Any meeting of the Board may be recessed to consider matters that were duly noticed as items on the agenda of that meeting, to such time and place as the Board may designate. Notice of a recessed meeting to consider matters which were duly noticed as items on the agenda may be given by announcement at the meeting, but where any other matters are to be considered at a recessed meeting, such matters must be duly noticed as required by Rule 2.070 of these Rules or as otherwise required by the Act, the Regulations or by these Rules.

2.060 Hearings.

Investigative hearings may be conducted by one or more members of the Board, or its authorized designee, with the concurrence of a majority of the Board without notice at such times and places, within or without the Northern Province, as the member or members may deem convenient.

2.070 Service of notices in general.

1. Except as otherwise provided by law or in these Rules, notices and other communications will be sent in terms of Regulation 34.1 to an applicant or licensee at the address of the establishment as shown in the application or licence.
2. Notices shall be deemed to have been served in terms of Regulations 34.2, and the time specified in any such notice shall commence to run from the date of such mailing.
3. Any applicant or licensee who desires to have notices or other communications mailed to an address other than that of the establishment specified in the application or licence shall file with the Board a specific request for that purpose, and notices and other communications will, in such case, be sent to the applicant or licensee at such address.
4. An applicant or licensee will be addressed under the name or style designated in the application or licence, and separate notices or communications will not be sent to individuals named in such application or licence unless a specific request for that purpose is filed with the Board.
5. In the absence of such specific request, a notice addressed under the name or style designated in the application or licence shall be deemed to be notice to all individuals named in such application or licence.
6. Applicants and licensees shall immediately notify the Board of any change of address, and specifically request that all communications be sent to the changed address.

2.080 Subpoenas.

Subpoenas may be signed by any member of the Board.

2.090 Improper attempts to obtain information.

No applicant, licensee or agent shall, directly or indirectly, procure or attempt to procure from the records of the Board or other sources information of any kind which is not made available by proper authority.

2.100 Procedure for control of evidence and destruction of cheating devices.

1. When an inspector of the Board seizes upon any article of property, the custodian of evidence for the Board shall place the evidence in a secure facility and enter into a suitable system sufficient information to establish a chain of custody. A failure to comply with this subsection shall not render evidence inadmissible in any proceeding before the Board.
2. Any article or property which constitutes a cheating device shall not be returned to a claimant. All cheating devices shall become the property of the Board upon their seizure and may periodically be disposed of by the Board. When disposing of a cheating device, the Board shall document the date and manner of its disposal.
3. The Board shall notify by registered mail each known claimant of a cheating device that he has 30 days from the mailing 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 subsection 3 constitutes an admission by all claimants that the article of property is subject to destruction. The chief executive officer shall have complete and absolute authority to rule on a claim filed pursuant to subsection 3. After expiration of the 30 day period, the Board may retain or dispose of the cheating device in any reasonable manner.

RULE 3: LICENSING: LOCATIONS; QUALIFICATIONS

3.010 Unsuitable locations.

The Board may deny an application for a gaming licence if the Board deems that the place or location for which the licence is sought is unsuitable for the conduct of gaming. Without limiting the generality of the foregoing, the following places or locations may be deemed unsuitable:

- a. Premises located within the immediate vicinity of churches, schools, old age homes and children's public playgrounds. The Board may determine that premises located in the vicinity of churches, schools, old age homes and playgrounds are nevertheless suitable upon a sufficient showing of suitability by the applicant. In making its determination, the Board may consider all relevant factors, including, but not limited to whether the premises have been used previously for licenced gaming or are located in a commercial area.
- b. Premises located in a place where gaming is contrary to a valid zoning ordinance of any local authority. The Board may determine that premises located where gaming is contrary to a valid zoning ordinance are nevertheless suitable upon a sufficient showing by the applicant that the premises have been used for licenced gaming prior to the effective date of the zoning ordinance and that there is good cause why the use should be allowed to continue.
- c. Premises allowing minor clientele.
- d. Premises lacking adequate supervision or surveillance.
- e. Premises difficult to police.
- f. Any other premises where the conduct of gaming would be inconsistent with the public policy of the Northern Province.

3.020 Applications for Gaming Machine Site Licences.

1. Except in respect of licenced bingo operations, an application for a gaming machine site licence may not be granted if the operation of gaming machines is not incidental to the primary business conducted at the location.
2. Gaming machine site licences shall only be granted to businesses that have been licenced to serve or sell liquor.
3. In determining whether the applicant's proposed operation of gaming 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 gaming machines as compared to the floor space used for the primary business;
 - b. the amount of investment in the operation of the gaming machines as compared to the amount of investment in the primary business;
 - c. the amount of time required to manage or operate the gaming machines as compared to the amount of time required to manage or operate the primary business;
 - d. the revenue generated by the gaming 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 gaming 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 gaming machines to the primary business.

3.030 Ownership of premises where gaming is conducted.

1. The Board may deem that premises are unsuitable for the conduct of gaming operations by reason of ownership of any interest whatsoever in such premises by a person who is unqualified or disqualified to hold a gaming licence, regardless of the qualifications of the person who seeks or holds a licence to operate gaming in or upon such premises.
2. In all cases in which the premises wherein or whereon the gaming operation for which a gaming licence is sought are not wholly owned by the applicant, the applicant shall furnish the Board with 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. In all cases in which the premises are wholly or partly owned by the applicant, the applicant shall furnish the Board with complete information pertaining to the interest held by any person other than the applicant, including interest held under any mortgage, deed of trust, bonds or debentures, pledge of corporate shares, voting trust agreement, or other device whatever, together with such other information as the Board may require.

4. Every licensee shall furnish the Board with complete information pertaining to any change of ownership of the premises or of any change of any interest in the premises wherein or whereon the licenced gaming is operated at least 30 days before the date of such change; or, if the licensee is not a party to the transaction effecting such change of ownership, immediately upon acquiring knowledge of such change of ownership or any contemplated change of ownership.

3.040 Financial requirement.

1. No applicant for a licence referred to in Section 23 in the Act will be issued a licence for use until satisfactory evidence is presented that there is adequate financing available to pay all current obligations and, in addition, to provide adequate working capital to finance the proposed operation for a reasonable period of time as determined by the Board.
2. The Board may require a licensee to provide security for the payment of future wages, salaries or other obligations, either as a condition precedent to issuance or renewal of any licence or at any other time the Board determines that such requirement would be in the public interest. The security required shall be in such form and amount as the Board may from time to time determine.

3.050 Unsuitable affiliates.

The Board may deny, revoke, suspend, limit, condition, or restrict any certificate of approval, certificate of suitability or application therefore upon the same grounds as it may take such action with respect to licences, licensees and licensing; without exclusion of any other grounds. The Board may take such action on the grounds that the person found suitable is associated with, or controls, or is controlled by, or is under common control with, an unsuitable person.

3.060 Standards for Board action.

1. No licence shall be granted unless and until the applicant has satisfied the Board that the proposed funding of the entire operation shall be:
 - a. adequate for the nature of the proposed operation
 - b. from a suitable source.

3.070 Licensing of a natural person under the age of eighteen.

The Board shall not grant a gaming licence, certificate of approval or certificate of suitability to an individual under eighteen years of age. This policy would not affect the licensing or finding of suitability of a trust where the settler or beneficiary is under the age of eighteen years.

RULE 4: APPLICATIONS: PROCEDURE**4.010 Application : General**

1. It is the declared policy of the Northern Province that all establishments, where casino games, bingo and gaming machines are conducted or operated, are licenced and controlled so as to better protect the public health, safety, morals, good order and welfare of inhabitants of the Northern Province. Any gaming licence which is issued, a certificate of approval, certificate of suitability, or other approval by the Board shall be deemed to be a revocable privilege and no person holding such a licence, certificate of approval, certificate of suitability, or other approval by the Board is deemed to have acquired any vested rights therein.
2. An application for a gaming licence, certificate of approval or certificate of suitability is seeking the granting of a privilege, and the burden of proving his qualification to receive any licence, certificate of approval or certificate of suitability is at all times on the applicant. An applicant must accept any risk of adverse public notice, embarrassment, criticism, or other action or financial loss which may result from action with respect to an application and expressly waive any claim for damages as a result thereof.
3. An application for a licence, certificate of suitability, or certificate of approval, besides any other factor attached to such an application by virtue of the Act and the Regulations thereunder, shall constitute a request to the Board for a decision upon the applicant's general suitability, character, integrity, and ability to participate or engage in, or be associated with, the gaming industry in the manner or position sought by the application, or the manner or position generally similar thereto; and, by filing an application with the Board, the applicant specifically consents to the making of such a decision by the Board at its election when the application, after filing, becomes moot for any reason other than death.

4.020 Waiver of privilege.

An applicant may claim any privilege afforded by the Constitution of the Republic, in refusing to answer questions by the Board. However, a claim of privilege with respect to any testimony or evidence pertaining to an application may constitute sufficient grounds for denial of such application.

4.030 Classification of licences, and other Board actions for which applications must be made.

1. Casino licence. One which authorizes the operation of casino games at licenced premises.
2. Bingo licence. One which authorizes the operation of bingo.
3. Gaming machine site licence. One which permits the operation of gaming machines only in an establishment wherein the operation of gaming machines is incidental to the primary business of the licensee. Five (5) machines are the maximum number of machines, which may be operated under this type of licence. Any gaming machine site licensee at more than 3 locations may, at the discretion of the Board, be required to apply for and obtain a gaming machine operator's licence.
4. Gaming machine operator's licence (to also include the term: route licence, route operator's licence). A licence (excluding casino licence) which authorises the holder to place gaming machines in a licenced location and share in the profits therefrom. A gaming machine operator's licence will normally be issued only to an applicant already licenced at 3 locations or having firm commitments to place gaming machines at 3 licenced locations upon licensing.
5. Manufacturer's licence. One which authorizes the holder to distribute, manufacture, assemble or produce any device, equipment, material or machines used in gambling, except amusement games, in the Northern Province.
6. Maintenance licence. One which authorises the holder to repair and perform maintenance on gaming machines or gaming devices in, or for, use in the Northern Province. This includes licenced maintenance personnel employed by the licensees as listed in 1) through 5) above.
7. Suppliers licence. One which allows the holder to distribute, manufacture, assemble or produce any associated equipment, computer systems, machines or other devices used directly or remotely in connection with gaming that would otherwise not be classified as a gaming machine.
8. Certificate of suitability. The Act and Regulations thereunder require or permit the Board to require that certain persons, directly or indirectly involved with licensees, be found suitable to hold a gaming licence so long as that involvement continues. A finding of suitability and issuance of a certificate by the Board relates only to the specified involvement for which it was made. If the nature of the involvement changes from that for which the applicant is found suitable and issued a certificate, he may be required to submit himself to a determination by the Board of his suitability in the new capacity.

9. Certificate of approval - gaming employee. One which allows a person to be employed in gaming occupations pursuant to the Act and Regulations. Issuance of a certificate of approval as a gaming employee by the Board relates only to the specified position for which the registration was made. If the person changes positions or title from that for which the employee is registered and issued a certificate of approval, he shall be required to submit a new application for approval in the new capacity within 30 days.
10. Certificate of approval - key employee. One which allows a person to be employed as a key employee pursuant to the Act and Regulations. Issuance of a certificate of approval as a gaming key employee by the Board relates only to the specified position for which the registration was made. If the person changes positions or title from that for which the employee is registered and issued a certificate of approval as a key employee, he shall be required to submit a new application for approval in the new capacity within 30 days.
11. Approvals. The Act and Regulations thereunder do or may require Board approval for certain acts of licensees or transactions directly or indirectly involving licensees. Such approvals by themselves do not constitute the licensing or a finding of suitability of any person involved, but the licensing or finding suitable of the persons involved may, unless circumstances indicate otherwise, constitute approval by the Board of the transaction in question.

4.040 Applications, notices, statements and reports; contents; amendments; incorporation by reference; proceedings not to have substantive implications.

1. Every application, statement, notice or report must be filed on forms furnished or approved by the Board and must contain and be accompanied and supplemented by such documents and information as may be specified or required. Provided that any information requested by the Board shall reach the Board within a period of seven days. Failure to supply the Board with the requested information within the above-mentioned period shall constitute grounds for delaying consideration of the application.
2. It is grounds for denial of an application or disciplinary action for any person to make any untrue statement of material fact in any application, notice, statement or report filed with the Board in compliance with the provisions of the Act and Regulations, or to willfully omit to state in any such application, notice, statement or report any material fact which is required to be stated therein, or omit to state a material fact necessary to make the facts stated in view of the circumstances under which they were stated, not misleading.
3. All information required to be included in an application must be true and complete as of the dates of the Board action sought by such application; and an applicant shall promptly supply by amendment prior to such date any information based on facts occurring after the original application so as to make such information not misleading as of the dates of such action by the Board.
4. An application may be amended in any respect at any time prior to final action thereon by the Board. Any amendment to an application shall have the effect of establishing the date of such amendment as the new filing date of such application with respect to the time requirements for action on such application.
5. An amendment to an application filed after the date on which the Board has taken the action sought by such application, and if such amendment is approved by the Board, shall become effective on such date as the Board may determine, with due regard to the public interest.
7. Any document filed under any of the provisions of the Act or Regulations may be incorporated by reference in a subsequent application if it is available in the files of the Board, to the extent that the document is currently accurate.
8. Neither the fact that an application seeking approval with respect to a transaction involving shares has been filed, nor the fact that such approval has been granted, constitutes a finding by the Board that any document filed in connection therewith is true, complete, or not misleading, or shall mean that the Board has decided in any way upon the merits or qualifications of, or recommended, any person, share or transaction. It is grounds for denial of an application or disciplinary action to make or cause to be made to any prospective purchaser any representation inconsistent with the foregoing.

4.050 Separate applications for each establishment.

Except as provided in Rule 4.060, a separate application is required for each establishment for which a gaming licence is sought, irrespective of the ownership of such establishment.

4.060 Exception : Gaming machine operator.

Notwithstanding the provisions of Rule 4.050, a licence may be issued to an applicant as a gaming machine operator after the applicant has been licenced for 3 locations or has firm commitments to place machines at 3 licenced locations. An applicant for such a licence shall file a single application showing the name and address of each lessee, the number of machines to be maintained at each location and such other information as may be required by the Board. This rule does not alter or negate the requirement that each site of such operator must also be separately licenced.

4.070 Application and investigative fees.

1. Except as otherwise provided herein, all fees and costs incurred in conjunction with the investigation of any application to the Board must be paid by the applicant in the manner prescribed by this Rule.
2. Each application for a licence or approval must be accompanied by a non-refundable application fee as specified in the Regulations.
3. In addition to any non-refundable application fees paid, the Board may require an applicant to pay such supplementary investigative fees and costs as may be determined by the Board. The Board may estimate the supplementary investigative fees and costs and require a deposit to be paid by the applicant in advance as a condition precedent to beginning or continuing an investigation.
4. The Board will not take final action to approve any application unless all application and investigative fees and costs have been paid in full. The Board may deny the application if the applicant has failed or refused to pay all application and investigative fees and costs.
5. After all supplementary investigative fees and costs have been paid by an applicant, the Board shall refund to the person who made the required deposit any balance remaining in the investigative account of the applicant.
6. Upon final action on the application, the Board shall give to the applicant an itemized accounting of the investigative fees and costs incurred.

4.080 Diagram required by applicant for gaming machine site licence.

1. Upon application for a gaming machine site licence, an applicant must submit a diagram with the application which depicts the number of gaming machines to be exposed for play and their location within the establishment in a manner which must provide for adequate supervision of each gaming machine and which must depict:
 - a. an unobstructed view of each gaming machine from the point of supervision;
 - b. any mirrors necessary to maintain adequate supervision; and
 - c. the location of any recreational, non-gaming arcade or amusement games or devices at an establishment where there is access to persons under the age of 18. Such location must be sufficiently separated from any gaming machines to deter loitering near the gaming area by persons under the age of 18.
2. A gaming machine site licensee shall maintain adequate supervision of all gaming machines, shall not change the location or convert any gaming machine without written notification to reach the chief executive officer at least seven days prior to the change. The format of this information must be presented in the format as prescribed by the Board.
3. The increase or decrease in the number of machines on any site requires the administrative approval of the chief executive officer.
4. Requests for administrative approval of an increase or decrease in the number of gaming machines or written notification of a change in the location of any gaming machine within a site shall be accompanied by a diagram depicting the new location of the gaming machines within the establishment.

4.090 Limit to number financially interested.

The Board may, whenever it deems the public interest to so require in any particular case, limit the number of individuals who may be named in any initial application for a licence or in any application to add new parties to or for approval of new interests under an existing licence.

4.100 Summoning of applicants.

The Board may summon any person named in an application to appear and testify before it or its agents at such time and place as it may designate. All such testimony may be under oath and embrace any matter, which the Board, or its agents may deem relevant to the application. Failure to so appear and testify fully at the time and place designated, unless excused, constitutes grounds for denial of the application without further consideration by the Board.

4.110 Notice of hearing.

The Board will give notice by letter to all applicants of the time and place when their application for a licence or approval will come before the Board for consideration. Such applicants are expected to attend the meetings of the Board. They may be represented at the meetings by attorneys or agents. The Board will notify the applicant in writing of the disposition of his application.

4.120 Requests for administrative approval.

As used in Rule 4.130:

1. "Administrative approval" means the authority conferred upon the Chairperson or chief executive officer by any Regulation or Rule of the Board, or by a licence condition, to grant or deny, in their individual discretion, a licensee's request for approval of a proposed action or transaction.
2. "Administrative approval decision" means the final action, decision, order, or disposition by the Chairperson or the chief executive officer of a request for an administrative approval.

4.130 Review of administrative approval decisions.

1. Any licensee affected by an administrative approval decision made by the Chairperson of the Board or chief executive officer may submit the matter to the Board for review.
2. A request for review of the administrative approval decision must be submitted within 20 days after the date of receipt of a written notice by the Board Chairperson or chief executive officer of his administrative approval decision and must contain:
 - a. a statement of the facts relevant to the review of the administrative approval decision;
 - b. a statement of the provisions of the Act, the Regulations or Rules of the Board, and any other local authority applicable to the review of the administrative approval decision;
 - c. a statement of the arguments that the licensee considers relevant to the review of the administrative approval decision;
 - d. a statement of the reasons which justify review of the administrative approval decision; and
 - e. any other evidence considered relevant.
3. A non-refundable fee of R8 000,00 must be paid by the licensee at the time the request for review is submitted. A review of the administrative approval decision will be included on the agenda of the Board at the next regular meeting of the Board occurring more than 10 working days after receipt by the Board of the request for review. A majority of the Board may affirm, rescind, or modify such decision.

RULE 5: OPERATION OF GAMING ESTABLISHMENTS

5.010 Methods of operation.

1. It is the policy of the Board to require that all establishments wherein gaming 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 Northern Province.
2. Responsibility for the employment and maintenance of suitable methods of operation rests at all times with the licensee, and willful or persistent use or toleration of methods of operation deemed unsuitable will constitute grounds for licence revocation or other disciplinary action.

5.020 Grounds for disciplinary action.

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

1. Failure to exercise discretion and sound judgement to prevent incidents which might reflect on the reputation of the Northern Province and act as a detriment to the development of the industry.
2. Permitting persons who appear to be visibly intoxicated to participate in gaming activity.
3. Complimentary service of intoxicating beverages in the casino area to persons who appear to be visibly intoxicated.
4. Failure to conduct advertising and public relations activities in accordance with decency, dignity, good taste, honesty and inoffensiveness.
5. Catering to, assisting, employing or associating with, either socially or in business affairs, persons of notorious or unsavoury reputation or who have extensive police records, or persons who are associated with or support subversive movements, or the employing either directly or through a contract, or any other means, of any firm or individual in any capacity where the reputation of the Northern Province or the gaming industry is liable to be damaged because of the unsuitability of the firm or individual or because of the unethical methods of operation of the firm or individual.
6. Employing in a position for which the individual could be required to be licenced as a gaming employee pursuant to the provisions of the Regulations and Rules of the Board, any person who has been denied a gaming licence on the grounds of unsuitability or who has failed or refused to apply for licensing as a gaming employee when so requested by the Board.
7. Employing in any gaming operation any person whom the Board or any court has found guilty of cheating or using any improper device in connection with any game, whether as a licensee, dealer, or player at a licenced game or device; as well as any person whose conducting of a licenced game as a dealer or other employee of a licensee resulted in revocation or suspension of the licence of such licensee.
Failure to comply with or make provision for compliance with all national, provincial and local laws and Regulations pertaining to the operations of a licenced establishment.
9. The Board in the exercising of its sound discretion can make its own determination of whether or not the licensee has failed to comply with the aforementioned, but any such determination shall make use of the established precedents in interpreting the language of the applicable statutes. Nothing in this section shall be deemed to affect any right to judicial review.
 - a. possessing or permitting to remain in or upon any licenced premises any cards, dice, mechanical device or any other cheating device whatever, the use of which is prohibited by law, or
 - b. conducting, carrying on, operating or dealing any cheating or thieving game or device on the premises, which may have in any manner been marked, tampered with or otherwise placed in a condition, or operated in a manner, which tends to deceive the public or which might make the game more liable to win or lose, or which tends to alter the normal random selection of criteria which determine the results of the game.
10. Failure to conduct gaming operations in accordance with proper standards of custom, decorum and decency, or permit any type of conduct in the gaming establishment which reflects or tends to reflect on the repute of the Northern Province and act as a detriment to the gaming industry.
11. Whenever a licenced game or a gaming machine, as defined in the Act and Regulations, is available for play by the public:
 - a. at a casino or bingo hall, failure to have an approved key employee of the licensee present at all times on the premises to supervise the operation of the game or gaming machine;
 - b. at a gaming machine site location, failure to have a licenced employee present on the premises to supervise the operation of the gaming machine.

12. Except as provided in the Regulations and these Rules of the Board, the sale or assignment of any gaming credit instrument by a licensee, unless the sale is to a publicly traded or other bona fide financial institution pursuant to a written contract, and the transaction and the terms of the contract, including but not limited to the discount rate, are reported to the Board for approval.
13. Issuing credit to a patron to enable the patron to satisfy a debt owed to another licensee or person, including an affiliate of the licensee. This subsection shall not prohibit a licensee from collecting a debt owed to an affiliate of the licensee.
14. Denying any Board member or staff of the Board, upon proper and lawful demand, access to, inspection or disclosure of any portion or aspect of a gaming establishment as authorized by Act or Regulations and Rules of the Board.

5.030 Publication of payoffs.

1. Payoff schedules or award cards applicable to every licenced game or gaming machine shall be displayed or easily accessible at all times either on the table or machine or in a conspicuous place immediately adjacent thereto. In the case of bingo and faro games the foregoing requirement will be satisfied if published payoff schedules are maintained in a location readily accessible to players and notice of the location of such schedule is posted on or adjacent to the table.
2. Payoff schedules or award cards must accurately state actual payoffs or awards applicable to the particular game or device and shall not be worded in such manner as to mislead or deceive the public. Maintenance of any misleading or deceptive matter on any payoff schedule or award card or failure on the part of a licensee to make payment in strict accordance with posted payoff schedules or award cards shall be considered an offense.

5.040 Gaming by owners, directors, officers and employees.

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

- a. by that gaming licensee;
- b. at or within the establishment in the Province which is owned or operated in whole or in part by that gaming licensee; and
- c. the company's policy with regards to gaming by officers, directors, owners and employees throughout South Africa must be submitted to the Board for approval.

5.050 Criminal convictions as grounds for revocation or suspension.

The Board may revoke or suspend the gaming licence or certificate of suitability or approval 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 Northern Province or the gaming industry.

5.060 Ownership identification on gaming devices.

1. A gaming 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 gaming machine site licensee shall not expose for play any gaming device of a gaming machine operator that fails to display the information required by subsection 1.

5.070 Violation of the Act, Regulations or Rules.

Violation of any provision of the Act, the Regulations or these Rules by a licensee, his agent or employee shall be deemed an offense contrary to the public health, safety, morals, good order and general welfare of the inhabitants of the Northern Province and grounds for suspension or revocation of a licence, certificate or approval. Acceptance of a gaming licence or renewal thereof by a licensee constitutes an agreement on the part of the licensee to be bound by the Act and all of the Regulations and Rules of the Board as the same now are or may hereafter be amended or promulgated. It is the responsibility of the licensee to keep himself informed of the content of all such laws, Regulations and Rules, and ignorance thereof will not excuse violations.

5.080 **A** Investigation of conduct of Licensees, generally.

A gaming licence is a revocable privilege, and no holder thereof shall be deemed to have acquired any vested rights therein or thereunder. The burden of proving his qualifications to hold any licence rests at all times on the licensee. The Board is charged by law with the duty of observing the conduct of all licensees to the end that licences shall not be held by unqualified or disqualified persons or unsuitable persons or persons whose operation is conducted in an unsuitable manner.

5.090 **A** Compliance review and reporting system.

1. Whenever the Board is acting upon any application of a licensee the Board may determine that special circumstances exist which require additional management review by a licensee, the Board may impose a condition upon any licence to require implementation of a compliance review and reporting system by the licensee.
2. The terms of the condition may include, but shall not be limited to:
 - a. that the condition shall expire on a certain date or after a designated period of time without Board action;
 - b. that the condition may be removed by the Board should a specified activity cease or a specified event occur; or
 - c. that a periodic review shall be conducted by the Board and upon such review the Board may remove or continue to require the condition.
3. Notwithstanding the provisions of subsection 2 above, upon application, a licensee may request modification or removal of the condition imposed and the Board may modify or remove the condition.
4. The compliance review and reporting system shall be created for the purpose of monitoring activities relating to the licensee's continuing qualifications under the provisions of the Act, Regulations and Rules of the Board in accordance with a written plan to be approved by the Chairperson or chief executive officer administratively or as otherwise ordered by the Board.
5. The written plan must provide for the operation of the compliance review and reporting system and must designate who shall be responsible for said system. The plan must provide for involvement of at least one person knowledgeable of the provisions of the Act, the Regulations and Rules of the Board. The plan must require periodic reports to senior management of the licensee. Such reports shall be advisory and the licensee shall maintain responsibility for compliance with the Act, the Regulations and Rules of the Board. Copies of the reports must be provided to the Board.
6. The activities to be monitored must be set forth in the written plan and must be determined by the circumstances applicable to the licensee. Without limitation, the activities that may be required to be monitored pursuant to the compliance review and reporting system include the following:
 - a. associations with persons denied licensing or other related approvals by the Board or who may be deemed to be unsuitable to be associated with a licensee;
 - b. business practices or procedures that may constitute grounds for denial of a gaming licence;
 - c. compliance with other special conditions that may be imposed by the Board upon the licensee;
 - d. review of reports submitted pursuant to the Act, the Regulations and Rules of the Board;
 - e. compliance with the laws, Regulations, or orders of duly constituted governmental agencies or entities having jurisdiction over the gaming affairs, or such other business activities which the Board may deem necessary or proper, of the licensee or its affiliates; and
 - f. review of such other activities determined by the Board as being relevant to the licensee's continuing qualifications under the provisions of the Act, the Regulations and Rules of the Board.

5.100 **A** Reports of violations.

Each licensee shall immediately notify the Board's Compliance Division by facsimile of the discovery of any cheating violation of the Act and of any violation or suspected violation of any gaming law. Actions taken or being taken as a result of the above, must be detailed on the facsimile.

5.110 **A** Access to premises and production of records.

1. No applicant, licensee or certificate holder shall neglect or refuse to produce records or evidence or to give information upon proper and lawful demand by a Board member or any employee of the Board, or shall otherwise interfere, or attempt to interfere, with any proper and lawful efforts by the Board or any employee to produce such information.

2. Each gaming licensee, including those licenced as manufacturers, maintenance, and supplier shall immediately make available for inspection by any Board member or employee all papers, books and records produced by any gaming business and all portions of the premises where gaming is conducted or where gambling machines or equipment are manufactured, sold or distributed. Any Board member or employee shall be given immediate access to any portion of the premises of any gaming licensee, licenced manufacturer, maintenance or supplier for the purpose of inspecting or examining any records or documents required to be kept by such licensee under the provisions of the Act, the Regulations and Rules of the Board, and any gaming machine or equipment or the conduct of any gaming activity.
3. Access to the areas and records which may be inspected or examined by Board members or employees shall be granted to any Board member or employee who displays a badge issued by the Board and an identification card.

5.120 A Summoning of licensee.

↓ The Board may summon any licensee or his agents or employees to appear to testify before it or its agents with regard to the conduct of any licensee or the employees of any licensee. All such testimony shall be under oath and may embrace any matters which the Board or its agents may deem relevant to the discharge of its official duties. Any person so summoned to appear shall have the right to be represented by legal representative. Any testimony so taken may be used by the Board as evidence in any proceeding or matter then brought before it or which may later come before it. Failure to so appear and testify fully at the time and place designated, unless excused, shall constitute grounds for the revocation or suspension of any licence or certificate held by the person summoned, his principal or employer.

5.130 Unauthorised games and associated equipment.

No licensee shall permit any game other than those specifically named in the Act or Regulations as a "casino game" or "gaming machine" to be operated without first applying for and receiving approval from the Board to operate such game. No licensee shall permit the use of any associated equipment, as defined by the Board, without receiving prior approval from the Board.

5.140 A Periodic payments.

Except as provided in this section, a licensee shall remit the total winnings and non-cash prizes awarded to a patron as the result of any licenced game, tournament, contest, or promotional activity upon validation of the win.

1. For the purpose of this section, the following definitions apply:
 - a. "Periodic payments" means a series of payments that are paid at least annually and includes annuities;
 - b. "Trust" means an irrevocable fiduciary relationship in which one person is the holder of the title to property subject to an equitable obligation to keep or use the property for the benefit of another;
 - c. "Independent financial institution" means:
 1. a bank licenced by the Reserve Bank or a national bank with an office in the Northern Province; or
 2. an insurance company admitted to transact insurance in the Northern Province; and
 one which is not affiliated through common ownership with a gaming licensee.
2. Periodic payments of winnings and non-cash prizes awarded to a patron as a result of any licenced game; tournament, contest, or promotional activity may be made if the method of funding the periodic payments provides such payments to a winning patron by establishing:
 - a. an irrevocable surety bond or an irrevocable letter of credit with an independent financial institution which provides periodic payments to a winner should the licensee default for any reason. A certified copy of the ~~written agreement establishing an irrevocable surety bond or the irrevocable letter of credit shall be submitted to the chief executive officer for administrative approval; or~~
 - b. an irrevocable trust with an independent financial institution in accordance with a written trust agreement ~~administratively approved by the chief executive officer provides periodic payments from an unallocated pool of assets to a group of winners which must expressly prohibit the winner from encumbering, assigning, or otherwise transferring in any way his right to receive the deferred portion of the winnings except to his estate.~~ The assets of the trust must be in an amount sufficient to meet the periodic payment(s) as required; or
 - c. another irrevocable method of providing the periodic payments to a winning patron consistent with the purpose of this rule and which is administratively approved by the chief executive officer.
3. The funding of the periodic payments must be completed within thirty (30) days of the date the patron wins or is awarded a prize.

4. Periodic payments must not be used for winnings of or non-cash prizes worth R400 000,00 or less. Periodic payments for total amounts won greater than R400 000,00 shall be paid as follows:
 - a. For amounts won greater than R400 000,00, but less than R800 000,00, payments must be at least R400 000,00 annually;
 - b. for amounts won of R800 000,00 or more, payments must be no less than 1/20th of the total amount annually;
 - c. for amounts won equal to or in excess of R20 000 000,00, payments must be made in the manner set forth in paragraph (b), or in such manner as administratively approved by the chief executive officer upon application by the licensee; and
 - d. the first payment must be made upon validation of the win.
5. Periodic payments of non-cash prizes may only be offered if the patron shall have the right to elect whether to receive the non-cash prize or cash equivalent of the non-cash prize each time a periodic payment is to be made. The cash equivalent shall be the actual cost to the licensee of the non-cash prize on the day such prize is won. The amount of the periodic payments to be funded shall be determined by the present value of the cash equivalent of the non-cash prize.
6. For any licenced game, tournament, contest, or promotional activity for which periodic payments are utilized, the licensee must display signs on each gaming machine or, if no gaming machine is used, then in each gaming, promotional, tournament, or contest area specifically setting forth either the amount or terms of the payment to be made each time a periodic payment is to be made and include in all radio, television, or print advertising regarding the foregoing, the fact that periodic payments are utilized for total amounts offered as a prize to a patron. Whenever winnings and non-cash prizes are awarded that shall be made by periodic payments, and the licensee fails to fund the periodic payments as required by this section, the licensee shall immediately notify the Board in writing and shall immediately cease offering any licenced game, tournament, contest, or promotional activity for which periodic payments are utilized. The Board will, in such cases, make a determination as to the process that must be implemented by the licensee to rectify the failure to fund the required periodic payments and whether or not disciplinary action is warranted.
7. * The present value of all winnings and non-cash prizes offered payable by a periodic payment must be used in calculating the minimum bankroll requirements of the location or operator as required by the Regulations and Rules of the Board until such time as the funding of the periodic payments is established pursuant to this section.
8. The Board may waive one or more of the requirements of this rule if it makes a written finding that such waiver is consistent with the public policy of the Province.
- 9.

5.150A Finder's fees.

1. Except as limited by subsection 2, the term "finder's fee" means any compensation in money in excess of the sum of R40 000,00, or real or personal property valued in excess of the sum of R40 000,00 which is paid or transferred or agreed to be paid or transferred to any person in consideration for the arranging or negotiation of an extension of credit, regardless of whether or not the transaction was consummated, to a licensee or applicant for licensing if the proceeds of such extension of credit are intended to be used for any of the following purposes:
 - a. the acquisition of an interest in a gaming establishment.
 - b. to finance the gaming operations of a licenced gaming establishment.
2. The term "finder's fee" shall not include:
 - a. compensation to the person who extends the credit.
 - b. normal and customary payments to employees of the person to whom the credit is extended if the arranging or negotiation of credit is part of their normal duties.
 - c. normal and customary payments for bona fide professional services rendered by lawyers, accountants, engineers and appraisers.
 - d. underwriting discounts paid to bona fide financial underwriters.
3. It is an offense for any licensee or applicant for licensing to pay any finder's fee without the prior approval of the Board. An application for approval of payment of a finder's fee shall make a full disclosure of all material facts. The Board may disapprove any such application if the person to whom the finder's fee is proposed to be paid does not demonstrate that he is fit and proper to hold a gaming licence.

5.160 Collection of gaming credit.

1. Only licensee's employees, licenced junket representatives, attorneys, or affiliated or wholly-owned companies and their employees, may collect, on the licensee's behalf and for any consideration, gaming credit extended by the licensee.

2. Notwithstanding the provisions of subsection 1, no licensee shall permit any person who has been found unsuitable, or who has been denied a gaming licence or other suitability approval, to collect, on the licensee's behalf and for any consideration, gaming credit extended by the licensee.
3. Each licensee shall maintain for the Board's inspection records that describe credit collection arrangements and that include any written contracts entered into with the persons described in subsection 1, unless such persons are the licensee's key employees or licenced junket representatives.

5.170 Devices under Section 81 of the Act; exceptions.

1. It shall not be a violation of section 81 of the Act for a person to:
 - a. make and refer to handwritten records of the cards played at punto banco and baccarat;
 - b. make and refer to handwritten records of roulette results; or
 - c. refer to records of the cards played at faro, where the records are made by the licensee in the manner traditional to that game.
2. The Board may approve the use of devices not described in subsection 1 upon the written request of a licensee, subject to such conditions as the Board may impose. No approval shall be effective unless it is in writing. It shall not be a violation of Section 81 of the Act for a person to possess or use, in accordance with the terms of the approval, a device approved pursuant to this subsection.

5.180 Surveillance systems. (Casino licensees only)

5.181 Definitions

1. "PTZ Camera" means a video camera which possesses, at a minimum the capability to pan (rotate) 360° at a minimum speed of 120° per second, tilt 180° with the capability to orientated itself and shall have pre-set capabilities with a minimum pre-set speed of 360° per second and zoom capabilities.
2. "Dedicated Camera" means a video camera which is required to monitor and record a specified activity continuously.
3. "Titrer" means a device that have the capability to superimpose time, date and a title onto a video signal.
4. "Matrix" means a micro processor controlled switching device which shall enable the system to direct any number of inputs to any number of outputs.
5. "video Loss Detector" means a device that have the capability to detect loss in video and or generate an alarm when video loss is experienced.
 "Control unit" means a device that shall have the capability to select any camera to any monitor in the surveillance system, control PTZ cameras at a variable speed and control all VCR recorders in the surveillance system.
6. "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.
7. "Satellite monitoring equipment" means a surveillance remote station with access to the surveillance system which has the capability to monitor and switch between signals only.

5.182 Minimum Standards

Notwithstanding Chapter XXI of the Northern Province Casino and Gaming Regulations the Board may, in its discretion require a licensee to comply with surveillance system requirements that are more stringent than those set forth in this Rule.

5.183 Surveillance Systems: General Requirements (Casino Licensees only)

Every licensee shall install, maintain and operate at all times a surveillance system comprised of cameras, monitors, titlers, matrix, video loss detector, control unit, video tape recorders and a video printer that provides the coverage required by this Rule.

1. The surveillance system must include a titler that superimposes the date, time and a title on each video tape recording. The displayed information must not obstruct the recorded view.
2. All equipment that may be utilised to monitor or record views obtained by the surveillance system must be and remain located in a room used exclusively for casino surveillance purposes. The entrance to the surveillance room must be located away from the view of the casino employees and general public and there shall be access control to the surveillance room which shall be exclusively for the use of surveillance personnel.
3. The surveillance room equipment must have total override capability over any other satellite monitoring equipment in other offices.
4. The surveillance system must be staffed and the surveillance equipment monitored at all times by trained surveillance personnel who must be employed or contracted to and trained by the licensee in accordance with minimum standards approved by the Board, exclusively for surveillance purposes, and must possess knowledge of all games and Regulations and Rules pertaining to gaming operations.

5. The surveillance system and its equipment must be directly and securely wired in a way to prevent tampering. An auxiliary power source must be available and capable of providing uninterrupted power to the surveillance system in the event of a power loss and provide sufficient lighting to operate the surveillance system and have a lightning protection unit to safe guard the surveillance system against lightning.
6. Each monitor screen in the surveillance system must be, at least 320 centimetres measured diagonally. Only high resolution monitors with audio transmitting capabilities shall be used in the surveillance room. All controls on the monitors shall be front mounted. Each monitor shall have the capability to display any selected view. The amount of cameras and the intensity of the camera coverage must be considered when determining how many monitors shall be fitted into the surveillance room with a minimum of one monitor for every 25 (twenty five) cameras in the slots area and one monitor for every 15 (fifteen) cameras for the tables area in the surveillance system. A ratio of one surveillance officer to four monitors must be maintained during casino operating hours. Any cash up, transaction or count area shall be included in the above ratios.
7. Each camera in the surveillance system located in public areas must be placed behind a dome, a one-way mirror or other similar material which conceals the camera from view. Cameras shall be fitted in such a way to prevent tampering by patron or employees. Cameras shall be selected and controlled from the surveillance room by means of a variable speed control unit. Each camera shall be dedicated to its own video recorder in terms of cameras located on the casino floor and count rooms as well as any other camera as determined by the Board. Cameras of different resolutions shall be used in different conditions and for different purposes in order to provide optimal clarity for what needs to be recorded, high resolution colour cameras shall be used to cover all table games, and each camera shall have the capability of having its picture displayed on a video monitor.
8. The surveillance system may view and record in black and white, except that pit transactions occurring at the casino cash desk (cage), views of all table games, progressive jackpots, machines with bill validators and soft count rooms must be viewed and recorded in colour.
9. The licensee must have the capability of creating first generation copies of video surveillance tapes that are standard VHS format or other format approved by the Board. A video recorder shall have the capability to be selected and controlled from the control unit in the surveillance room.

5.184 Surveillance systems (Casinos only): Count Rooms and Casino Cash Desks (cage)

1. Every licensee shall install, maintain, and operate at all times a surveillance system that monitors and records clear unobstructed views of all areas and transactions within;
 - a. the hard count room and any area where uncounted coins are stored during the drop and count process, including walls, doors, scales, wrapping machines coin sorters, vaults, safes and general work surfaces;
 - b. scales in the hard count room shall have interface capabilities to the surveillance system;
 - c. the administration office of the hard count room including the walls, doors, equipment and employees and their movements;
 - d. the administration office of the hard count room shall have a panic alarm with the capability to be interfaced into the surveillance system and be recorded.
 - f. the soft count room, including walls, doors, drop boxes vaults, safes, note counters and transparent counting surfaces, with a dedicated camera on the counting surface and a dedicated camera on the stacked currency;
 - g. the soft count room note counters shall have interface capabilities to the surveillance system;
 - h. the soft count room shall have a panic alarm with the capability to be interfaced in to the surveillance system and be recorded;
 - i. 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;
 - j. the casino cash desk transaction areas 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 (30) days.

5.185 Table Games and Card Rooms (Casinos only)

1. All table game and card room areas with sufficient clarity to permit identification of all dealers, patrons, spectators and pit personnel;
 - a. all table games or card tables surfaces, including table bank trays, with sufficient clarity to permit identification of all chip, cash, dice and card values and the outcome of the game;

- b. roulette tables must be recorded to permit views of the table; the wheel, the chip float, the dealer and the hand movements (over the table) of all patrons on one monitor screen;
 - c. all drop, tip box slots and table numbers;
 - d. all card room, pit desk or podium banks, including any drawers, cabinets and safes contained therein;
 - e. a minimum of one additional PTZ camera for every four table games which shall be used for general views, punter scans and close-up views provided that all game play activities shall be individually monitored and recorded by a dedicated high resolution camera per table.
2. The surveillance system must have the capability to view and record simultaneously both the table game area and the table game surface.

5.186 Surveillance Systems: Gaming Machines (Casinos only)

1. Every licensee who exposes gaming machines for play, shall install, maintain and operate at all times a surveillance system that possesses the capability to continuously monitor and record clear, unobstructed, overall and continuous view of all areas that contain gaming machines with sufficient clarity to identify all patrons and employees and their movements.
2. Cameras recording slot 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. Note that this rule is based on the distance that would be covered by 12 standard machines installed next to each other. Therefore gaps between machines must be taken into account when reviewing the required number of cameras.
3. Every licensee who exposes gaming machines for play shall install, maintain, and operate at all times a surveillance system that possesses the capability to monitor and record clear and unobstructed views of all slot change booths, including their cash drawers, counter tops, counting machines customer windows, and employee windows, recorded with sufficient clarity to permit identification of all transactions, cash, paperwork, patrons and employees and their movements.
4. All counting equipment in the slots booths shall have interface capabilities with the surveillance system.
5. All slots booths shall have panic alarm buttons directly linked to the surveillance system.
6. The casino monitoring system must be interfaced with the slot machines, coin counters and weigh scales ensuring all error codes, conditions and information as laid out below by the Board is reported on the system:
 - a. slot Machine error codes and conditions
 - b. coin counters
 - i. denomination
 - ii. rand value of coins counted
 - iii. booth number
 - iv. date and Time
 - c. weigh scale
 - i. denomination
 - ii. value
 - iii. weight
 - iv. machine number
 - v. date and Time

5.187 Surveillance Systems: Casino Surveillance and or Security Offices (Casinos only)

1. The surveillance system must cover all areas of any security and or surveillance office wherein any persons may be detained, questioned, interviewed or interrogated by casino security and or surveillance officers. The entrance to the surveillance room shall be monitored and recorded.
2. Security and or surveillance office coverage must include both audio and video, be recorded at all times and the signal must terminate in the surveillance room.
3. The recordings must be retained by the licensee for at least 30 days after the recorded event.
4. In each office or room covered by this section, a sign must be conspicuously displayed which states that the area is under constant audio and video surveillance.
5. The Board and its agents shall at all times be provided immediate access to the surveillance room and other surveillance areas.
6. The inside of the surveillance room including working areas employees and their movements shall be recorded and the surveillance room will consist of audio monitoring capability.

5.188 Casino Surveillance System Equipment Malfunctions

1. Every licensee shall establish and maintain a written log of any and all casino surveillance system equipment malfunctions, and retain the log for at least one year after the date of the most recent entry in the log.
2. Each malfunction must be repaired within 24 hours of the malfunction.
3. If repair is not completed within 24 hours, the licensee shall immediately submit a written report to the Board that sets forth the reason for the delay in repair and retain the report for at least 30 days after submission to the Board.
4. The Board may in its discretion order that all activity in the area affected by the malfunction be suspended pending repair.
5. In the event of a malfunction of a dedicated camera, recorder or monitor and no Board approved alternative coverage plan is in place, the activity, games or slot machine being viewed must be suspended or closed pending repair and reported to the Board.

5.189 Surveillance Systems Recording Requirements

1. In addition to any other videotape recording requirements that are or may be imposed by this Rule every licensee shall record all views, activities, and locations as the Board may from time to time require.
2. Every licensee shall videotape record and maintain a written log of all activities observed by casino surveillance personnel that appear unusual or irregular, or that violate or appear to violate any law of the Republic, the Act, the Regulations or Rules promulgated thereunder, and notify the Board immediately.
3. All videotape recordings produced by a surveillance system must present a clear and unobstructed view of the scene depicted thereon.
4. Every licensee must retain all videotape recordings for at least seven (7) days after the recording is produced, unless a longer time period is required by another section of this Rule, or by order of the Board.
5. 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.
6. All videotape recordings must be made in real time and not in a time lapse recording mode.

5.190 Surveillance System Plans; Alterations to Surveillance Systems

1. Every applicant for a licence shall submit to the Board a surveillance system plan with his or her licence application for approval by the Board.
2. The surveillance system plan must include the following:
 - a. a casino floor plan that shows the placement of all surveillance equipment
 - b. details of the camera view
 - c. identify the machines and tables covered by the cameras as a narrative
 - d. a detailed inventory of the surveillance system. This will include number of cameras, monitors, equipment specifications including cameras and the detailed matrix plan including the procedures covering alarmed areas, entrances and exits.
3. The surveillance plan in respect to camera installation will be signed off and approved by the Board on completion of the installation of the cameras. In respect to all other issues, Board approval must be granted prior to installation.
4. No applicant or licensee shall alter or modify the approved surveillance system contemplated in sub-Regulation (1), without the prior approval of the Board.
5. An applicant or a licensee 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. This will also be applicable for temporary or semi-permanent installations. A two day approval period must be given to the Board for the installation of cameras used for the purposes of covert operations.

5.191 Compliance with Surveillance Requirements

Applications for a casino licence shall comply with the requirements set forth in this Rule no later than seven (7) days prior to the start of gaming operations.

5.192 Monitoring Control Systems

1. The Board requires that the Gaming machine operators and casinos implement a computerised Central Monitoring and Control System (MCS) capable of meeting with the Board's functions:

1.1 Casinos

- i. real time commands from gaming equipment;
- ii. logging, searching and reporting of gaming equipment events; to include at a minimum the following:
 - a. unauthorised door open (cash box, machine and note acceptors);
 - b. cash box, note acceptor machine door open;
 - c. cash box, note acceptor machine door close;
 - d. invalid service/key card;
 - e. power off;
 - f. power on;
 - g. connection or break in connection to the monitoring system;
 - h. hopper empty;
 - i. jackpot, progressive jackpot won and value thereof;
 - j. jackpot reset and credit cancel;
 - k. paid out coins while door open (test events);
 - l. coin jam;
 - m. register all personnel entering the machine;
 - n. ram reset;
 - o. internal game diagnostic failure;
 - p. tilt;
 - q. rom error;
 - r. gaming equipment component errors; and
- iii. collection of individual device financial data;
- iv. collection of individual soft meter data which will include at a minimum
 - a. in meter;
 - b. out meter;
 - c. coin drop meter to cash box;
 - d. jackpot meter;
 - e. handle pull meter; and
 - f. bill validator meters reflecting value of notes accepted by denomination;
- v. reconciliation of meter data against cash box hard count;
- vi. systems security;
- vii. the collection of meters must be performed via a secure link to the machine software;
- viii. logging of all manual inputs to the system including the person performing and authorising the input; and
- ix. any other requirements as required by the Board.

Gaming machine operation

- i. Logging, searching and reporting of gaming equipment events;
 - a. unauthorised door open (cash box, machine and note acceptors);
 - b. cash box, note acceptor machine door open;
 - c. cash box, note acceptor machine door close;
 - d. invalid service/key card;
 - e. Power off;
 - f. Power on;
 - g. Connection or break in connection to the monitoring system;
 - h. Hopper empty;
 - i. Paid out coins while door open (test events);
 - j. Coin jam;
 - k. Register all personnel entering the machine;
 - l. Ram reset;
 - m. Internal game diagnostic failure;
 - n. Tilt;
 - o. ROM error;
 - p. Gaming equipment component errors; and
- ii. collection of individual device financial and meter data;
- iii. reconciliation of meter data against cash box hard count;
- iv. systems security;
- v. validation of gaming equipment in the field;
- vi. the system must at a minimum be able to collect meters via a dial-up method;

- vii. logging of all manual inputs to the system including the person performing and authorising the input.
 - viii. the system must be able to disable or enable a machine;
 - ix. performance reporting as specified from time to time by the Board; and
 - x. any other requirements as required by the Board.
3. The MCS must be computer based with sufficient capacity (processing, memory, communications interfaces and hard disk storage) to efficiently monitor, log and control all gaming devices as prescribed above.

5.193 MCS Hardware and Software

1. The Board must approve the hardware and software configuration of MCS gaming systems.
2. The Assessment will evaluate the total configuration for reliability, recovery, audibility, redundancy and security. Refer to SABS 1718 Part 3.
3. Any upgrades or changes to the software systems must be approved by the Board, prior to upgrade or change taking place.

5.194 Meter Wrap Handling and Meter Width

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

5.195 Device Configuration Database

1. The Board requires a gaming device monitoring system to maintain the following information for each gaming device which it monitors:
 - a. Location;
 - b. device description (e.g. Serial number, manufacturer);
 - c. configuration (i.e. denomination, software version installed, games available, progressive status); and
 - d. history of upgrades, movements and re-configurations.
2. This may be done by the MCS, a separate computer or manual system, or any combination thereof, but, in any case the information must be readily retrievable.

5.196 A Retention of Unclaimed Monies

1. The licensee must maintain a register or report of all prize money which has not been claimed after a period of 12 hours.
2. The Board requires that if there are too "old" unclaimed Jackpots, unclaimed prizes stored on the system by serial number or other access method is to be secured on disk so that the list of unclaimed monies or prizes is restricted to authorised personnel only.
3. The ability for the Board to identify amounts that are unclaimed must be provided.
4. All monies and prizes that are unclaimed may not be deducted for purposes of calculating gaming levy.
5. The procedures with regards to monies or prizes won by a minor must be submitted to the Board for approval.

5.197 A Password Protection

1. The operating system(s) used, as well as the MCS must provide comprehensive password security.
2. It is expected that all programs and important data files can only be accessed by entry of a password which will be known only to authorised personnel.
3. The Board requires that storage of passwords and 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(s) and MCS.

5.198 A Access by the Board

1. The Board is to be able to access the MCS program and data memory at any time using either the electronic link to the Board, or from a facility on the operators site.
2. The system software is to provide comprehensive search mechanisms for the purpose of examination of events and statistical data. The mechanism should cater for a variety of "keys" for the search including date, time, event number, machine/terminal number, etc., and combinations thereof.

5.192 Monitoring Control Systems

1. The Board requires that the Gaming machine operators and casinos implement a computerised Central Monitoring and Control System (MCS) capable of meeting with the Board's functions:

1.1 Casinos

- i. real time commands from gaming equipment;
- ii. logging, searching and reporting of gaming equipment events; to include at a minimum the following:
 - a. unauthorised door open (cash box, machine and note acceptors);
 - b. cash box, note acceptor machine door open;
 - c. cash box, note acceptor machine door close;
 - d. invalid service/key card;
 - e. power off;
 - f. power on;
 - g. connection or break in connection to the monitoring system;
 - h. hopper empty;
 - i. jackpot, progressive jackpot won and value thereof;
 - j. jackpot reset and credit cancel;
 - k. paid out coins while door open (test events);
 - l. coin jam;
 - m. register all personnel entering the machine;
 - n. ram reset;
 - o. internal game diagnostic failure;
 - p. tilt;
 - q. rom error;
 - r. gaming equipment component errors; and
- iii. collection of individual device financial data;
- iv. collection of individual soft meter data which will include at a minimum
 - a. in meter;
 - b. out meter;
 - c. coin drop meter to cash box;
 - d. jackpot meter;
 - e. handle pull meter; and
 - f. bill validator meters reflecting value of notes accepted by denomination;
- v. reconciliation of meter data against cash box hard count;
- vi. systems security;
- vii. the collection of meters must be performed via a secure link to the machine software;
- viii. logging of all manual inputs to the system including the person performing and authorising the input; and
- ix. any other requirements as required by the Board.

1.2 Gaming machine operation

- i. Logging, searching and reporting of gaming equipment events;
 - a. unauthorised door open (cash box, machine and note acceptors);
 - b. cash box, note acceptor machine door open;
 - c. cash box, note acceptor machine door close;
 - d. invalid service/key card;
 - e. Power off;
 - f. Power on;
 - g. Connection or break in connection to the monitoring system;
 - h. Hopper empty;
 - i. Paid out coins while door open (test events);
 - j. Coin jam;
 - k. Register all personnel entering the machine;
 - l. Ram reset;
 - m. Internal game diagnostic failure;
 - n. Tilt;
 - o. ROM error;
 - p. Gaming equipment component errors; and
- ii. collection of individual device financial and meter data;
- iii. reconciliation of meter data against cash box hard count;
- iv. systems security;
- v. validation of gaming equipment in the field;
- vi. the system must at a minimum be able to collect meters via a dial-up method;

3. Note that the Board may need to log onto the computer to execute external audit and interrogation programs. The password that the Inspector uses must give him/her READ ONLY access to all data. However, there should be sufficient space available to enable the officer of the Board to save a report comprising the read only information.

5.199 A User Interface, Documentation and Reporting

1. Details of the Board's reporting requirement are to be provided to the Gaming Machine Operator and the casino by the Board. The Board must be satisfied that:
 - a. the information printed or displayed is accurate
 - b. the user interface and operation of the system is presented, both by the system and in documentation (Operators manuals etc.), in a manner which is conducive to efficient operation of the system; and
 - c. reports that are to be supplied to the Board must be clearly printed.

5.200 Linked to Board Computing Facilities

1. The gaming machine operator and casino is to provide and maintain an electronic link from their central computing facilities to the Board's computer centre.
2. The electronic link must include all necessary equipment (i.e. Computer terminals, Telkom, NTU's, Routers, Modems etc.) and must comply to the following minimum specifications:
 - a. casinos
A full - time, on line, dedicated digital data line.
 - b. Route operators
A dial up facility (either analogue or digital), dedicated for the Board's use only. Should the Board not be satisfied with access speed and response times, a dedicated data line may be required.
3. The Gaming Machine Operator and casino must supply the Board with the necessary software to enable the Board to link to, and log on to the Operator's MCS system.
4. This link is for either logging onto the Operator's MCS system interactively or downloading data at a frequency as needed by the Board.

5.201 Facilities for Inspectors

1. Facilities for Board's Inspectors are to include as a minimum the following:
 - a. ability to determine operational hardware and software version levels;
 - b. ability to perform signature checks (Route operations only);
 - c. ability to verify that gaming machine and other equipment is on-line;
 - d. facilities to support an inspector working in the field.

RULE 6: ACCOUNTING RULES

6.010 Definitions.

As used in this Rule:

1. "Business year" means the annual period used by a licensee for internal accounting purposes.
2. "Fiscal year" means a period beginning on April 1st and ending March 31st of the following year.
3. "Handle" means the total rand value played through a gaming machine
4. "Statements of Generally Accepted Accounting Practice" means the auditing standards and procedures published by the Accounting Practices Board.
5. "Statistical drop" means the estimated rand amount of cash and plaques put into the drop box as recorded by the table supervisor or dealer.
6. "Statistical win - tables" means the estimated rand amount won by the licensee through table play as recorded by the table supervisor.
7. "Statistical win - slots" means the machines handle multiplied by the theoretical hold percentage.
8. "Wager" means a sum of money or thing of value risked on an uncertain occurrence.

6.020 A Board audit procedures.

1. The Board shall organise and maintain a Compliance Division whose authority it shall be:
 - a. ✖to conduct periodic audits or reviews of the books and records of licensees;
 - b. ✖to review the accounting methods and procedures used by licensees;
 - c. ✓to review and observe methods and procedures used by licensees to count and handle cash, chips, tokens, negotiable instruments, and credit instruments;
 - d. ✓to examine the licensees' records and procedures in extending credit, and to confirm with gaming patrons the existence of an amount of debt and any settlement thereof;
 - e. ✖to examine and review licensees' internal control procedures;
 - f. ✖to examine all accounting and bookkeeping records and ledger accounts of the licensee or a person controlling, controlled by, or under common control with the licensee;
 - g. ✓to examine the books and records of any licensee when conditions indicate the need for such action or upon the request of the chief executive officer or the Board; and
 - h. ✖to investigate each licensee's compliance with the Act, the Regulations and Rules of the Board.
2. The Compliance Division shall conduct each audit in conformity with Generally Accepted Accounting Practices. The Compliance Division shall prepare an appropriate report at the conclusion of each audit and shall submit a copy of the report to the Board.
3. At the conclusion of each audit, the Compliance Division shall review the results of the audit with the licensee.
4. When the Compliance Division finds that the licensee is required to pay additional fees and levies or finds that the licensee is entitled to a refund of fees and levies, it shall report its findings, and the legal basis upon which the findings are made, to the Board and to the licensee in sufficient detail to enable the Board to determine if an assessment or refund is required.

6.030 A Procedure for reporting and paying gaming levies and fees.

Levies and fees required under the Act and Regulations and all reports relating thereto must be received by the Board not later than the due date specified by Act, the Regulations or these Rules.

6.040 A Accounting records.

1. Each licensee, in such manner as the Board may approve or require, shall keep accurate, complete, legible, and permanent records of all transactions pertaining to revenue that is subject to fees and levies pursuant to the Act and the Regulations. Each licensee that keeps permanent records in a computerised or microfiche fashion shall provide the Compliance Division, upon its request, with a detailed index to the microfiche or computer records that is indexed by casino department and date.
2. Each casino, route, bingo, manufacturer, maintenance and supplier licensee shall keep general accounting records on a double entry system of accounting, maintaining detailed, supporting, subsidiary records, including:
 - a. detailed records identifying revenues, expenses, assets, liabilities, and equity for each establishment;
 - b. detailed records of all markers, IOU's, returned cheques, hold cheques, or other similar credit instruments;

- c. individual and statistical game records to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop by table for each table game, and to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop for each type of table game, either by each shift or other accounting period approved by the Board, and individual and statistical game records reflecting similar information for all other games;
 - d. gaming machine analysis reports which, by each machine, compare actual hold percentages to theoretical hold percentages and any variances related thereto;
 - e. the records required either by the minimum standards for internal control systems or by the licensee's system of internal control;
 - f. journal entries prepared by the licensee and its independent accountant; and
 - g. any other records that the Board specifically requires be maintained.
3. If a licensee fails to keep the records used by it to calculate gross gaming revenue or any other applicable fees or levies, the Board may compute and determine the amount of taxable revenue upon the basis of an audit conducted by the Compliance Division, upon the basis of any information within the Board's possession, or upon statistical analysis.

6.050 A Records of ownership.

- 1. Each corporate licensee shall keep on the premises of its gaming establishment, or shall provide to the Compliance Division upon its request, the following documents pertaining to the company:
 - a. ~~a~~ a certified copy of the memorandum and articles of association and any amendments;
 - b. ✓ a copy of the bylaws and any amendments;
 - c. ~~a~~ a copy of the company's certificate to commence business;
 - d. ~~a~~ a register of all current and former officers and directors;
 - e. ~~minutes~~ minutes of all meetings of the shareholders;
 - f. ~~minutes~~ minutes of all meetings of the directors and committees of the Board of directors; and
 - g. ~~for non-listed companies a register of all shareholders listing each shareholder's name, address, the number of shares held, and the date the shares were acquired;~~
 - h. ✓ the share certificate ledger;
 - i. ✓ a record of all transfers of the company's shares; and
 - j. a record of amounts paid to the company for issuance of shares and other capital contributions; and
 - k. ✓ for listed companies a register of all shareholders, holding 5% or more of the issued shares ~~a listing of each shareholder's name, address, the number of shares held, and the date the shares were acquired;~~
- 2. Each partnership licensee shall keep on the premises of its gaming establishment, or provide to the Compliance Division upon its request, the following documents pertaining to the partnership:
 - a. a copy of the partnership agreement and, if applicable, the certificate of limited partnership;
 - b. a list of the partners, including their names, addresses, the percentage of interest held by each, the amount and date of each capital contribution of each partner, the date the interest was acquired, and the salary paid by the partnership; and
 - c. a record of all withdrawals of partnership funds or assets.
- 3. Each sole proprietorship licensee shall keep on the premises of its gaming establishment, or provide to the Compliance Division upon its request, a schedule showing the name and address of the proprietor and the amount and date of the proprietor's original investment and of any additions and withdrawals.

6.060 A Record retention; non-compliance.

Each licensee shall provide the Compliance Division, upon its request, with the records required to be maintained by the Act, Regulations and Rules. Unless the chief executive officer approves or requires otherwise in writing, each licensee shall retain all such records within Northern Province for at least 5 years after they are made. Failure to keep and provide such records is an offence.

6.070 A Standard financial statements. (Excluding Sites)

- 1. Each licensee, in such manner and using such forms as the chief executive officer may approve or require, shall prepare a financial statement covering all financial activities of the licensee's establishment for each fiscal year. If the licensee or a person controlling, controlled by, or under common control with the licensee owns or operates room, food, or beverage facilities at the establishment, the financial statement must cover those operations as well as gaming operations. Licensees shall submit the financial statements to the Board not later than sixty (60) days following the end of the fiscal year covered by the statement.

Contradicts Regulation 64.3

Each financial statement must be signed by a licensee who thereby attests to the completeness and accuracy of the statement. In the event of a licence termination, change in the business entity, or a change in the percentage of ownership of more than 20%, the licensee or former licensee shall, not later than 75 days after the event, submit to the Board a financial statement covering the period since the period covered by the previous standard financial statement.

2. The chief executive officer may prescribe a uniform chart of accounts and accounting classifications. Licensees shall prepare their financial statements in accordance with the chart or in a similar form producing the same information.
3. Each licensee shall furnish to the Board, upon the chief executive officer's written request, statistical and financial data for the purpose of compiling, evaluating, and disseminating financial information regarding the economics and trends within the gaming industry.

6.080 A Gross revenue computations.

1. For each table game, gross revenue equals the closing float plus credit slips for cash, chips, or tokens returned to the casino cage, plus drop, less opening float and fills to the table.
2. For each gaming machine, gross gaming revenue equals total in (metered amount) less total out (metered amount) less hand pays, ~~if the licensee retains detailed documentation supporting the deduction, (the actual cost to the licensee, its agent or employee, or a person controlling, controlled by, or under common control with the licensee, of any personal property, other than costs of travel, food, lodging, services, and food and beverages) provided for or distributed to a patron as winnings. If on any given day, a machines meters have not been received by the central monitoring system, the method of calculation for gross gaming revenue will be : Drop less fills less hand pays. It should be noted that in such cases the initial hopper load is not a fill and does not affect gross revenue.~~ *
3. ~~For each card game and any other game in which the licensee is a party to a wager, gross revenue is the net amount of money received by the licensee as compensation for conducting the game.~~
4. A licensee shall not include either skill win or skill loss in gross revenue computations.
5. If in any month the amount of gross revenue is less than zero, the licensee may deduct the excess in the succeeding months, until the loss is fully offset against gross revenue.

6.090 A Mandatory count procedure. (Casino only)

1. Except as otherwise provided in subsection 2:
 - a. Each licensee shall report annually to the Board, on or before 1st April, the time or times when drop boxes and other similar receptacles will be removed and the contents counted. All drop boxes and other similar receptacles must be removed and counted at the time or times previously communicated to the Board. The licensee shall provide the Board with written advance notification of any changes to the designated times. Removal and counting of drop box contents at other than the designated times is prohibited unless the licensee provides advance written notice to the chief executive officer of a change in times or the chief executive officer requests a change of authorised times.
 - b. Each licensee shall quarterly submit a list, and any subsequent changes, to the Board of employees authorised to participate in the count and those employees who are authorised to be in the count room during the count ("count personnel list"). ~~The count personnel list shall indicate those persons, if any, who hold an interest in the licensee and shall indicate what relationship by blood or marriage, if any, exists between any person on such list or any interest holder or employee of the gaming establishment.~~
 - c. The count personnel list shall also indicate the job position held by each count employee.
2. Unless otherwise administratively waived or amended by the chief executive officer of the Board or his designee, each casino licensee shall submit the information required by this section to the Board, in a format acceptable to the chief executive officer.

6.100 A Handling of cash.

Each gaming employee, owner, or licensee who receives currency of the Republic of South Africa (other than tips or gratuities) from a patron in the gaming area of a gaming establishment shall promptly place the currency in the locked box in the table or, in the case of a cashier, in the appropriate place in the cashiers' cage, or on those games which do not have a locked box or on card game tables, in an appropriate place on the table, in the cash register, or other repository approved by the chief executive officer. The handling of foreign currency must be included in the licensee's minimum standards of internal controls as approved by the Board.

6.110 A Extension of time for reporting.

The chief executive officer, in his sole and absolute discretion, may extend the time for filing any report or document required by Rule 6.

6.120 A Petitions for re-determination: procedures

1. A licensee filing a petition for re-determination with the Board shall serve a copy of the petition on the chief executive officer.
2. A licensee shall, within 30 days after the petition is filed:
 - a. pay all taxes, fees, penalties, or interest not disputed in the petition and submit a schedule to the chief executive officer that contains its calculation of the interest due on non-disputed assessments;
 - b. file with the Board a memorandum of points and authorities in support of a re-determination, and serve a copy of the memorandum on the chief executive officer; and
 - c. file with the Board a certification that it has complied with the requirements of paragraphs (a) and (b).
3. The chief executive officer shall, within 30 days after service of the licensee's memorandum, file a memorandum of points and authorities in opposition to the licensee's petition and shall serve a copy on the licensee. The licensee may, within 15 days after service of the chief executive officer's memorandum, file a reply memorandum.
4. The chief executive officer and the licensee may stipulate to extend the time periods specified in this section if their stipulation to that effect is filed with the Board before the expiration of the pertinent time period. The Board may extend the time periods specified in this section upon motion and for good cause shown.
5. The Board may, at its discretion, deny a petition for re-determination if the licensee fails to comply with the requirements of this section.

6.130 A Claims for refunds: procedures

1. A licensee filing a claim for refund with the Board shall serve a copy of the claim on the chief executive officer.
2. A licensee shall, within 30 days after the claim is filed, file with the Board a memorandum of points and authorities in support of the claim, setting forth the legal basis and the licensee's calculations of the amount of the refund and any interest due thereon, and serve a copy of the memorandum on the chief executive officer, and file with the Board a certification that it has complied with the requirements of this subsection.
3. The chief executive officer shall, within 30 days after service of the licensee's memorandum, file a memorandum of points and authorities in opposition to the licensee's claim and shall serve a copy on the licensee. The licensee may, within 15 days after service of the chief executive officer's memorandum, file a reply memorandum.
4. The chief executive officer and the licensee may stipulate to extend the time periods specified in this section if their stipulation to that effect is filed with the Board before the expiration of the pertinent time period. The Board may extend the time periods specified in this section upon motion and for good cause shown.

RULE 7: DISCIPLINARY PROCEEDINGS

7.010 Disciplinary Proceedings.

Disciplinary proceedings be governed by the provisions of the Northern Province Casino and Gaming Act , (Act No 4, 1996).

RULE 8: PATRON DISPUTES

8.010 Construction. ??

Patron dispute proceedings be governed by Chapter III of the Regulations.

RULE 9: TRANSFERS OF FINANCIAL INTERESTS; LOANS

9.010 General.

1. No person shall sell, purchase, assign, lease, grant or foreclose a share interest, hypothecate or otherwise transfer, convey or acquire in any manner whatsoever any interest of five percent or more in or to any licensed gaming operation or any portion thereof, or enter into or create a voting trust agreement or any other agreement of any sort in connection with any licensed gaming operation or any portion thereof, except in accordance with the Act, the Regulations of the Board and these Rules.
2. No licensee shall permit any person to make an investment of five percent or more in, or in any manner whatever participate in the profits of, any licensed gaming operation, or any portion thereof, except in accordance with the Act, the Regulations of the Board and these Rules.
3. No person shall transfer or convey in any manner whatsoever any interest of any sort whatever in or to any licensed gaming operation, or any portion thereof, to, or permit any investment therein or participation in the profits thereof by, any person acting as agent, trustee or in any other representative capacity whatever for or on behalf of another person without first having fully disclosed all facts pertaining to such representation to the Board. No person acting in any such representative capacity shall hold or acquire any such interest or so invest or participate without first having fully disclosed all facts pertaining to such representation to the Board and obtained written permission of the Board to so act.

9.020 Transfer of interest among licensees.

If a person who is the owner of an interest of five percent or more in a licensed gaming operation proposes to transfer his interest to a person who is then the owner of an interest in such licensed gaming operation, both parties shall give written notice of such proposed transfer to the Board, including the names and addresses of the parties, the extent of the interest proposed to be transferred and the consideration thereof. In addition, the proposed transferee shall furnish the Board with a sworn statement setting forth the source of funds to be used by him in acquiring such interest; and he also shall furnish to the Board such further information as it may require. The Board shall conduct such investigation pertaining to the transaction as it may deem appropriate. The Board shall give notice of approval or disapproval of the proposed transfer of interest at which time, if approved, the transfer of interest may then be effected in accordance with the terms of transfer as approved by the Board. The parties shall immediately notify the Board when the transfer of interest is actually effected.

9.030 Transfer of interest to an unlicensed person.

1. Except as and to the extent provided in these Rules pertaining to emergency situations, no individual who is the owner of any interest in a licensed gaming operation shall in any manner whatsoever transfer a five percent or more interest therein to any person, firm or company not then an owner of an interest therein, and no such transfer shall become effective for any purpose until the proposed transferee or unlicensed person, shall have made application for and obtained all licences required by the Act, the Regulations of the Board or these Rules, or have been found to be individually qualified to be licensed, as appropriate.
2. Applications for a transfer of interest to an unlicensed person, except the granting of a beneficiary interest in equity shares of a licensee or of a holding company subject to Rule 12, shall be made by the transferee applying for licensing in accordance with the Act, the Regulations of the Board and the Rules as provided in Rule 4.
3. Evidence of the transferor's agreement to transfer the interest applied for must accompany the application (a certified copy may be submitted). Licensing of the transferee shall be deemed to constitute approval of the transfer by the Board.
4. Applications for approval of the granting of a beneficiary interest of five percent or more shall be made in writing to the Board. The application shall set forth all material facts relating to the transaction and be accompanied by copies of the documents evidencing the transaction. An application will not ordinarily be granted unless such documents include the following:
 - a. the physical location of the certificates evidencing the transaction shall at all times remain within the territorial boundaries of the Northern Province.
 - b. the holder of said certificates shall not surrender possession of the shares without the prior approval of the Board.

An approval of the granting of a beneficiary interest shall be deemed to constitute approval of the transfer by the Board. No such approval, however, shall constitute permission to foreclose without a further order of the Board.

9.040 Duties of companies and agents.

No licensee or holding company, or officer, director or transfer agent thereof, shall cause or permit any share certificate or other evidence of beneficial interest therein to be registered in its books or records in the name of any nominee, agent, trustee or any other person other than the true and lawful owner of the beneficial interest therein without written permission of the Board to do so.

9.050 Escrow required.

Except as and to the extent provided in these Rules pertaining to emergency situations, no money or other thing of value constituting any part of the consideration for the transfer or acquisition of any interest in a licensed gaming operation, in a licensee or in a holding company shall be paid over, received or used until complete compliance has been had with all prerequisites set forth in the Act, the Regulations of the Board and these Rules for the consummation of such transaction; but such funds may be placed in escrow pending completion of the transaction. Any loan, pledge or other transaction between the parties or with other parties may be deemed an attempt to evade the requirements of this rule and, as such, in violation of this rule.

9.060 Participation in operations.

1. Except as provided in these Rules pertaining to emergency situations, or in subsection 2, or on approval of the Board, no person who proposes to acquire an interest of five percent or more in any licensed gaming operation, in a licensee, or in a holding company shall take any part whatever, as an employee or otherwise, in the conduct of such gaming operations or in the operation of the establishment at which such gaming operations are conducted while his application for a licence or for approval to acquire such interest is pending.
2. An employee subject to subsection 1 may continue to be employed pending the Board's decision on his application to participate if:
 - a. He has been employed by the licensed gaming operation, licensee, or holding company for more than six consecutive months prior to filing his application to participate;
 - b. when he files his application to participate, he also requests permission from the Board to continue to be so employed pending Board action on his application to participate; and
 - c. the Board, acting in its sole and absolute discretion, does not within 30 days deny the request to continue employment pending Board action on the employee's application to participate.

9.070 Emergency situations.

If a transfer of an interest of five percent or more in a licensed gaming operation, in a licensee or in a holding company, is contemplated and, in the opinion of the Board, the exigencies of the situation require that the proposed transferee or transferees be permitted to take part in the conduct of gaming operations or in the operation of the establishment wherein such gaming operations are conducted, or to make available funds or credit for use in connection with such licensed gaming operation or establishment during the pendency of an application for licence or to be permitted to acquire such interest, the Board may waive the requirement of Rules 9.050 and 9.060, or either of them, in accordance with the procedures hereinafter set forth.

9.080 Application for permission to participate.

1. A proposed transferee of an interest who desires to participate in any manner, whether financially or otherwise, in the operation of the licensed establishment or games prior to actual completion of the transfer of interest in accordance with the foregoing Rules shall make written application to the Board for permission to so participate, setting forth, under oath, facts showing the necessity of such participation, together with the following information to be given under oath:
 - a. the extent to which and the manner in which the proposed transferee desires to participate pending completion of the proposed transfer.
 - b. a complete financial statement and a statement showing sources of all funds to be used in connection with the proposed transfer of interest and in the participation prior to transfer.
 - c. a full and complete statement of the proposed plan for effecting the proposed transfer of interest, including:

- i. the extent of the interest to be transferred;
 - ii. the date on which it is desired to complete the transfer;
 - iii. the total consideration to be paid and the time and manner of payment thereof;
 - iv. details of any other financial arrangements between all parties involved
 - v. details of all other pertinent arrangements between the parties.
 - d. full, true and correct copies of all documents pertaining to the proposed transaction or transactions, including all agreements between the parties, leases, notes, mortgages or deeds of trust, and pertinent agreements or other documents with or involving third parties.
 - e. the names and addresses of all persons with whom the proposed transferee expects to be associated in connection with the operation of the licensed games or establishment, or both, both as to the period pending completion of the transfer and thereafter.
 - f. a full and complete statement of any proposed changes in manner or method of operation of the licensed establishment and any proposed changes of or additions to supervisory personnel, both as to the period pending completion of the transfer and thereafter.
2. If two or more individuals desire to participate in the operation of a licensed establishment or games as a group, whether as individuals or as shareholders, officers or directors of a company or other business entity, joint application may be made in accordance with subsection 1 above.
 3. If the emergency requiring immediate participation consists of the actual or threatened insolvency of a licensee or holding company, and the interest to be transferred or issued is a financial participation, the application will not be granted unless the applicant demonstrates the immediate and unqualified availability of sufficient funds and credit to cure such emergency to the same extent that such funds and credit would be required in connection with an application for licensing or registration not involving actual or threatened insolvency.
 4. The Board may require an applicant for permission to participate to furnish such additional information as it may desire before acting on the application.

9.090 Permission to participate.

After receipt of a proper application for permission to participate and such additional information as the chief executive officer or Board may require, and after such investigation as the chief executive officer or Board deems necessary, the Board may grant emergency permission for a proposed transferee to participate in the operation of the licensed games or establishment, licensee or holding company, subject to joint management with the existing licensee or licensees or managing officers of a corporate licensee or holding company.

9.100 Extent of participation permitted.

1. Pending final action on the application of a proposed transferee, the existing licensee or licensees will be held responsible for the conduct of the licensed games or establishment, for all licence fees payable, and for all acts or omissions of proposed transferees participating in the operation.
2. Except as hereinafter provided, no proposed transferee who has been granted such emergency permission to participate shall be permitted to withdraw or receive any portion of the profits of such establishment or licensee or holding company derived from gaming until final approval of the proposed transfer of interest has been granted by the Board. If granted, such approval shall be retroactive to the date of emergency permission to participate.
3. A proposed transferee who has been granted emergency permission to participate and who actually renders services may be paid a salary or otherwise be compensated for such actual services, but such salary or other compensation shall not exceed the usual and customary compensation in the industry for similar services.

9.110 Application for licence.

Any proposed transferee to whom emergency permission to participate has been granted shall, within 10 days thereafter if he has not already done so, make formal application for licensing or approval as required by the Act, the Regulations of the Board and these Rules.

9.120 Effect of permission to participate; withdrawal.

1. The granting of emergency permission to participate is a revocable privilege, and is not to be a finding on the part of the Board that the proposed transferee is qualified or suitable to hold a gaming licence or to be approved. Such permission will be without prejudice to any action that the Board may take with respect to any application for final approval of the proposed transfer of interest.

2. Emergency permission to participate may be withdrawn summarily at any time at the discretion of the Board, without notice or hearing or other proceedings of any kind.
3. Upon receipt of notice that emergency permission to participate has been withdrawn the proposed transferee shall be immediately disassociated from any participation whatever in the operation of the licensed establishment, licensee or holding company. Any money or other thing of value which may have been invested or made use of in the operation of the licensed establishment, licensee or holding company shall be forthwith returned to the proposed transferee or deposited in escrow in compliance with Rule 9.050.
Any participation whatsoever on the part of a proposed transferee after notice of withdrawal of emergency permission to participate may be deemed to be in violation of the Act, the Regulations of the Board and these Rules and, as such, grounds for denial of the application of the proposed transferee and also grounds for revocation or suspension of the existing licence, registration or approval.

9.130 Transaction reports.

As used in this section, "licensee" means any person to whom a valid casino or bingo gaming licence, manufacturer's, supplier's or maintenance licence, gaming machine operator's licence or gaming machine site licence has been issued, regardless of the location of the company in possession of the licence. The term does not include a person licensed solely as a holder of a share or other ownership interest in, as an officer, director or key employee of, or due to any other relationship with, a licensed operation.

1. Any licensee that receives, accepts, or makes use of any cash, property, credit, guarantee, benefit or any form of share loaned to, leased to, or provided for or on behalf of the licensee or an officer, director, agent, employee or shareholder of the licensee, in a transaction required to be reported under subsections 2 through 6, must report the transaction to the Board in the manner required by subsections 7 and 9 within 30 days after the end of the calendar quarter in which the transaction is consummated. A transaction is considered consummated the earlier of the contract date or the date the cash, property, credit, guarantee, benefit or share is received.
2. Except as provided in subsection 4, each of the following transactions must be reported to the Board:
 - a. leases, including leaseback transactions and capital leases;
 - b. deposits received by the licensee pursuant to an arrangement for use of space at the licensee's establishment;
 - c. instalment purchase contracts;
 - d. property donated to the licensee.
3. Except as provided in subsection 4, each of the following transactions must be reported to the Board:
 - a. loans, mortgages and trust deeds;
 - b. capital contributions and loans by an individual who is a shareholder, partner or proprietor of the licensee;
 - c. safekeeping deposits which:
 - i. are made by an individual beneficially owning, directly or indirectly, a 5 percent or greater interest in the licensee;
 - ii. are commingled with the licensee's funds;
 - iii. are left for more than 10 days; and
 - iv. at any time during that period, aggregate to an amount greater than 25 percent of cash in the cage.
 - d. lines of credit.
 - e. accounts payable and accrued expenses due to unaffiliated persons where the payment terms or actual length of payments exceed 12 months.
 - f. conversions of accounts payable, accrued expenses or other liabilities to notes payable.
 - g. debts forgiven by a lender.
 - h. guarantees received by the licensee.
 - i. capital leases, other than vehicle leases, where an option to purchase exists.
 - j. accruals of salary due to an individual directly or indirectly owning an interest in the licensee where the accrual period exceeds 90 days.
4. The following transactions need not be reported to the Board regardless of the rand amount of the transaction, fair market value of the assets involved, or average monthly payment:
 - a. draws against a previously reported extension of credit.
 - b. except for items specifically described in subsections 2 or 3, goods or services which are exchanged for other goods or services of an affiliate of the licensee.
 - c. short-term cash loans which have a payback period of less than 7 days and are provided to the licensee on a regularly recurring basis, provided the terms and conditions of the arrangement have not changed, and provided the initial loan or financing arrangement has been reported.
 - d. loans and other financing activities that were reviewed during the licensee's licensing investigation, provided the terms and conditions of the arrangements have not changed.
 - e. financing of gaming machines installed and used during a gaming machine trial period authorised pursuant to Rule 11.

- f. funds received by the licensee in satisfaction of accounts or notes receivable.
 - g. purchases or leases of gaming devices where the seller or lessor is a licensed manufacturer or supplier.
 - h. cash, property, credit, services, guaranty, benefit or any form of share loaned to or provided for or on behalf of the licensee by a licensed affiliate, licensed subsidiary or registered parent of the licensee.
 - i. assessments for property taxes or other improvements by, or accruals for taxes due to, a governmental entity.
 - j. payments of gaming winnings over time to patrons.
 - k. deposits or payments received by the licensee in conjunction with a convention or similar event.
 - l. leases, including leaseback transactions and capital leases, where the lease term, including any extensions or renewals, does not exceed 90 days.
5. All renewals, changes or modifications to the terms or conditions of transactions previously reported under this section must be reported.
 6. The report to the Board required by this section must include the names and addresses of all parties to the transaction, the amount and source of the funds, property or credit received or applied, the nature and amount of security provided by or on behalf of the licensee, the purpose of the transaction, and any additional information the Board may require. The report must be made on a form provided or approved by the Board, accompanied by a fully executed copy of the financing agreement, and signed by an owner or approved key employee.
 7. In the event a party to a loan or other cash infusion being reported is an individual other than the reporting licensee, the report must be accompanied by a supplemental filing which must include that individual's tax identification number or identification number and date of birth, banking references, and source of funds, and any additional information the Board may require.
 8. If, after such investigation as the Board deems appropriate, the Board finds that a reported transaction is inimical to the public health, safety, morals, good order or general welfare of the people of the Northern Province, or would reflect, or tend to reflect negatively discredit or bring upon the Northern Province or the gaming industry, it may order the transaction rescinded within such time and upon such terms and conditions as it deems appropriate.
 9. The chief executive officer may waive one or more of the provisions of this section or require a report of a transaction not otherwise addressed in this section or a supplemental filing, upon a finding that the waiver, reporting requirement or supplemental filing is consistent with the purposes of the Act.

RULE 10: CHIPS, TOKENS, PLAQUES, DICE, CARDS, ROULETTE WHEELS AND BALLS**10.010 Gaming chips: Value and non-value; physical characteristics**

1. Each gaming chip issued by a casino shall be round in shape, be a minimum of 39 mm in diameter and a maximum of 45 mm in diameter and have clearly and permanently impressed, engraved or imprinted thereon, the name of the casino or trade name on each side of each chip and the city or locality where the casino is located on at least one side of each chip, other than chips used exclusively at roulette. Gaming chips with a value contained thereon shall be known as "value chips" and gaming chips without value contained thereon shall be known as "non-value chips". The manufacturer's logo or other marking identifying the manufacturer must be inscribed on at least one side of each chip, other than non-value chips used at roulette.
2. Value chips may be issued by a casino licensee in denominations of R1-00, R2-50, R5-00, R10-00, R12.50, R20-00, R25-00, R50-00, R100-00, R500-00, R1000-00, R5000-00, R10 000-00. It, however, shall be within the discretion of the casino licensee to determine which of these denominations will be necessary for the conduct of gaming operations.
3. Each denomination of value chips shall have a different primary colour from every other denomination of value chip. The primary colour to be utilised by each casino licensee for each denomination of value shall be:
 - a. R1-00 "Dark brown"
 - b. R2-50 "Violet"
 - c. R5-00 "Gold"
 - d. R10-00 "Emerald Green"
 - e. R12-50 "Cornflower Blue"
 - f. R20-00 "Flesh"
 - g. R25-00 "Ocean Blue"
 - h. R50-00 "Signal Red"
 - i. R100-00 "Black"
 - j. R500-00 "White"
 - k. R1000-00 "Hot Pink"
 - l. R5000-00 "Turquoise blue"
 - m. R10 000-00 "Grape"
4. In conjunction with the aforementioned primary colours, each casino licensee shall utilise contrasting secondary and optional third colours for the edge and spots on each denomination of value chip. Unless otherwise approved by the Board, no casino licensee shall use a second colour on a specific denomination of chips identical to the secondary colour used by another casino licensee on that same denomination of chip. However if the licensee makes use of the optional third colour, then the secondary colour may be identical to that of another casino licensee's secondary colour provided that the third colour is then different.
5. Each denomination of value chip utilised in a casino shall, unless otherwise authorised by the Board;
 - a. have the outer rim contain the value of the denomination of the chip.
 - b. have the casino name and location, clearly and permanently impressed, engraved or imprinted on the centre portion of the chip.
 - c. the manufacturer's name or logo must appear on all value chips. This may be accomplished by making use of invisible ultra violet printing process.
 - d. have each chip designed so that when stacked with chips of other denominations which are viewed on "CCTV", the denomination of the chips can be distinguished from that of the others in the stack.
 - e. be designed and manufactured so as to prevent, to the greatest extent possible, the counterfeiting of such chips.
6. Each non-value chip utilised in a casino shall be issued solely for the purpose of gaming at roulette. The non-value chips at each roulette table shall:
 - a. have the casino name and location as approved by the Board, clearly pressed, engraved or imprinted on the chip.
 - b. contain a design inserted or symbol differentiating those chips from the non-value chips being used at every other roulette table in the casino;
 - c. be designed, manufactured and constructed so as to prevent, to the greatest extent possible, the counterfeiting of such chips.
7. No person at a roulette table shall be issued or permitted to 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. When a patron purchases non-value chips, a chip of the same colour shall be placed in a chip-tree or other device as approved by the Board, to the outer rim of the roulette wheel.

8. Non-value chips shall only be presented for redemption at the table from which they were issued and shall not be redeemed or exchanged at any other location in the casino. When so presented, the dealer at such table shall exchange them for an equivalent amount of value chips which will then be used by the patron in gaming or redeemed as any other value chip.
9. Each casino licensee shall have the discretion to permit or prohibit the use of value chips in gaming at roulette, however, it shall be the responsibility of the casino licensee and its employees to keep accurate account of the wagers being made with value so that the wager made by one player is not confused with those made by another player at the table.
10. Each casino licensee shall submit to the Board, a monthly summary of the value chip inventory for each table/design, by colour which shall include at a minimum, the following:
 - a. the balance on hand at the beginning of the month;
 - b. the number of value chips distributed to the gaming 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;
 - e. documentation as to who is holding these chips (if known); and
 - f. shown in a format that makes provision for the daily movement.
11. No casino licensee shall issue or cause to be utilised in its casino, any value or non-value chip unless and until such chips are approved in terms of the Board Regulations.
12. No casino licensee or other person licensed by the Board shall manufacture for, sell to, distribute to or use in any casino outside of the Northern Province, any value or non-value chip having the same design as those approved for use in a casino in the Northern Province.
13. Promotional chips must be of such shape and size and have such other specifications so as to be distinguishable from other chips as determined by the Board.
14. Each side of each promotional chip must conspicuously bear the inscription "No Cash Value".

10.020 Gaming Plaques: Physical Characteristics

1. Gaming plaques in the denominations of R50, R100, R500, R1000, R5 000-00, R10 000-00, R25 000-00, R50 000-00 and R100 000-00.
2. Unless authorised by the Board, each gaming plaque shall be square, rectangular, oval or round in shape and no smaller than
 - a. R50 and R100, 45 mm in length by 45 mm in width;
 - b. R500 and R1000, 70mm in length by 45mm in width;
 - c. R5000 and R10000, 80mm in length and 55mm in width and
 - d. R25 000 and R50 000, 95mm in length and 65mm in width which, in the case of oval gaming plaques, shall be measured at points of greatest length and width.
3. Each gaming plaque shall have clearly and permanently imprinted, impressed or engraved thereon, the specific value of the plaque in numerals and the name of the casino issuing it, a serial number and the manufacturer's initials.
4. No casino licensee shall issue or cause to be utilised in its casino, any plaques unless and until such plaques are approved in terms of the Regulations of the Board.
5. No gaming plaque shall be issued until the casino licensee has submitted to the Board and the Board has approved, a system for accounting for gaming plaques and cage procedures.
6. 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.

10.030 Primary, Secondary and Reserve Sets of Gaming Chips

1. Unless otherwise authorised by the Board, each casino licensee shall have a primary set of gaming chips and a reserve set of value chips which shall conform to the colour and design specification contained in Rule 10.010.
2. The secondary set of value chips shall have at least a different secondary and third colours than the primary set and shall be required for denominations over R100-00.
3. Each casino licensee shall have a reserve non-value chip for each roulette table in the casino with a design or symbol different from those non-value chips comprising the primary set.
4. The casino licensee shall remove the primary set of gaming chips from active play whenever it is believed the casino is taking on counterfeit chips or whenever any impropriety or defect in the utilisation of the primary set of chips makes removal of the primary set necessary, or whenever the Board or designee so directs. The reserve set shall be placed into active play.
5. Whenever the primary set of chips is removed from active play, the casino licensee shall immediately notify a representative of the Board of this, as well as the reason for such occurrence.

10.040 Submission of Gaming Chips, Plaques and Promotional Chips for Review and Approval

A casino licensee shall submit to the Board the final artwork of each denomination of gaming plaque, the final artwork of each value and non-value chips in its primary and secondary sets, and the final artwork of each promotional chip, and shall not purchase or utilise such chips, plaques or promotional chips for gaming purposes until approved by the Board. Once the final artwork has been approved by the Board and the chips, plaques and promotional chips ordered, a sample of each must be supplied to the Board prior to said chips being utilised for gaming purposes.

10.050 Nature and Exchange of Gaming Chips, Plaques and Promotional Chips

1. All wagering on authorised games, other than slot machines, in a casino shall be conducted with chips or plaques: provided, however, that promotional chips shall be permitted for use in wagering at authorised games in accordance with Northern Province Gaming Regulation 89. Gaming chips previously issued by a casino licensee which are not in active use by that casino licensee, shall not be used for wagering at authorised table games. Refer to Rule 15.062
2. Value chips or plaques shall be issued to a person only at the request of such person and shall not be given as change in any other transaction but a gaming transaction. Gaming chips shall only be issued to casino patrons from a cash desk or at tables and shall only be redeemed at the cash desk (cage); provided, however, that gaming chips may be exchanged by a patron at the slots booths for currency, coin, or slot tokens to play the slot machines.
3. Each gaming chip and plaque is sole evidence of a debt that the casino licensee owes to the person legally in possession of the gaming chip or plaque, and shall remain the property of the issuing casino licensee, which shall have the right at any time to demand that the person in possession of the gaming chip or plaque, surrender the item to the casino licensee exercising its right of redemption in accordance with (6) below.
4. Each casino licensee shall redeem promptly, its own genuine gaming chips and plaques, except when the gaming chips or plaques were obtained or are being used unlawfully. A casino licensee shall redeem gaming chips or plaques by exchanging them for an equivalent amount of cash or upon request by a patron who surrenders gaming chips or plaques in any amount over R10 000, for a casino cheque of that casino licensee to the amount of chips or plaques surrendered and dated the day of such redemption. The casino cheque may only be issued for that portion of the redemption which can be established as winnings. Note: The casino may issue a cheque to a patron for a lesser amount but only to the amount which relates to winnings.
5. Each casino licensee shall have the right to demand the redemption of its gaming chips or plaques from any person in possession of them and such person shall redeem said chips and plaques upon presentation by the casino licensee of cash to an equivalent amount.
6. Each casino licensee shall redeem promptly, the casino's own genuine gaming chips and presented to it by any other legally operated casino licensee. The redemption process for credit plaques from another casino must be contained in the casino's licensee's minimum standards of internal controls as approved by the Board. Each casino licensee shall submit to the Board for approval, a system for chip and token exchange between themselves and other legally operated casino licensees, of gaming chips, plaques and tokens:
 - a. that are in its possession and that have been issued by other legally operated casino licensees; and
 - b. that it has issued and that are presented to it for redemption by any other legally operated casino licensee.

10.060 Receipt of Gaming Chips or Plaques from Manufacturer or Distributor; Inventory, Security, Storage and Destruction of Chips and Plaques

1. When gaming chips or plaques are received from the manufacturer or distributor thereof, they shall be open 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 licensee and one of the surveillance department of the casino licensee. The Board must be notified at least one week prior to the pending arrival of said equipment by the Casino, Route or Bingo licensee. Any deviation between the invoice accompanying the chips and plaques and actual chips or plaques received, or any defects found in such chips or plaques, shall be reported promptly to the Board.
2. After checking the gaming chips and plaques received, the casino licensee shall record in a chip inventory ledger the denomination of the chips and plaque received. The number of each denomination of chip and plaques received, record the serial number of each plaques received, the number and description of all non-value chips received, the date of such receipt and the signatures of the individuals who checked such chips and plaques.
3. If any of the gaming chips or plaques received from such manufacturer or distributor are to be held in reserve and not utilised for active gaming either at the tables or in the cash desk (cage), they shall be recorded in the chip 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. comparable secure area, approved by the Board, which is adjacent to and accessible exclusively from the casino.

4. Any gaming 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. comparable secure area, approved by the Board, which is adjacent to and accessible exclusively from the casino.
5. Whenever any gaming chips or plaques are taken from or returned to either the reserve chip or plaque inventory or the secondary set of chips, this shall be accomplished in the presence of at least two individuals and the denominations, number and amount of chips or plaques so taken or returned, shall be recorded in the chip inventory ledger together with the date and signatures of the individuals carrying out this process.
6. At the end of each gaming day, a casino licensee shall compute and record the unredeemed liability for each denomination of chips and plaques and shall cause to be made, at least on a monthly basis, an inventory of chips and plaques in circulation and in reserve and shall cause the result of such inventory to be recorded in the chip inventory ledger. The procedures to be utilised to compute the unredeemed liability and to inventory chips and plaques in circulation and reserve, shall be submitted to the Board for approval. A physical inventory of chips and plaques in the reserve shall only be required annually if the inventory procedure incorporate the sealing of the locked compartments, and that such seals have not been broken during that period.
7. Prior to the destruction of gaming chips and plaques, the casino licensee shall notify the Board in writing, of the date, and the location at which the destruction will be performed, the denomination, number and amount and value of chips or plaques to be destroyed, the description and number of non-value chips to be destroyed and a detailed explanation of the method of destruction. Unless otherwise authorised by the Board, the destruction of gaming chips and plaques shall be carried out in the presence of at least two people, one of whom shall be from the surveillance department of the casino licensee. The denomination, number and amount of value chips and plaques or, in the case of non-value chips, the description and number so destroyed shall be recorded in the chip inventory ledger together with the signatures of the individuals carrying out such destruction, and the date on which said destruction took place. The casino licensee shall also maintain a written log of the names and licence numbers of all casino personnel involved in each such destruction, as the names and addresses of all non-casino personnel involved.
8. A casino licensee shall ensure that at all time there is adequate security, as approved by the Board, for all gaming chips and plaques in its possession.

10.070 Slot Machine Tokens: Physical Characteristics

1. Each Slots Token issued by a casino licensee shall be round in shape and have clearly and permanently impressed thereon the name or the trade name of the licensee on at least one side of each token and the city or locality where the casino is located, and the specific value of the token on at least one side of each token, and the manufacturer's name or a distinctive logo or other mark identifying the manufacturer must be inscribed on at least one side of each token of the casino licensee issuing it.
2. Slot tokens may be issued by a casino licensee in denominations of 25c, 50c, R1-00, R2-00, R5-00, R10-00, R25-00, R50-00, R100-00, R250-00, R500-00 and R1000. It, however, shall be within the discretion of the casino licensee to determine which of these denominations will be necessary for the conduct of gaming operations.
3. Each denomination of token shall have materials selected within a conductivity range so as to exclude common metals such as Brass, Mild Steel, Stainless Steel, Zinc or lead from being used for electronic counterfeiting. Slot tokens may not be manufactured from any plated material or any 3-layered material. The Slot tokens to be utilised by each casino licensee for each denomination shall be:
 - a. 25c shall be 20.00mm in diameter with a ± 0.05 tolerance, the thickness shall be 1.70mm with a 0.08mm tolerance, and the mass shall be 4.00 grams with a $\pm 3\%$ tolerance. The conductivity shall be not less than 11% IACS (International Annealed Copper Standard), and not more than 13% IACS. The token shall be manufactured from a solid material.
 - b. 50c shall be 22.00mm in diameter with a ± 0.05 tolerance, the thickness shall be 1.87mm with a 0.08mm tolerance, and the mass shall be 5.50 grams with a $\pm 3\%$ tolerance. The conductivity shall be not less than 6% IACS (International Annealed Copper Standard), and not more than 8% IACS. The token shall be manufactured from a solid material.
 - c. R1 shall be 24.00mm in diameter with a ± 0.05 tolerance, the thickness shall be 2.00mm with a 0.08mm tolerance, and the mass shall be 7.00 grams with a 3% tolerance. The conductivity shall be not less than 6% IACS (International Annealed Copper Standard), and not more than 8% IACS. The token shall be manufactured from a solid material.
 - d. R2 shall be 23.00mm in diameter with a ± 0.05 tolerance, the thickness shall be 2.58mm with a 0.08mm tolerance, and the mass shall be 8.50 grams with a 3% tolerance. The conductivity shall be not less than 6% IACS (International Annealed Copper Standard), and not more than 8% IACS. The token shall be manufactured from a solid material.
 - e. R5 shall be 26.00mm in diameter with a ± 0.05 tolerance, the thickness shall be 2.40mm with a 0.08mm tolerance, and the mass shall be 10.00 grams with a 3% tolerance. The conductivity shall be not less than 6% IACS (International Annealed Copper Standard), and not more than 8% IACS. The token shall be manufactured from a solid material.

- f. R10 shall be 28.50mm in diameter with a ± 0.05 tolerance, the thickness shall be 2.40mm with a 0.08mm tolerance, and the mass shall be 12.00 grams with a 3% tolerance. The conductivity shall be not less than 6% IACS (International Annealed Copper standard), and not more than 8% IACS. The token shall be manufactured from a solid material.
- g. R25 shall be 31.00mm in diameter with a ± 0.05 tolerance, the thickness shall be 2.10mm with a 0.08mm tolerance. The token may be manufactured from solid material, or as a bi-metal, with a solid inner section and a solid outer section. The conductivity and material selection must be approved by Board in writing.
- h. R50 shall be 34.00mm in diameter with a ± 0.05 tolerance, the thickness shall be 2.30mm with a 0.08mm tolerance. The token may be manufactured from solid material, or as a bi-metal, with a solid inner section and a solid outer section. The conductivity and material selection must be approved by Board in writing.
- i. R100 shall be 38.00mm in diameter with a ± 0.08 tolerance, the thickness shall be 2.60mm with a 0.08mm tolerance. The token may be manufactured from solid material, or as a bi-metal, with a solid inner section and a solid outer section. The conductivity and material selection must be approved by Board in writing.
- j. R250, R500 and R1000. Subject to individual approval.

10.080 Issuance and use of Slot Tokens; Promotional Tokens or Tournament Token from Gaming and Slot Token; Promotional Token or Tournament Token Specifications

1. Each casino licensee may, with the Board approval, issue a metal disk having two faces and an edge:
 - a. A "slot token" that is;
 - i. designed for gaming use in hoppers of the casino licensee's slot machine;
 - ii. capable, upon insertion into the coin acceptor or a designed slot machine operated by the casino licensee that issued the slot token, of activating the play of that slot machine;
 - iii. issuable, in an exchange with a patron upon request, only from a slot booth, cash desk (cage) or a change machine;
 - iv. exchangeable, by a patron at the casino where the slot token was issued on request, only at a slot booth, cash desk (cage); and
 - v. redeemable, by the issuing casino licensee promptly upon request of the patron surrendering one or more slot tokens, only at a coin redemption booth, a slot booth or cash desk (cage) for an equivalent amount of cash or a casino cheque of that casino licensee in the amount of the slot tokens surrendered and dated the day of the redemption; and
 - b. A "promotional token or tournament token"
 - i. promotional or tournament token 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;
 - ii. incapable of activating slot machine play at any slot machine which is capable of accepting coin or slot tokens; licensee shall not permit the use, in transaction other than at the promotions or tournament for which they are used.
2. Each Promotional token or tournament token shall be designed so that:
 - a. it clearly identifies the name or trade name and location of the licensee;
 - 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
 - f. it is designed to be operated by coins of the Republic of South Africa, except for slot machines;
 - g. incorporates such anti-counterfeiting features and other security measures as the Board may require.
3. No promotional or tournament token shall be issued by a casino licensee or utilised in a casino unless and until:
 - a. The design specifications of the proposed slot token, promotional or tournament token are prior to the manufacture of the slot token, promotional or tournament token, submitted to and approved by the Board, which submission shall include a detailed scheme depicting the actual size of the token diameter and thickness and, as appropriate of the following:
 - i. each face;
 - ii. the edge; and
 - iii. any words, logos, designs, graphics or security measures contained on the tokens.
4. No casino licensee shall issue, use or allow a patron to use in its casino any slot token, promotional token, tournament token or card that it knows, or reasonably believes, is materially different from the sample of that slot token, promotional token, tournament token or card approved by the Board.

10.090 Wagering at slot machines: use of slot tokens, tournament tokens or any other method approved by the Board

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

10.100 Redemption of slot tokens

1. Except as provided in (5) below and as may be specifically approved by the Board, each casino shall redeem slot tokens only from its patron.
2. Each slot token is sole evidence of a debt that the issuing casino licensee owes to the person legally in possession of the slot token, and shall remain the property of the issuing casino licensee, which shall have the right at any time to demand that the person in possession of the slot token surrender the item upon the casino licensee exercising its right or redemption in accordance with (3) below.
3. Each casino licensee, upon demand, shall have the right to redeem its slot tokens from any person in possession of them, who shall surrender the slot tokens upon the casino licensee presenting the person with an equivalent amount of cash.
4. Each casino licensee shall accept, exchange, use or redeem slot tokens that it has issued and may accept, exchange, or redeem slot tokens, or objects purporting to be slot tokens, that have been issued by any other licensed casino.
5. Each casino licensee shall redeem promptly its own genuine slot tokens presented to it by any other legally operated casino licensee upon the representation that such slot tokens were received or accepted unknowingly, inadvertently or in error, were unavoidably received in slot machines through patron play, or mistakenly were redeemed from patrons. Each casino licensee shall submit to the Board for approval a system for the exchange, with other legally operated casino licensees, of slot tokens:
 - a. that are in its possession and that have been issued by any other legally operated casino licensee; and
 - b. that it has issued and that are presented to it for redemption by any other legally operated casino licensee.

10.110 Slot tokens, promotional tokens and tournament tokens: receipt, inventory, security, storage and destruction

1. Each Casino licensee shall inspect all slot tokens, promotional and tournament tokens or any combination thereof, upon receipt from the manufacturer or distributor to ensure, at a minimum, that:
 - a. the quantity and denomination of slot 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 slot tokens or prize tokens that were so received.
2. The inspection required by (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 the following categories:
 - a. the accounting or auditing department of the casino licensee; and
 - b. the casino surveillance or security department of the casino licensee;
 The Board must be notified by the Casino, Route or Bingo licensee at least one week prior to the pending arrival of said equipment.
3. Each casino licensee shall report to the Board promptly after an inspection required by,
 - a. Above discloses any discrepancy in the shipment or invoice including, but not limited to, the following:
 - i. the shipment or invoice contains defective slot tokens, promotional tokens or tournament tokens; or
 - ii. the quantity and denomination of the slot tokens, promotional tokens or tournament tokens actually received does not agree with the amount listed on the shipping documents or invoice.
4. Each casino licensee shall submit to the Board for approval procedures to record and process the receipt, inventory, storage and destruction of slot tokens, promotional tokens or tournament tokens.

10.120 Dice: Physical characteristics

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

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

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

1. When dice for use in a casino are received from the manufacturer or distributor thereof, they shall, immediately following receipt, 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. Boxes that do not satisfy these criteria shall be inspected at this time to ensure that the dice conform to the Board standards and are completely in a condition to assure their play. Boxes satisfying these criteria, 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. Dice which are to be distributed to gaming pits or tables for use in gaming shall be distributed from the primary storage area the location and physical characteristics of which shall be approved by the Board. Secondary storage areas shall be used for storage of surplus dice. Dice maintained in secondary storage areas shall not be distributed to gaming pits or tables for use in gaming until dice have been moved to a primary storage area. All secondary storage areas shall be located in secure areas, the location and physical characteristics of which shall be approved by the Board.
2. All secondary storage areas shall have two separate locks. The casino surveillance department shall maintain one key and the casino department shall maintain the other key, provided, however, that no person employed by the casino department below the level of Assistant Casino Manager shall have access to the casino department's key. Dice stored in the primary storage area shall be secured by a lock, the key to which shall be maintained by the surveillance department.
3. Prior to commencement of each day, the surveillance department shall cause to remove the appropriate number of dice for that gaming day from a primary storage area.
4. 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 gaming day shall be transparent.
6. The envelope bags or containers and the method used to seal them shall be designed or constructed so that any tampering shall be evident.
7. The envelope bags or containers and seals shall be approved by the Board.
8. All dice shall be inspected and distributed to the gaming tables in accordance with the following:
 - 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 a Pit Boss;
 - b. at the time of receipt, a box person at each dice table, in order to assure that the dice are in condition to assure fair play and otherwise conform to the Rules of the Board, 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. A magnate, which (the instrument) shall be kept in a compartment at the pit stand and shall be at all time be readily available for use by the Board upon request;
 - 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 gaming, 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. Dice in the pit stand shall be placed in a locked compartment, keys to which shall be in the possession of the Pit Boss or casino supervisor. No dice taken from the reserve shall be used for actual gaming until or unless inspected in accordance with point (7) above.
 - e. the casino licensee shall remove any dice at any time on the gaming day if there is any indication of tampering or other defects that might affect the integrity or fairness of the game, or at the request of the Board.
 - f. at the end of each gaming day or at such other times as may be necessary, the Pit Boss or casino supervisor identified in (8) (f) (i) below, shall visually inspect each dice for evidence of tampering. Such evidence discovered at this time or at any other time shall be immediately reported to the Board. The inspection required by this subsection shall be performed by,
 - i. a Pit Boss other than the one who originally inspected the dice;
 - ii. any dice showing evidence of tampering shall be placed in a sealed envelope bag or container;
 - iii. 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;
 - iv. the surveillance person receiving the dice shall sign for the receipt of the dice and retain the dice in a safe or vault within the surveillance department for a period of two months or longer if so required by the Board;

- v. all other dice shall be put into envelope bags or containers at this time. A label shall be attached to each envelope bag or container which shall identify the table number;
 - vi. the envelope bag or container shall be appropriately sealed and maintained in a secure place within the pit until collection at the end of the gaming day by the surveillance department.
9. All extra dice in the reserve that are to be destroyed shall be placed in a sealed envelope bag or container, with a label attached to each envelope bag or container which identifies the date and is signed by the pit Boss.
 10. At the end of each gaming day or alternative at least once each gaming day at the same time each day, as designated by the casino licensee and approved by the Board, and at such other times as may be necessary, a casino surveillance officer shall collect and sign all 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. No dice that have been placed in a cup for use in a game shall remain on the table for more than 24 hours.
 11. At the end of each gaming day, or alternatively at least once each gaming day at the same time each day as designated by the casino licensee and approved by the Board, and at such other times as may be necessary a surveillance officer may collect all extra dice in reserve that are still sealed.
 12. The casino licensee shall submit to the Board for approval, procedures for:
 - a. A dice inventory system which shall include, at a minimum, the recording of the following:
 - i. the 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 signatories 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 every month.
 - i. this inventory shall be performed by an individual with no incompatible functions and shall be verified to the balance of the dice on hand required in (11) above.
 - ii. any discrepancies shall immediately be reported to the Board.
 13. All destructions and cancellations of dice, other than those retained by the surveillance department required in (8)(f) above, shall be completed within 48 hours of collection.
 - a. destruction shall occur by drilling a hole through each dice;
 - b. the destruction of dice shall take place in a secure place, the location and physical characteristics of which shall be approved by the Board.

10.140 Cards: Physical characteristics

1. Card packs used to play Blackjack, Poker, Baccarat, Punto Banco and Chemi de fer shall be of 52 cards each. Cards used to play blackjack and poker will be identical in shape and shall be at a minimum of 86mm in length and at maximum, 90mm in length, a minimum of 61mm in width and at a maximum of 65mm in width. Cards used to play baccarat, punto banco and chemi de fer shall each be identical in shape and shall be at a minimum of 96mm in length and at maximum 100mm in length and at a minimum 64mm in width and at a maximum, 68mm in width.
2. Each deck shall be composed of four suits namely diamonds, spades, clubs and hearts.
3. Each suit shall be composed of 13 (thirteen) cards as follows: Ace, King, Queen, Jack, Ten, Nine, Eight, Seven, Six, Five, Four, Three and Two.
4. The back of each card in the deck shall be identical and no card shall contain any marking, symbol or design that will enable a person to know the identity of any element printed on the face of the card or that will in any way differentiate the back of the card from any other card in the deck.
5. The back of all cards in the deck shall be designed so as to diminish as far as possible the ability of any person to place concealed markings thereon.
6. The design to be placed on the back of the cards used by the casino licensee shall contain the casino name of the casino licensee and shall be submitted to the Board for approval prior to use of such cards in gaming activity.
7. Each deck of cards shall be packaged separately and shall contain a seal affixed to the opening of such package.
8. Nothing in this section shall prohibit a manufacturer from manufacturing decks of cards with one or more jokers contained therein; provided, however, such jokers shall not be used by the casino licensee in the play of any games.
9. In addition to satisfying the requirements of this section, the cards used by the casino licensee at poker must:
 - a. be visually distinguishable from the cards used by a casino licensee to play any other table game.
10. For each card game the casino licensee shall be required to have in shares at least six visually distinguishable card back designs without the limitation of different logos, design patterns, but it will be required that a minimum of six different card back colours be kept in shares.

10.150 Card receipt, storage, inspection and removal from use.

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. The daily issue or primary storage area shall be located in the casino surveillance department, the location and physical characteristics of which will be approved by the Board. Secondary, bulk storage areas shall be used for storage of surplus cards. Cards maintained in the secondary storage area shall not be distributed to gaming pits or tables for use in gaming until the cards have been moved to the primary storage area. All secondary, bulk storage areas shall be located in secure areas.
2. All secondary storage areas shall have two separate locks. The casino department shall maintain one key and the casino surveillance department shall maintain the other key; provided, however, that no person employed by the casino department below the level of Assistant Casino Manager shall have access to the casino department key for the secondary storage area. 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.
3. Prior to the commencement of each gaming day, the surveillance department shall remove the appropriate number of decks of cards for that gaming day from the primary storage area. Each gaming table gaming cards shall be placed in a sealed envelopebag or container for distribution to the pit stand. A set of replacement cards needed for each pit shall also be placed in an envelopebag or container.
4. The Pit Boss or floor supervisor will examine each package at the table to determine if all decks are present and whether of the same colour.
5. Prior to their use at the table, all decks shall be inspected by the dealer and the inspection verified by an inspector. Card inspection at the gaming table shall require each pack used to be sorted into sequence and into suit to ensure that all cards are in the deck. The dealer shall also check the back of each card to ensure that it is not scratched or marked in any way.
 - a. if, after checking the cards, the dealer finds that a card is unsuitable for use, a Pit Boss or casino supervisor will 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. The Pit Boss or casino supervisor shall maintain the envelope or container in a secure place within the pit until collection at the end of the gaming day by a casino surveillance officer.
6. All envelopebags and containers used to hold or transport cards collected by surveillance shall be transparent.
 - a. all envelopebags or containers and the method used to seal them shall be designed or constructed so that any tampering will be evident.
 - b. the envelopebags or containers and seals shall be approved by the Board.
7. All cards which have been opened and placed on a gaming table shall be changed at least every 24 (twenty four) hours.
8. 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.
 - a. 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.
 - b. the Pit Boss or casino supervisor shall maintain the envelopes or containers in a secure place within the pit until collection at the end of the gaming day by a casino surveillance officer.
9. At the end of each gaming day, at the same time each day, as designated by the casino licensee and approved by the Board, at such other times as may be necessary, the Pit Boss or casino supervisor thereof shall collect all used cards.
 - a. these cards shall be placed in a sealed envelopebag or container. A label shall be attached to each envelope bag or container which will identify the table number, date and time and shall be signed by the dealer and floor person assigned to the table.
 - b. the Pit Boss or casino supervisor shall maintain the envelope bag or containers in a secure place within the pit until collection at the end of the gaming day by a casino surveillance officer.
10. The casino licensee shall remove any cards at any time during the day if there is any indication of tampering, scratches, marks or any other defects that might affect the integrity or the fairness of the game, or at the request of the Board.
11. All extra decks in the replacement set with broken seals shall be placed in a sealed envelopebag 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.
12. At the end of each gaming day or, in the alternative at least once each gaming day at the same time each day, as designated by the casino licensee and approved by the Board, and at such other times as may be necessary, a casino surveillance officer shall collect and sign all envelopes or containers with damaged cards, cards used during the gaming day, and all extra decks in the replacement set with broken seals and shall return the envelopebags or containers to the casino's surveillance department.

13. 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.
- the casino surveillance department shall inspect all the decks used during the day.
 - the casino licensee should also inspect all cards which the Board requests the casino licensee to be removed for the purpose of inspection, any cards the casino licensee remove for identification of tampering, all cards used for poker.
 - the procedures for inspecting all decks required to be inspected under this sub-section, shall at the minimum, include, the sorting of cards sequentially by suit, the inspection of the packs with ultra violet-light, the inspection of the sides of the cards for crimps, bends, cuts and shavings and the inspection of the front and the back of all plastic cards for consistent shading and colouring.
 - upon conclusion of the inspection procedures required in 3 above, each deck of cards shall be destroyed, and may not be re-used for gaming.
 - the casino licensee shall develop internal control procedures for issuing cards and the returning of unused sealed cards to the storage area.
 - 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. A copy of the licensee's investigative report shall be forwarded to the Board. The cards shall be retained by the licensee until such time as they are given permission by the Board to destroy the cards.
14. The casino licensee shall submit to the Board for approval procedures for:
- A card inventory system which shall include, at a minimum, the recording of the following:
 - the balance of cards on hand;
 - the cards removed from storage;
 - the cards returned to storage or received from the manufacturer;
 - the date of transaction; and
 - the signatories of the individuals involved.
 - A reconciliation on a daily basis of the cards distributed, the cards destroyed, the cards returned to the storage area; and
 - A physical inventory of the cards at least once every three months;
 - this inventory shall be performed by an individual with no incompatible functions and shall be verified to the balance of cards on hand required in (14) (a) (i) above;
 - any discrepancies shall immediately be reported to the commission and division.
15. The destruction of cards shall be by shredding and shall take place in a secure location the physical characteristics of which shall be approved by the Board.

10.160 Roulette balls

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

10.170 Roulette wheels

The roulette wheels to be used in the Casinos of the Northern Province shall at all times contain at least the following specifications as determined by the "Board":

- All components of the roulette wheel shall be manufactured of non ferrous material.
- Bowl - The overall diameter of the bowl of the roulette wheel shall be not less than 32" - 812mm and a minimum of 8 "hazards" shall be fitted alternately horizontal and vertical between the upper ball track and the cylinder edge.
- Bowl liner - The bowl liner shall be manufactured as a solid piece of metal.
- Cylinder - The overall diameter of the cylinder shall be not less than 21.750" - 552mm. The cylinder of the wheel shall contain 37 or 38 numbers (0-36) or (00-36) which shall each be situated directly above a pocket in the separator ring.
- Separator ring - The roulette wheel shall consist of a solid cast separator ring which shall provide 37 or 38 precision engineered equal compartments with a tolerance of not more than 0.02mm.
- Spindle - The spindle is to be made of specially hardened tip, and must be machined and ground to a tolerance of not more than 0.02mm. The bore fit of the cylinder bearing must be a very precise fit with a tolerance of not more than 0.02mm.
- Height adjuster - Each roulette wheel shall consist of a height adjuster.
- Turret - Shall be machined concentrically.
- At least the following components of the wheel shall have unique serial numbers which shall correspond with each other.

- a. the cylinder bowl.
 - b. the cylinder.
10. Maintenance of roulette wheels should be meticulously carried out on a monthly basis by trained personnel and at least, but not limited, to the following shall be complied with during these maintenance sessions:
- a. Cylinders must be removed and the bowl cleaned of fluff and dust by making use of a dust air blower. Special attention are to be given to the cleaning of the edge of the cylinder and the bowl.
 - b. Security seals should not be tampered with or broken, and the bowl/cylinder numbers should correspond.
 - c. Top and bottom bearings should be oiled at the marked points.
 - d. The top of the spindle should be oiled.
 - e. When lubricating moving parts of the roulette wheel, the correct oil must be used as specified by the manufacturer of the wheel. The use of grease and similar products should be strictly avoided.
 - f. Built up grease along the ball track must be cleaned with cleaning materials as prescribed by the licensed manufacturer.
 - g. All "hazards" should be sturdy, tight fitting, and not loose. ("Hazards" are the metal studs placed around the wheel to ensure that the ball falls randomly into the wheel).
 - h. Ball pockets/compartments must be cleaned of dust and dirt by making use of a dust air blower.
 - i. When the cylinder is replaced it should run freely and smoothly.
 - j. The bowl of the roulette wheel must be horizontal and alignment should be checked on a daily basis by using a spirit level and resting it across the bowl from rim to rim.
 - k. The colour pocket inserts should not be loose.
 - l. The cylinder must be flush with the bowl, to be checked on a daily basis and after being replaced during wheel maintenance.
 - m. Ball pockets should be measured with the dial calliper gauge device during wheel maintenance and tolerances should be checked.
 - n. When removing, replacing or resetting the wheel, it must be done according to the licensed manufacturers specifications. Any major repairs, i.e. replacing or adjusting of spindle, breaking of security seals for any reason whatsoever, must be conducted by the licensed manufacturer.
 - o. A maintenance log must be kept for each roulette wheel, available for inspection by members of the Gaming Board.
 - p. If any of the above points are found to be faulty, the wheel must be removed and repaired before it can be used for gaming purposes.
 - r. All Roulette wheels must be inspected by a licensed manufacturer/supplier on a 6 monthly basis during which at least the following procedures will be followed:
 - i. ensure that cleaning and maintenance procedures have been followed as prescribed.
 - ii. check all security seals to ensure that they are all intact as originally supplied.
 - iii. check all manufacturing tolerances to ensure that they are in the correct operational condition.
 - iv. fully calibrate.
 - v. check rise and fall of cylinder to bowl.
 - vi. check ball track for signs of wear.
 - vii. check pocket surfaces and replace if any have been damaged.
 - viii. check all "hazards" are firm and secure.
11. A Special log shall be kept for these inspections and this log shall be available for inspection by members of the Northern Province Casino and Gaming Board at any given time.
12. Any defective equipment must be removed from the gaming floor immediately.
13. During non operating hours, or while the roulette table is closed, a see through security plate must be fitted over the bowl and the turret of the roulette wheel to prevent any tampering. This plate must be fixed in a manner preventing access to the area covered by the security plate. The seals or keys of the locks used for this purpose 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. The Inspectorate of the Northern Province Casino and Gaming Board must be notified prior to the removal of a damaged wheel. The number of the new wheel must be recorded in the maintenance log book for that table. The new wheel must be properly levelled and tested before play can commence on that table.
15. Spare wheels must be stored in a secure area.

RULE 11: MANUFACTURERS, SUPPLIERS, GAMING MACHINES, NEW GAMES AND ASSOCIATED EQUIPMENT

11.010 Definitions.

As used in Rule 11, unless the context requires otherwise:

1. "Associated equipment" means any equipment or mechanical, electromechanical or electronic contrivance, component or machine used remotely or directly in connection with gaming or any game that would not otherwise be classified as a gaming machine, including, but not limited to, dice, playing cards, links which connect to progressive gaming machines, gaming machine monitoring systems, player tracking systems, equipment used to monitor or record transactions affecting gaming revenues and devices for weighing or counting money.
2. "Conversion" means a change in a gaming machine from one pre-approved configuration to another pre-approved configuration or from one approved mode of play to another approved mode of play.
3. "Game outcome" means the final result of the wager.
4. "Manufacturer" means any person that manufactures, assembles, produces, programs, or makes modifications to any gaming machine for use or play in the Northern Province or for distribution outside of the Northern Province.
5. "Manufacturer of associated equipment" means any person that manufactures, assembles, or produces any associated equipment for use by licensees.
6. "Modification" means a change or alteration in an approved gaming machine that affects the manner or mode of play of the device. The term includes a change to control or graphics programs and, except as provided in paragraphs (d) and (e), in the theoretical hold percentage. The term does not include:
 - a. a conversion;
 - b. replacement of one component with another, pre-approved component;
 - c. the rebuilding of a previously approved device with pre-approved components;
 - d. a change in the theoretical hold percentage of a gaming machine, provided that the gaming machine as changed meets the standards of Rule 11.040(1); or
 - e. a change in the theoretical hold percentage of an electronic gaming machine which is the result of a top award jackpot or bonus jackpot payment which is paid directly by an attendant and which is not accounted for by the device.
7. "Randomness" is the observed unpredictability and absence of pattern in a set of elements or events that have definite probabilities of occurrence.
8. "Supplier" means any person that sells, leases, markets, offers, or otherwise distributes any gaming machine for use or play in Northern Province or sells, leases, or otherwise distributes any gaming machine from a location within the Northern Province (This definition excludes a Route operator that has purchased machines for distribution to the sites under the Route operators control).
9. "Supplier of associated equipment" means any person that sells, leases, markets, offers, or otherwise distributes associated equipment in the Northern Province for use by licensees.

11.020 Licence required : Applications.

1. A person may act as a manufacturer, supplier, manufacturer of associated equipment or supplier of associated equipment only if that person holds the appropriate gaming licence specifically permitting the person to act as a manufacturer, supplier, manufacturer of associated equipment or supplier of associated equipment.
2. Applications for manufacturer's, maintenance or supplier's licences must be made, processed, and determined in the same manner as applications for gaming licences, using such forms as the Board may require or approve.

11.030 Approval of gaming machines : Applications and procedures.

1. A manufacturer or supplier shall not distribute a gaming machine in the Northern Province and a licensee shall not offer a gaming machine for play unless it has been certified by the South African Bureau of Standards and approved by the Board.
2. Applications for approval of a new gaming machine must be made and processed in such manner and using such forms as prescribed. Only licensed manufacturers may apply for approval of new gaming machines. Each application must include, in addition to such other items or information as may be required:
 - a. a complete, comprehensive, and technically accurate description and explanation in both technical and lay language of the manner in which the machine operates, signed under penalty of perjury.

11.040 Minimum standards for gaming machines.

All gaming machines submitted for approval:

1. Must theoretically pay out a mathematically or empirically demonstrable percentage of all amounts wagered, which must not be less than 80% (casino machines) and 75% (Route/Site machines) for each wager available for play on case of the device. Gaming machines that may be affected by player skill must meet this standard when using a method of play that will provide the greatest return to the player over a period of continuous play.
2. Must use a random selection process to determine the game outcome of each play of a game. The random selection process must meet 95% confidence limits using a standard chi-squared test for goodness of fit.
 - a. Each possible permutation or combination of game elements which produce winning or losing game outcomes must be available for random selection at the initiation of each play.
 - b. For gaming machines that are representative of live gambling games, the mathematical probability of a symbol or other element appearing in a game outcome must be equal to the mathematical probability of that symbol or element occurring in the live gambling game. For other gaming machines, the mathematical probability of a symbol appearing in a position in any game outcome must be constant.
 - c. The selection process must not produce detectable patterns of game elements or detectable dependency upon any previous game outcome, the amount wagered, or upon the style or method of play.
3. Must display an accurate representation of the game outcome. After selection of the game outcome, the gaming device must not make a variable secondary decision which affects the result shown to the player.
4. Must display the Rules of play and payoff schedule as prescribed by Regulations 56 and 159.
5. Must not automatically alter pay-tables or any function of the device based on internal computation of the hold percentage.
6. Must meet the technical standards adopted pursuant to Rule 11.050.

11.050 Technical standards for gaming machines.

The following technical standards apply to all gaming machines offered for play in Northern Province to the extent that they do not conflict with the requirements of the South African Bureau of Standards. In any cases of conflict, the requirements of the South African Bureau of Standards shall prevail.

1. **INTEGRITY OF MACHINES (Refer SABS standard 1718)**
 - a. Electrical interference immunity. (Refer SABS standard 1718)
 - b. Coin acceptor and receiver. (Refer SABS standard 1718)
 - c. Hopper. (Refer SABS standard 1718)
 - d. Physical security. (Refer SABS standard 1718)
 - e. Communication with associated equipment. (Refer SABS standard 1718)
 - f. Error conditions. (Refer SABS standard 1718)
 - g. Control Program Requirements. (Refer SABS standard 1718)
 - h. Safety. (Refer SABS standard 1718)

2. **PROPER ACCOUNTING**

- a. Changes to payout percentage

The theoretical payback percentage of a game must not be capable of being changed without making a hardware or software change in the machine except under the following circumstances:

- i. The machine is linked to a Route operation;
- ii. The systems must record the name of the person effecting the change;
- iii. The system must record the closing soft meters of the machine;
- iv. The change may not occur more than once a month; and
- v. The change may only take place during a time that the machine is not being offered for play.

For purposes of this standard, the addition of an attendant-paid bonus, a progressive jackpot, or a change in rate of progression of an existing progressive jackpot is not considered to be a change in the theoretical payback of the gaming machine.

- b. accounting of inappropriate coin-ins. (Refer SABS standard 1718)
- c. payouts from the hopper. (Refer SABS standard 1718)
- d. meters.
 - i. All gaming machines must be equipped with electronic, non-resettable counters having at least

- six digits to accumulate the "in," "out," "drop," and "jackpot" values in units equal to the denomination of the machine. For machines with note acceptors a meter giving the total value of notes accepted. The machine must accumulate the same values in electronic digital storage and provide the means for on-demand display of the stored information.
- ii. Gaming machine "in" meters must accumulate all coin and credit transactions that result in wagers. The "out" meters must accumulate all coin and credit transactions paid by the gaming machine for winning combinations. The "drop" meters must accumulate the number of coins that have been diverted into a drop bucket. The jackpot meter must accumulate the number of coins paid via a hand pay.
 - iii. Electronic meters must have an accuracy of 0.1% or better. Gaming machines must have an electronically stored digital meter of at least 6 digits for the number of plays since power on and the number of plays since door closure. When the maximum value has been reached, the meters must remain at that value until reset by occurrence of the appropriate event (Power on and number of plays since door closure). The gaming machine must provide the means for on-demand display of the stored information.
 - v. Tilt conditions or other malfunctions (Refer SABS standard 1718)
- e. Credit play requirements.
- i. Aspect to limited payout machines the maximum number of credits from currency which may be applied to and wagered on a machine may not be more than R5.00, except that repeated double-down (double or nothing) bets are allowed up to the ultimate lock-up level of R250.00
 - ii. Credits reflected on a gaming machine may only be paid out via a hand pay if such credits are the result of winnings from a wager or wagers.
 - iii. The aggregate total of collectable credits may not exceed R500 on a limited payout machine.
- f. Award cards. (Refer SABS standard 1718)

11.060 Employment of individual to respond to inquiries from the Board.

Each manufacturer and supplier, manufacturer of associated equipment and supplier of associated equipment shall employ or retain an individual that understands the design and function of each of its gaming machines and associated equipment who shall respond within the time specified by the chief executive officer to any inquiries from him concerning the gaming machine, associated equipment or any modifications to the machine or associated equipment. Each manufacturer and supplier shall on or before December 31st of each year report in writing the name of the individual designated pursuant to this section and shall report in writing any change in the designation within 15 days of the change.

11.070 Board evaluation of new gaming machines.

1. The chief executive officer may require transportation of not more than two working models of a new gaming machine to the offices of the Board or some other location for review and inspection. The manufacturer seeking approval of the machine must pay the cost of the inspection and investigation. The Board may dismantle the models and may destroy electronic components in order to fully evaluate the machine. The chief executive officer may require that the manufacturer provide specialised equipment or the services of an independent technical expert to evaluate the machine.

11.080 Final approval of new gaming machines.

After completing the evaluation of the new gaming machine, the chief executive officer may approve the new gaming machine. In considering whether a new gaming machine will be given final approval, the chief executive officer shall consider whether approval of the new gaming machine is consistent with the public policy of the Province. The approval of a gaming machine does not constitute certification of the machine's safety.

11.090 Approval to modify gaming machines : Applications and procedures.

1. All modifications to gaming machines may only be undertaken by licensed persons and only on the written notification, at least seven days prior to the modification, to the chief executive officer of the Board; such notification must include:
 - a. a complete, comprehensive, and technically accurate description and explanation of the modification in both technical and lay language signed under penalty of perjury; and

- b. a statement under penalty of perjury that to the best of the manufacturer's knowledge, the gaming machine, as modified, meets the standards of the SABS.

11.100 Evaluation of modifications.

1. The chief executive officer may require transportation of not more than two working models of a modified gaming machine, or any component thereof, to the Board or some other location for review and inspection. The manufacturer seeking approval of the modification must pay the cost of the inspection and investigation. The Board may dismantle the models and may destroy electronic components in order to fully evaluate the modified gaming machine, or component. The chief executive officer may require that the manufacturer provide specialised equipment or the services of an independent technical expert to evaluate the modification.
2. The chief executive officer has sole and absolute discretion to determine whether the requested modification of a gaming machine renders the machine sufficiently different so that the modified machine should be treated as a new gaming machine. If the chief executive officer makes such a determination, he shall notify the manufacturer in writing. The manufacturer may file an application for approval of a new gaming machine.

11.110 Final approval of modifications.

The chief executive officer shall notify the manufacturer in writing of his decision to approve or disapprove a modification.

11.120 Conversions.

Conversions on gaming machines used in the Province may only be performed by licensed manufacturers or persons licensed to perform maintenance on gaming machines. A person licensed to perform maintenance on gaming machines including that of a licensed manufacturer who converts a gaming machine from one approved game configuration to another approved game configuration shall maintain complete and accurate records of all such conversions. Conversions must be done in conjunction to the rules as laid out in Rule 4.080.

11.130 Duplication of program storage media.

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

11.140 Marking, registration, and distribution of gaming machines.

1. Except as otherwise provided in subsection 2, a manufacturer or distributor shall not distribute a gaming machine in this Province or from a location within this Province out of the Province unless the gaming 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. for machines distributed in this 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 the date of each distribution, the serial numbers of the machines, the Board approval number, or if the machine has been modified since initial approval of the machine, the modification approval number, and the name, province of residence, addresses and telephone numbers of the person to whom the gaming machines have been distributed and shall provide such list to the chief executive officer immediately upon his request.

11.150 Approval to distribute gaming machines within and out of the Northern Province; applications and procedures.

1. Manufacturers, distributors, route operators and casino licensees shall not distribute gaming machines within or outside this Province without the written approval of the chief executive officer. Applications for approval to distribute gaming machines out of this Province must be made, processed, and determined in such manner and using such forms as the chief executive officer may prescribe. Each application must include, in addition to such other items or information as the chief executive officer may require:

the full name, province of residence, address, telephone number, identification number or passport number of both the purchaser and the person to whom the shipment is being made, if neither is currently licensed by the Board. 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;

- a. the name and permanent address of the purchaser or person to whom the shipment is being made if either is currently licensed by the Board;
 - b. the destination, including the port of exit if the destination is outside South Africa;
 - c. the number of machines to be shipped;
 - d. the serial number of each machine;
 - e. the model number, game type and EPROM number of each machine and year each machine was manufactured, if known;
 - f. the denomination of each machine;
 - g. the expected date and time of shipment;
 - h. the method of shipment and name and address of carrier;
 - i. a statement by the purchaser under penalty of perjury that each machine will be used only for lawful purposes, unless the purchaser is currently licensed by the Board.
2. Manufacturers and distributors shall not ship gaming machines to a destination where possession of a gaming machine is unlawful.
 3. An agent of the Board shall inspect all gaming machines prior to distribution out of this Province. Manufacturers and distributors shall make the gaming machines available for such inspection.
 4. A manufacturer or distributor shall keep a record of all shipments made out of the Province of parts specifically designed for use in a gaming machine. The record must include the information set forth in subsection 1, if applicable. A manufacturer or distributor shall not ship parts specifically designed for use in a gaming machine to a destination where possession of a gaming machine is unlawful.

11.160 Approval to sell or dispose of gaming machines.

A licensee, other than a manufacturer and distributor, shall not dispose of gaming machines without the prior written approval of the Board, unless the machines are sold or delivered to its affiliated companies or a licensed manufacturer or distributor, in which case approval is deemed granted provided the details of the machines being shipped are given to the Board in advance and the shipment is verified by the Board. A licensee shall not request approval to sell or deliver gaming machines unless the machines have been marked pursuant to Rule 11.170. Applications for approval to sell or otherwise transfer gaming machines must be made, processed, and determined in such manner and using such forms as the chief executive officer may prescribe. Each application must include the information required by Rule 11.180 in addition to such other items or information as the Board may require. Applications for approval to dispose of gaming machines must be made, processed, and determined in such manner and using such forms as the Board may prescribe.

11.170 Maintenance of gaming machines.

A licensee shall not alter the operation of approved gaming machines and may only allow maintenance on gaming machines by persons licensed to do so by the Board. Licensees shall maintain gaming machines available to the public for play in a suitable condition. No person shall make changes or repairs to parts of the gaming machine that affects the game outcome unless specifically licensed to do so by the Board. Each licensee shall keep a written list of repairs made, including the name of the person making such repairs, to gaming machines offered for play to the public that require a replacement of parts that affect the game outcome and shall make the list available for inspection by the chief executive officer upon his request.

11.180 Approval of promotional and tournament machines; applications and procedures.

1. As used in this section, "promotional machine" means a contrivance that resembles a gaming machine that:
 - a. is playable without a wager being made; or
 - b. always pays out an amount in either cash or prizes that is equal to or greater than the wager made.
2. A manufacturer or distributor shall not distribute a promotional machine for use in this Province and a gaming licensee shall not offer a promotional machine for play to the public unless the promotional machine has been approved by the Board.
3. Applications for approval of promotional machines must be made, processed, and determined in such manner and using such forms as the chief executive officer may prescribe. Each application must include, in addition to such other items or information as the chief executive officer may require:
 - a. a completed, comprehensive, and technically accurate description and explanation of the manner in which the machine operates, signed under penalty of perjury;
 - b. the name and permanent address of the purchaser if the purchaser is currently licensed by the Board;

- c. the name, permanent address, identification number, and passport number of the purchaser if the purchaser is not currently licensed by the Board. If the purchaser does not have a identification number or passport, the purchaser's birth date may be substituted;
- d. the quantity and the serial numbers of the promotional machines being sold or distributed; and
- e. a statement by the purchaser under penalty of perjury that the machine will be used only for lawful purposes.

11.190 Summary suspension of approval of gaming machines.

1. The Board may issue a summary order, with or without notice to the manufacturer, distributor, or licensee, suspending approval of a gaming machine if it determines that the machine does not operate:

- a. in the manner certified by the manufacturer pursuant to Rule 11.090; or
- b. as approved by the Board; or
- c. as approved by the chief executive officer, if the machine has been modified since initial approval of the machine.

2. After issuing an order pursuant to subsection 1, the Board may seal or seize all models of that gaming machine.

11.200 Approval of new games; applications and procedures.

1. A licensee shall not offer a new game for play unless the new game has been certified by the SABS and approved by the CEO: Provided that the CEO may at his discretion give temporary approval for the use of a new game, subject to the following conditions:

- a. hardware being certified by the SABS; and
- b. any other provisions as determined by the CEO.

2. Applications for approval of a new game must be made and processed in such manner and using such forms as may be prescribed including a description of the new game, including the Rules of play, the proposed schedule of payouts, and a statistical evaluation of the theoretical percentages of the game.

11.210 Submission process of gaming equipment certification and final approval.

1. A licensed manufacturer or supplier shall apply to the Board for permission to submit the equipment to the SABS for certification.

2. The application shall be on the prescribed form and may be by way of Facsimile.

3. The Board will confirm the approval for submission by way of facsimile

4. The Board will also inform the SABS of the submission.

5. No equipment, which is intended for use in the Northern Province, may be accepted by the SABS without the prior consent of the Board:

11.220 Final approval of new games.

In considering whether a new game will be given final approval, the Board shall consider whether approval is consistent with the public policy of this Province.

11.230 Approval of manufacturers and suppliers of associated equipment; applications and procedures.

1. A manufacturer or supplier of associated equipment shall not distribute associated equipment for use in Northern Province, nor shall a licensee use associated equipment, unless the manufacturer or supplier has been licensed as a manufacturer or supplier of associated equipment. Applications for approval of associated equipment shall be made and processed in such manner and using such forms as the chief executive officer may prescribe.

Each application must include, in addition to such other items or information as the chief executive officer may require:

- a. the name, permanent address, identification number, and driver's licence number of the manufacturer or distributor of associated equipment unless the manufacturer or distributor is currently licensed by the Board. If the manufacturer or distributor of associated equipment is a company, the names, permanent addresses, identification numbers, and passport numbers of the directors and officers must be included. If the manufacturer or distributor of associated equipment is a partnership, the names, permanent addresses, identification numbers, and driver's licence numbers of the partners and their partnership interest must be included. If identification numbers or driver's licence numbers are not available, the manufacturer's or distributor's birth date may be substituted;

- b. a complete, comprehensive and technically accurate description and explanation in both technical and lay language of the equipment and its intended usage, signed under penalty of perjury;
 - c. detailed operating procedures; and
 - d. details of all tests performed and the standards under which such tests were performed.
2. The Board shall maintain a list of equipment which it considers associated equipment. All manufacturers or suppliers of such equipment shall file applications for licensure. No licensee shall use any associated equipment unless it has been approved by the CEO.

11.240 Board evaluation of associated equipment.

The chief executive officer may require transportation of not more than 2 working models of associated equipment to the Board or some other location for review and inspection. The Board may dismantle the associated equipment and may destroy electronic components in order to fully evaluate the equipment. The chief executive officer may require the manufacturer or supplier of associated equipment seeking approval to provide specialised equipment or the services of an independent technical expert to evaluate the equipment.

11.250 Field trial of associated equipment.

1. The chief executive officer may allow or require that the associated equipment be tested at licensed gaming establishments for not more than 180 days under terms and conditions that he may approve or require. The chief executive officer may allow an additional test period upon written request of the manufacturer or distributor of associated equipment.
2. A manufacturer of associated equipment or other licensee shall not modify associated equipment during the test period without the prior written approval of the chief executive officer.
3. The chief executive officer may order termination of the test period, if he determines, in his sole and absolute discretion, that the manufacturer or distributor of the associated equipment or licensed gaming establishment has not complied with the terms and conditions of the order allowing or requiring a test period. If the test period is terminated due to the licensed gaming establishment's failure to comply with the terms and conditions of the order allowing or requiring a test period, the chief executive officer may order that the test be conducted at another licensed gaming establishment.

11.260 Installation of associated equipment.

A licensee shall not install or use associated equipment without prior written approval of the chief executive officer. Applications for approval to install or use associated equipment shall be made and processed in such manner and using such forms as may be prescribed. The chief executive officer may consider the approval of associated equipment by other gaming regulatory jurisdictions in his determination of the extent, if any, of the evaluations contemplated by Rules 11.240 and 11.250.

11.270 Maintenance of associated equipment.

A manufacturer or supplier of associated equipment, or other licensee, shall not alter the manner in which the associated equipment operates without prior written approval of the chief executive officer.

RULE 12: CORPORATE LICENSEES

12.010 Definitions.

1. **"Affiliate"** means a specified person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control of another person.

2. **"Affiliated company"** means a subsidiary company, holding company, intermediate company or any other form of business organisation that:

- a. controls, is controlled by or is under common control with a corporate licensee; and
- b. is involved in gaming activities in this state or involved in the ownership of property in this state upon which gaming is conducted.

3. **"Associate"** means when used to indicate a relationship with any person, (1) any company or organisation of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of any share of any class of equity shares, (2) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in similar capacity, and (3) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person or who is a director or officer of such company or any of its parents or subsidiaries.

4. **"Control"** (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise.

5. A **"Controlled affiliate"** of a specified person is another person which, directly or indirectly, is controlled by the person specified.

6. A **"controlling affiliate"** of a specified person is another person which, directly or indirectly, controls the person specified.

7. **"Director"** means any director of a company as defined in the Companies Act, 1973 (Act no. 61 of 1973) or any person performing similar functions with respect to any company as defined in these rules.

8. **"Equity share"** means:

- a. any voting shares of a company, or similar share;
- b. any share convertible, with or without consideration, into such a share, or carrying any warrant or right to subscribe to or purchase such a share;
- c. any such warrant or right; or
- d. any share having a direct or indirect participation in the profits of the issuer.

9. **"General partner"** means any general partner of a limited partnership or any person performing similar functions.

10. **"Holding company"** means any company, firm, partnership, trust or other form of business organisation not a natural person which, directly or indirectly:

- a. owns;
- b. has the power or right to control; or
- c. holds with power to vote, all or any part of the limited partnership interests or outstanding voting shares of a company which holds or applies for a gaming licence.

For the purposes of this section, in addition to any other reasonable meaning of the words used, a holding company "indirectly" has, holds or owns any power, right or share if it does so through any interest in a subsidiary or successive subsidiaries, however many such subsidiaries may intervene between the holding company and the corporate licensee or applicant.

1. **"Intermediary company"** means any company, firm, partnership, trust or other form of business organisation other than a natural person which:

- a. is a holding company with respect to a company or limited partnership which holds or applies for a gaming licence; and
- b. is a subsidiary with respect to any holding company.

2. **"Own", "hold" and "have"** means a person who shall be deemed to own, hold or have a share of, or interest in, a company or other form of business organisation if such person or any associate of such person has a record beneficial interest therein.

3. **"Sale" and "sell"** includes every contract of sale of, contract to sell, or disposition of, a share or interest in a share whether or not for value. "Sale" or "sell" includes any exchange of shares and any material change in the rights, preferences, privileges or restrictions of or on outstanding shares.

4. **"Subsidiary"** means:

- a. any company all or any part of whose outstanding equity shares are:
 - i. owned;
 - ii. subject to a power or right of control; or
 - iii. held with power to vote, by a holding company or intermediary company; or

- b. any firm, partnership, trust or other form of business organisation not a natural person, all or any interest in which is:
- i. owned;
 - ii. subject to a power or right of control; or
 - iii. held with power to vote, by a holding company or intermediary company.

12.020 Certain affiliates of corporate licensees.

1. A corporate licensee shall not engage in any act or transaction by virtue of which any other company or other form of business organisation becomes, and shall not in any manner suffer any other company or other form of business organisation to be or to become a controlled affiliate of such corporate licensee without the prior approval of the Board.
2. Neither a corporate licensee nor any person directly or indirectly controlling such corporate licensee shall engage in any act or transaction by virtue of which any other company or other form of business organisation becomes, or is suffered to be or to become, under common control with such corporate licensee without the prior approval of the Board if such other company or other form of business organisation is engaged in business transactions directly relating to the activities of the corporate licensee, for which activities a gaming licence is required.
3. The provisions of this rule shall not apply to any company which is wholly owned by a licensee, or by persons who have been licensed or found suitable with respect to ownership of the corporate licensee, or by any combination thereof.

12.030 Prior approval by Board of disposition of shares by companies other than publicly traded companies; restrictions on unsuitable persons; statement on certificates.

1. The purported sale, assignment, transfer, pledge or other disposition of a five percent or more interest represented by any share issued by a company which holds a gaming licence or granting of an option to purchase such a share is void unless approved in advance by the Board.
2. If at any time the Board finds that an individual owner of any such share is unsuitable to continue as a gaming licensee in this Province, the owner shall immediately offer the share to the issuing company for purchase. The company shall purchase the share so offered, for cash at fair market value, within 10 days after the date of the offer.
3. Beginning upon the date when the Board serves notice of a determination of unsuitability pursuant to subsection 2 upon the company, it is unlawful for the unsuitable owner:
 - a. to receive any dividend or interest upon any such share;
 - b. to exercise, directly or through any trustee or nominee, any voting right conferred by such share; or
 - c. to receive any remuneration in any form from the company, for services rendered or otherwise.
4. Every share issued by a company which holds a gaming licence must bear a statement, on both sides of the certificate evidencing the share, of the restrictions imposed by this section.

12.040 Limitation on certain corporate powers after licensing; approval of Board; individual licensing of corporate officers, directors and other persons.

1. After licensing pursuant to the Act and the Regulations of the Board, but before the company may issue or transfer any share representing five percent or more interest in the company to any person, it shall file a report of its proposed action with the Board, which report shall request the approval of the Board. The transferee shall file all necessary applications for licensure as an owner of the company.
2. All officers and directors of the company which holds or applies for a gaming licence must be licensed individually, according to the provisions of the Act, the Regulations of the Board and these Rules, and if, in the judgement of the Board, the public interest will be served by requiring any or all of the company's individual shareholders holding less than a five percent interest in the company, lenders, holders of evidence of indebtedness, underwriters or agents to be licensed, the company shall require such persons to apply for a licence in accordance with the laws and requirements in effect at the time the Board requires such licensing. A person who is required to be licensed by this section shall apply for a licence within 30 days after he becomes an officer or director. A third party who is required to be licensed pursuant to a decision of the Board shall apply for a licence within 30 days after the Board requests him to do so.

Whenever, as contemplated by this section, it is the judgement of the Board that the public interest will be served by requiring any or all of the company's lenders, holders of evidences of indebtedness, underwriters, agents or other persons dealing with the company and having the power to exercise a significant influence over decisions made by the company to be licensed, the Board shall serve a notice of such determination upon the company, and if the person, persons or other entity or entities which are the subject of such determination shall not have, within 30 days following the service of such notice, applied for a licence, the company may be deemed to have failed to require such application as contemplated by this rule.

After licensing pursuant to the Act and the Regulations of the Board, the company shall file an application with the Board for approval of each person added to as corporate officers and the members of its Board of directors. The Board may, in its discretion, temporarily approve such person to function in the appointed capacity pending investigation and final licensing. The Board, at any time, may revoke its temporary approval and require the company to prohibit such person from participating in corporate activities of any nature pending final action on that persons application.

The report required by subsection 1 shall consist of an application signed by the president, or a vice president, and the secretary, or assistant secretary, of the applicant on an official form and, providing not inconsistent with the requirements of such form, setting forth the following information:

- a. the name, address and telephone number of the applicant.
- b. whether or not the applicant is a licensee, holding company or intermediary company. If the applicant is not a licensee, but has applied for a licence, the application shall set forth the date of such application and a statement of its current status.
- c. if the applicant is the holder of or has pending an application for a gaming licence, the application shall set forth all of the information required to be set forth in a registration statement by such applicant.. Such information may be incorporated by reference to the registration statement of the applicant; provided, however, that such information shall be as of a date not later than 30 days preceding the date of such application.
- d. if the applicant is a holding company or intermediary company, the application shall set forth all of the information required to be set forth in a registration statement. Such information maybe incorporated by reference to the registration statement of, or information previously filed by such person; provided, however, that such information shall be as of a date not later than 30 days prior to the date of such application.
- e. the identity and address of each proposed purchaser or transferee of the shares covered by such application.

The application will not be approved unless and until the proposed transferee complies with Rule 9.

12.050 Termination of employment, of employee found unsuitable or whose licence is denied or revoked; licensing of successor.

1. If an employee of a corporate licensee, holding or intermediary company who is required to be licensed individually:
 - a. does not apply for a licence within 30 days after the Board requests him to do so, and the Board makes a finding of unsuitability for that reason;
 - b. is denied a licence; or
 - c. has his licence revoked by the Board,
 - d. the corporate gaming licensee by whom he is employed shall terminate his employment in any capacity in which he is required to be licensed and shall not permit him to exercise a significant influence over the operation of the gaming establishment upon being notified by registered or certified mail of that action.

2. If the corporate licensee designates another employee to replace the employee whose employment was terminated, it shall promptly notify the Board and shall cause the newly designated employee to apply for a gaming licence.

12.060 Prohibition with respect to ownership of corporate licensees.

no person shall acquire a five percent or more interest in any equity share issued by a corporate licensee or a holding company, nor become a controlling affiliate of a corporate licensee or a holding company, nor become a holding company of a corporate licensee or a holding company without first obtaining the prior approval of the Board in accordance with Rules 4 and

12.070 Prohibitions with respect to the distribution or transfer of shares.

It shall be an offence under the Act, the Regulations of the Board and these Rules if any person shall, in connection with the purchase or sale of any share issued by a corporate licensee or holding company:

- a. employ any device, scheme or artifice to defraud; or
- b. make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- c. engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person; where such device, scheme, artifice, statement, act, practice or course of business relates to gaming or the revenues from gaming or gaming operations.

12.080 Waiver of requirements of Rules.

The Board may waive one or more requirements of Rule 12 if it makes a written finding that such waiver is consistent with the public policies of the Province.

12.090 Public offerings by corporate licensees, holding or intermediary companies and shareholders.

No corporate licensee, no shareholder of a corporate licensee, no holding or intermediary company, and no shareholder of a holding company shall make a public offering of shares of a corporate licensee or of a holding company except as is permitted by, and in accordance with Rule 13.

12.100 Beneficial ownership, granting of proxies and assignments of other interests.

1. The terms "sale, assignment, transfer, pledge or other disposition" used in Rule 12.030 includes, without limitation, the following:
 - a. the granting of a proxy in respect of a share (other than a proxy granted to a person who is licensed or found suitable to own shares of the same company or shares of an affiliate of that company), in which case the person to whom the proxy is granted is to be regarded as the transferee.
 - b. any transfer or disposition, whether or not for value, of any interest in the profits or proceeds (including, without limitation, interest payments, dividends and other distributions by the issuer of a share) realised from the holding or disposition of a share.
2. Application for approval of any sale, assignment, transfer, pledge or other disposition of a share to be made by the issuer thereof shall be made pursuant to Rule 12.030.
3. Procedures for obtaining approvals of transfers of outstanding shares of an interest of five percent or more shall be governed by Rule 9.

12.110 Certain transactions prohibited corporate licensee.

1. Except as permitted by subsection 2, no restrictions on the transfer of an equity share issued by a corporate licensee, whether imposed by the issuer or by the holder or by any other person, shall be effective for any purpose whatsoever unless such restrictions are approved in advance by the Board or unless such restrictions are otherwise required by the Act, the Regulations of the Board or these Rules. No agreement not to encumber any equity share issued by a corporate licensee shall be effective for any purpose whatsoever unless such agreement is approved in advance by the Board.
2. The following restrictions on the transfer of a share are permitted without the necessity of prior approval pursuant to subsection 1:
 - a. any restriction on resale which is required for compliance with the national laws;
 - b. any restriction which results from a "stop-transfer order" given to a transfer agent by the holder of a share on the grounds that a certificate has been lost or stolen; and,
 - c. any restriction which arises from a binding contract to sell or hypothecate a share in a current transaction which will be consummated, if at all, in twelve months or less.

12.120 Persons who may be determined to be unsuitable for purposes of Rule 12.030.

1. Without in any manner limited or restricting the scope of Rule 12.030, the following persons may be determined to be unsuitable within the meaning of that section:
 - a. any person who, having been notified by the company or by the Board of the requirement that such person be licensed, fails, refuses or neglects to apply for such licensing within 30 days after being requested to do so by the Board.

- b. any record holder of a share issued by a corporate licensee or a holding company who shall have failed, refused or neglected, upon request of the Board, to furnish to the Board within 30 days after such request, full, complete, and accurate information as to the beneficial ownership of such share.
 - c. any record owner of a share which is beneficially owned, in whole or in part, by a person determined to be unsuitable by the Board.
2. Beginning upon the date when the board serves notice of a determination of unsuitability upon the company, it shall be an offence for such company:
- a. to pay to any person found to be unsuitable any dividend or interest upon any share of the type described in Rule 12.030 held by such person;
 - b. to recognise the exercise by any such unsuitable owner, directly or through any trustee or nominee, of any voting right conferred by such share;
 - c. to pay to any such unsuitable owner any remuneration in any form for services rendered or otherwise; or
 - d. to make any other payment or distribution, of any kind whatsoever, in respect of any such share, by way of or pursuant to payment of principal, redemption, conversion, exchange or liquidation or any other transaction.

12.130 Escrow of shares.

The Board may, from time to time and at any time, require that shares issued by a corporate licensee, holding or intermediary company be placed in escrow on specified terms and conditions.

12.140 Individual licensing of shareholders with an interest of five percent or more of a corporate licensee.

1. Except as provided in subsection 2, each individual must be licensed before they may:
 - a. own a five percent or more interest in an equity share issued by a corporate licensee, or
 - b. hold five percent or more of any share issued by a corporate licensee which gives the holder voting rights in the company.
2. An individual who has a beneficial interest in an employee trust formed as a part of a share bonus plan meeting the requirements of national revenue laws and holding legal title to any equity share issued by a corporate licensee need not be licensed individually as to such beneficial interest provided the plan or the trust formed thereunder requires that either:
 - a. any shares received by a transferee shall be transferred back to the trust within 24 hours; or
 - b. the transferee shall immediately apply for licensing as a shareholder of the licensee. Until such time as the Board acts upon the application for transfer, the transferee shall not exercise any voting rights nor receive any dividends, and if the transferee is not approved by the Board, the shares shall be immediately transferred back to the trust and any cash or shares dividends accumulated thereon shall remain in the trust. If the transferee is approved by the Board, any accumulated dividends may be passed to the transferee.

12.150 Licensing of certain payees.

Any person who receives payments computed on the basis of the earnings profits or receipts from gaming of a corporate licensee, other than as the owner of an equity share issued by the corporate licensee, shall be required to be licensed or approved.

12.160 Approval by Board required for issues or transfers of five percent or more by a holding or intermediary company of its shares.

No holding or intermediary company shall, and it shall be an offence if a holding or intermediary company, issue or transfer any share of which it is the issuer without the prior approval of the Board. As used herein, the terms "issue or transfer" extend to transactions involving any type of ownership referred to in this rule. Every approval required by this rule shall be sought by the filing of an application complying with Rule 12.040.

12.170 Board approval required for dispositions of outstanding shares of five percent or more issued by holding or intermediary companies.

No person holding five percent or more of the company, other than the issuer, shall sell, assign, transfer, pledge or make any other disposition of any share issued by any holding or intermediary company without the prior approval of the Board. As used herein, the terms "sale, assignment, transfer, pledge or other dispositions" extend to dispositions of any type of ownership referred to in these Rules. Every approval required by this rule shall be sought by the filing of an application in accordance with these Rules.

12.180 Registration with Board; required information.

The company which applies for a gaming licence shall register as a company with the Board, and shall provide the following information to the Board:

1. The organisation, financial structure and nature of the business to be operated, including the names, personal history and fingerprints of all officers, directors and key employees, and the names, addresses and number of shares held by all shareholders.
2. The rights and privileges acquired by the holders of different classes of authorised shares, including debentures.
3. The terms on which shares are to be offered.
4. The terms and conditions of all outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or share.
5. The extent of the equity share holding in the company of all officers, directors and underwriters, and their remuneration as compensation for services, in the form of salary, wages, fees or otherwise.
6. Remuneration to persons other than directors and officers exceeding R150 000 per annum.
7. Bonus and profit-sharing arrangements.
8. Management and service contracts.
9. Options existing, or to be created.
10. Balance sheets for at least 3 preceding fiscal years, or, if the company has not been incorporated for a period of 3 years, balance sheets from the time of its incorporation. All balance sheets shall be audited by a person registered with the Public Accountants' and Auditors' Board.
11. Income Statements and cash flow statements for at least the 3 preceding fiscal years, or, if the company has not been incorporated for a period of 3 years, profit and loss statements from the time of its incorporation. All income statements and cash flow statements shall be audited by a person registered with the Public Accountants' and Auditors' Board.
12. Any further financial data which the Board may deem necessary or appropriate for the protection of the Northern Province, or licensed gambling, or both.

12.190 Requirements if company is or becomes subsidiary; investigations; restrictions on unsuitable persons; statement on certificate, shares; other requirements.

1. If the company applying for or holding a licence is or becomes a subsidiary, each holding company and each intermediary company with respect thereto must:
 - a. qualify to do business in the Northern Province.
 - b. if it is a company, register with, and furnish the Board:
 - i. a complete list of all shareholders when it first registers, and annually thereafter, within 30 days after the annual meeting of the shareholders of the company, showing the number of shares held by each.
 - ii. the applications of all corporate officers within 30 days of their appointment.
 - iii. the applications of all members of the Board of directors within 30 days of their election.
 - c. if it is a firm, partnership, trust or other form of business organisation, it must register with, and furnish the Board such information as the chief executive officer of the Northern Province Casino and Gaming Board may prescribe.
2. The Board may, at its discretion, make such investigations concerning the officers, directors, underwriters, shareholders, partners, principals, trustees or direct or beneficial owners of any interest in any holding company or intermediary company as it deems necessary, either at the time of initial registration or at any time thereafter.
3. If at any time the Board finds that any person owning, controlling or holding with power to vote all or any part of any class of share of, or any interest in, any holding company or intermediary company is unsuitable to be connected with a licensed gaming enterprise, it shall so notify such unsuitable person, the holding company or intermediary company, or both. Such unsuitable person shall immediately offer such share to the issuing company, or such interest to the firm, partnership, trust or other business organisation, for purchase. The company shall purchase the share so offered, or the firm, partnership, trust or other business organisation shall purchase the interest so offered, for cash at fair market value within 10 days after the date of the offer.

Beginning upon the date when the Board serves notice of a determination of unsuitability pursuant to subsection 3, it is unlawful for the unsuitable person:

- a. to receive any dividend or interest upon any such shares, or any dividend, payment or distribution of any kind from any holding company or intermediary company;
- b. to exercise, directly or indirectly or through any proxy, trustee or nominee, any voting right conferred by such shares or interest; or
- c. to receive any remuneration in any form from the corporate gaming licensee, or from any holding company or intermediary company with respect thereto, for services rendered or otherwise.

Every share issued by a holding company or intermediary company which directly or indirectly:

- a. owns;
- b. has the power or right to control; or
- c. holds with power to vote, all or any part of the outstanding equity shares of a corporate gaming licensee shall bear a statement, on both sides of the certificate evidencing such share, of the restrictions imposed by this section.

A holding company or intermediary company subject to subsection 1 shall not make any public offering of any of its shares unless such public offering has been approved by the Board.

The Board may, at any time and from time to time, by general Regulation or rule or selectively impose on any holding company or intermediary company any requirement not inconsistent with law which it may deem necessary in the public interest.

12.200 Information to be furnished to the Board if company is or becomes a subsidiary.

The company applying for or holding a licence is or becomes a subsidiary, each holding company and intermediary company shall furnish the Board with following information:

The organisation, financial structure and nature of the business it operates.

The terms, position, rights and privileges of the different classes of shares outstanding.

The terms on which its shares are to be, and during the preceding 3 years have been, offered to the public or otherwise.

The terms and conditions of all outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or share pertaining to the corporate gaming licensee.

The extent of the share holding or other interest in the holding company or intermediary company of all officers, employees, directors, underwriters, partners, principals, trustees or any direct or beneficial owner, and any remuneration as compensation for their services, in the form of salary, wages, fees, or by contract, pertaining to the corporate gaming licensee.

Remuneration to others than directors and officers exceeding R 150 000,00 per annum.

Bonus and profit-sharing arrangements.

Management and service contracts.

Options existing or to be created in respect of their shares or other interests.

Balance sheets, certified by independent certified public accountants, for not more than the 3 preceding fiscal years, or, if the holding company or intermediary company has not been in existence more than 3 years, balance sheets from the time of its establishment.

Profit and loss statements, certified by independent public accountants, for not more than the 3 preceding fiscal years, or, if the holding company or intermediary company has not been in existence more than 3 years, profit and loss statements from the time of its establishment.

Any further financial statements which the Board may deem necessary or appropriate for the protection of the Northern Province, licensed gambling, or both.

An annual profit and loss statement and an annual balance sheet, and a copy of its annual federal income tax return, within 30 days after such return is filed with the Republic of South Africa.

12.210 Penalties for non compliance with laws and Regulations.

If any corporate licensee, or if any holding company or intermediary company with respect thereto, does not comply with the laws of this Province, the Regulations of the Board or these Rules, the Board may, at its discretion, do any one, all or a combination of the following:

Revoke, limit, condition or suspend the gaming licence of the corporate licensee; or

Fine the persons involved, or the corporate licensee, or such holding company or intermediary company, in accordance with the Act, the Regulations of the Board and these Rules.

12.220 Exclusion of publicly traded companies.

Rule 12 shall not apply for the shares of, nor other interest in, any holding company which is a public company and is required to comply with Rule 13, nor to its shareholders, directors, officers, agents, employees, underwriters, lenders, and other holders of evidence of indebtedness, as such.

RULE 13: PUBLICLY TRADED COMPANIES AND PUBLIC OFFERINGS OF SHARES**GENERAL****13.010 Definitions.****Used in Rule 13:**

"Acquire control" or "acquiring control" means any act or conduct by a person whereby he obtains control, whether accomplished through the ownership of equity or voting shares, ownership of rights to acquire equity or voting shares, by management or consulting agreements or other contract, by proxy or power of attorney, by statutory mergers, by consummation of a tender offer, by acquisition of assets, or otherwise.

"Control," when used as a noun, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, and when used as a verb, means to possess, directly or indirectly, such power.

"Controlling person" with respect to a public company means each person who controls the public company.

"Corporate acquisition opposed by management" means an attempt to acquire control of a public company that is an affiliated company by means of a tender offer that is opposed by the Board of directors of the affiliated company.

"Corporate licensee" means a company that is licensed pursuant to Rule 12 and that is registered with the Board.

"Current market price" means the average of the daily closing prices for the 20 consecutive trading days immediately preceding the date of a transaction or the closing price on the day immediately preceding the date of such transaction, whichever is higher. For the purpose of this definition, the closing price for each day shall be the last reported sale price, regular way, or in case no such reported sale takes place on such date, the average of the last reported bid and asked prices, regular way, in either case on the principal national stock exchange on which such share is admitted to trading or listed, or if not listed or admitted to trading on any national stock exchange, the closing price of such share, or in case no reported sale takes place, the average of the closing bid and asked prices, or the closing sale price, or in case no reported sale takes place, the average of the closing bid and asked prices.

"Executive officer," with respect to a public company, means the president, secretary, treasurer, any vice president in charge of a principal business function (such as sales, administration or finance) and any other person who performs similar policy-making functions for a public company.

"Full disclosure" with respect to a transaction or to a series of transactions means a descriptive statement thereof that does not make an untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

"Institutional investor" means:

- a. any institution referred to in paragraph (b), (c), (f), (g) or (h) of the definition of "financial institution" in section 1 of the Financial Institutions (Investment of Funds) Act 39 of 1984;
- b. any licensed stock exchange or stock broker referred to in section 1 of the Stock Exchanges Control Act, 1985 (Act 1 of 1985), and also any person contemplated in paragraph (c), (d), (e) or (f) of section 4(l) of the same Act;
- c. a bank as defined in section 1 of the Banks Act, 1990 (Act 94 of 1990);
- d. any financial exchange, member or recognised clearing house mentioned in section 1 of the Financial Markets Control Act, 1989 (Act 55 of 1989), and also any person contemplated in paragraph (e), (f), (g) or (h) of section 54 (l) of the said Act;
- e. any registered insurer as defined in section 1(l) of the Insurance Act, 1943 (Act 27 of 1943);
- f. any agent, broker or other person contemplated in section 20 b of the Insurance Act, 1943;
- g. any person belonging to a class of persons contemplated in section 23A (2) (a) (vi) of the Insurance Act, 1943;
- h. any person deemed, in terms of section 60 of the Insurance Act, 1943, to be carrying on insurance business in the Republic;
- i. any central securities depository and a depository institution as defined in the Safe Deposit of Securities Act, 1992 (Act 85 of 1992).
- j. a provincial or national government pension plan;
- k. a group comprised entirely of persons specified in (a) through (g); or
- l. such other persons as the Board may determine for reasons consistent with the policies expressed in the Act.

10. "Public offering" means a sale of shares.
11. "Purchase rights" means a share or contractual right in shares issued or issuable on the exercise of options, warrants or other beneficial interests in shares obtained for value upon the issuance of shares, or on conversion of other shares.
12. "Speculative shares" means:
 - a. shares, the value of which depends substantially upon proposed or promised future promotion or development rather than on material existing assets, conditions or operating results; or
 - b. shares, an investment in which involves an extraordinary risk of loss to the investor.
13. "Tender offer" means a public offer by a person other than the issuer to purchase voting shares of a public company that is an affiliated company, made directly to shareholders for the purpose of acquiring control of the affiliated company.
14. "Voting share" means a share the holder of which is entitled to vote for the election of a member or members of the Board of directors or Board of trustees of a company or a comparable person or persons in the case of a partnership, trust or other form of business organisation other than a company.

13.020 Burden of proof.

The burden of proof for the granting of any approval required or permitted by Rule 13 is at all times upon the applicant. Each applicant shall satisfy the Board that the granting of any approval required or permitted by Rule 13 is consistent with the provincial policies concerning gaming set forth in the Act.

13.030 Powers of the Board.

1. Without in any way limiting the generality of the Act in connection with any action, the Board may provide:
 - a. that a time period be accelerated or extended; or
 - b. that as a condition to the processing of an application or to the granting of an approval:
 - i. an application be supplemented in any particular and to any extent either before or after the Board has acted thereon;
 - ii. an applicant or other person urging the approval or denial of an application appear personally before the Board and submit to interrogation under oath or otherwise;
 - iii. funds, shares, instruments or agreements be placed in escrow upon specified conditions;
 - iv. a transaction be in compliance with the laws and applicable Regulations of any federal, state, or local governmental entity or agency;
 - v. a transaction be approved by an applicant's Board of directors;
 - vi. an opinion of an applicant's legal counsel be furnished to the Board;
 - vii. an opinion of an applicant's auditors be furnished to the Board;
 - viii. all or any portion of an application be examined or evaluated by a consultant to the Board at the expense of the applicant.
2. The Board has the power to delegate to the Chairperson in its order-granting approval, the power to issue an interlocutory stop order. The interlocutory stop order may be issued for any cause deemed reasonable by the Chairperson.

13.040 Board review of stop orders.

If a stop order is issued by the Chairperson pursuant to the provisions of Rule 13, the Board shall, upon request of the person that is the subject of the order, conduct a hearing on the merits of the matter no later than its next regular meeting for which notice of the hearing is practicable.

13.050 Timing of investigations and approvals.

1. The Chairperson is hereby delegated the power to accelerate or extend the time period in which the Board may grant approval of any act for which approval by the Board is required or permitted by Rule 13.
2. The Board shall use its best efforts to take final action upon an application pursuant to section 13.200 by a person making a tender offer, section 13.250, and section 13.260 within 60 days of the date upon which the application is filed and any fees are paid consistent with the public policy of this Province concerning gaming. If the Board cannot take final action upon the application within 60 days of filing of such application, the Board shall transmit to the applicant written notice of a time certain for completion of the investigation and the final action of the Board. The notice required by this subsection shall be transmitted at least 10 days prior to the sixtieth day after the filing of the application.

13.050 Standards for Board action.

The Board will consider all relevant material facts in determining whether to grant an approval required or permitted by Rule 13.100 through 13.210, or sections 13.250 through 13.280, the Board may further consider not only the effects of the action or approval requested by the applicant, but whatever other facts are deemed relevant, including but not limited to the following:

1. The business history of the applicant, including its record of financial stability, integrity, and success of its operations.
2. The current business activities and interests of the applicant, as well as those of its executive officers, promoters, lenders, and other sources of financing, or any other individuals associated therewith.
3. The current financial structure of the applicant, as well as changes which could reasonably be anticipated to occur to such financial structure as a consequence of the proposed action of the applicant.
4. The gaming-related goals and objectives of the applicant, including a description of the plans and strategy for achieving such goals and objectives.
5. The relationship between such goals and objectives and the requested approval.
6. The adequacy of the proposed financing or other action to achieve the announced goals and objectives.
7. The present and proposed compensation arrangement between the applicant and its directors, executive officers, principal employees, shareholders, lenders, or other sources of financing.
8. The equity investment, commitment or contribution of present or prospective directors, officers, principal employees, investors, lenders, or other sources of financing.
9. The dealings and arrangements, prospective or otherwise, between the applicant and any investment bankers, promoters, finders or lenders, and other sources of financing.
10. The effect of the proposed action on existing and prospective shareholders of the applicant, both before and after the intended action.
11. Whether the applicant has made full and complete disclosure of all material facts relative to the proposed action to the Board and made provision for such disclosure to all prospective shareholders.
12. Whether the proposed action does not tends to defraud upon the public.
13. Whether a proposed public offering contains speculative shares.
14. Whether a proposed transaction will create a significant risk that the public company and its affiliated companies will not:
 - a. satisfy their financial obligations as they become due; or
 - b. satisfy all financial and regulatory requirements imposed by the Act, the Regulations of the Board and these Rules.

13.070 Registration of company of another country: Application; investigation; expenses of investigation.

1. A company or other legal entity which is organized under the laws of another country and seeks licensing and registration with the Board as a public company must submit an application to the Board. The application must provide the Board with information showing that the applicant's business activities are regulated by a governmental authority of the foreign country in a manner which will prevent those activities from posing any threat to the control of gaming in this province.
2. The Board may conduct an investigation of the applicant and the governmental authority responsible for Regulation of the applicant. The Board shall require the applicant to pay the Board's anticipated expenses for such an investigation, and may, after completing such an investigation, charge the applicant any amount necessary to cover an underpayment of the actual expenses.

13.080 Licensing and Registration of company of another country: Matters considered by Board; rejection without hearing.

In determining whether to approve such an application, the Board may consider, in addition to all other requirements of these Rules:

1. Whether the governmental authority in the foreign country has an effective system to regulate the applicant and the relations between the investing public and the applicant and other companies listed on the exchange;
2. Whether the system includes:
 - a. a requirement that the listed companies make full disclosure of information to the investing public;
 - b. a requirement that the listed companies file periodic reports with the governmental authority;
 - c. a method to prevent any manipulation of the prices of shares or any employment of deceptive or misleading devices; and

- d. a restriction on margins to prevent any excessive use of credit for the purchase or carrying of shares listed on the exchange;
- 3. The availability of means by which the Board obtain adequate information from the governmental authority in the foreign country concerning the applicant's activities; and
- 4. Such other matters as the Board finds it necessary to consider in order to protect regulated gaming in Northern Province. The Board may reject any such application without a hearing.

13.090 Duties of publicly traded licensee or a company owning or controlling an applicant or licensee; investigations.

A public company, or if a company applying for or holding a gaming licence is or becomes owned in whole or in part or controlled by a public company, such public company shall:

- a. maintain a ledger in the principal office of its subsidiary which is licensed to conduct gaming in this Province, which must:
 - i. reflect the ownership of record of each outstanding share of any class of equity share issued by the public company. The ledger may initially consist of a copy of its latest list of equity shareholders and thereafter be maintained by adding a copy of such material as it regularly receives from the transfer agent for its equity shares of any class which are outstanding.
 - ii. be available for inspection by the Board and their authorised agents at all reasonable times without notice.
- b. register with and provide the Board with the following information:
 - i. the organisation, financial structure and nature of the business of the public company, including the names of all officers, directors and any employees actively and directly engaged in the administration or supervision of the activities of the gaming licensee, and the names, addresses and number of shares held of record by holders of its equity shares.
 - ii. the rights and privileges accorded the holders of different classes of its authorised equity shares.
 - iii. the terms on which its equity shares are to be, and during the preceding 3 years have been, offered by the company to the public or otherwise initially issued by it.
 - iv. the terms and conditions of all its outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or share, directly relating to the gaming activities of the licensee.
 - v. the extent of the equity share holdings of record in the public company of all officers, directors, underwriters and persons owning of record equity shares of any class of the public company, and any payment received by any such person from the public company for each of its 3 preceding fiscal years for any reason whatsoever.
 - vi. remuneration exceeding R 150 000,00 per annum to persons other than directors and officers who reactively and directly engaged in the administration or supervision of the gaming activities of the licensee.
 - vii. bonus and profit-sharing arrangements of the public company directly or indirectly relating to the gaming activities of the licensee.
 - viii. management and service contracts of the public company directly or indirectly relating to the gaming activities of the licensee.
 - ix. options existing or from time to time created in respect of its equity shares.
 - x. balance sheets, certified by independent public accountants, for at least the 3 preceding fiscal years, or if the public company has not been incorporated for a period of 3 years, balance sheets from the time of its incorporation.
 - xi. Profit and loss statements, certified by independent public accountants, for at least the 3 preceding fiscal years, or, if the public company has not been incorporated for a period of 3 years, profit and loss statements from the time of its incorporation.
 - xii. Any further information within the knowledge or control of the public company which either the Board may deem necessary or appropriate for the protection of this Province, or licensed gambling, or both. The Board may in its discretion make such investigation of the public company or any of its officers, directors, shareholders or other persons associated therewith as it deems necessary.
- c. Apply for a licence and registration from the Board which must set forth a description of the public company's affiliated companies and intermediary companies, and the various gaming licences and approvals obtained by such entities. The Board may issue a licence and register the public company upon receipt of a proper application and completion of an investigation.

13.095 Individual licensing of directors, officers and employees; removal from position if found unsuitable or if licence is denied or revoked; suspension of suitability by Board.

1. Each officer and employee of a public company who the Board determines is or is to become actively and directly engaged in the administration or supervision of, or any other significant involvement with, the activities of the gaming licensee must be found suitable therefor and may be required to be licensed by the Board. Each director of a public company, who the Board determines is, or is to become, actively and directly engaged in the administration or supervision of the gaming activities at a licensed gaming establishment must be found suitable therefore and shall be required to be licensed by the Board.
2. If any officer, director or employee of a public company required to be licensed or found suitable pursuant to subsection 1 fails to apply for a gaming licence or finding of suitability within 30 days after being requested to do so by the Board, or is denied a licence or not found suitable by the Board, or if his licence or the finding of his suitability is revoked after appropriate findings by the Board, the public company shall immediately remove that officer or employee from any office or position wherein he is actively and directly engaged in the administration or supervision of, or any other significant involvement with, the activities of the corporate or limited partnership gaming licensee, or that director from any office or position wherein he is actively and directly engaged in the administration or supervision of the activities of the gaming licensee. If the Board suspends the finding of suitability of any officer, director or employee, the public company shall, immediately and for the duration of the suspension, suspend that officer or employee from performance of any duties wherein he is actively and directly engaged in administration or supervision of, or any other significant involvement with, the activities of the corporate or limited partnership gaming licensee, or that director from performance of any duties wherein he is actively and directly engaged in administration or supervision of the activities at a licensed gaming establishment.

PUBLIC OFFERINGS

13.100 Corporate licensees.

1. A public company may apply for and hold a gaming licence or manufacturer's, and suppliers' licence. A public company may also be found suitable to acquire or hold an interest in a corporate licensee.
2. A person shall not make a public offering of any share issued by a corporate licence without the prior approval of the Board.
3. A corporate licensee may guarantee a share issued by an affiliated company pursuant to a public offering, and hypothecate its assets to secure the payment or performance of the obligations evidenced by a share issued by an affiliated company pursuant to a public offering, provided that the prior approval of the Board is obtained.

13.110 Public offerings of affiliated companies.

Prior approval of the Board is required for any public offering of any shares of an affiliate company:

1. Which is not a public company if the shares will be offered by such an affiliated company or by a controlling person thereof.
2. Which is a public company if the shares will be offered by such affiliated company and if such shares or the proceeds from the sale thereof are intended to be used:
 - a. to pay for construction of gaming facilities in Northern Province to be owned or operated by the affiliated company or a subsidiary of the affiliated company;
 - b. to acquire any direct or indirect interest in gaming facilities in Northern Province;
 - c. to finance the operation by the affiliated company or a subsidiary of such affiliated company of gaming facilities in Northern Province; or
 - d. to retire or extend obligations incurred for one or more such purposes.

13.120 Continuous or delayed public offerings.

1. A publicly traded licensee or an affiliated company which is a public company may apply for approval of a continuous or delayed public offering of its shares if such an affiliated company:
 - a. has a class of shares listed on a Stock Exchange or has shareholders' equity in an amount of R 45 million or more as reported in its most recent report; and
 - b. has filed all reports required to be filed during the preceding 12 months, or for such a shorter period that such affiliated company has been required to file such reports.

2. The Board may grant approval of a continuous or delayed offering for a period of up to 1 year. An approval granted pursuant to this Rule does not constitute an approval of other related transactions for which separate Board approval is otherwise required by the Act, the Regulations of the Board or these Rules.
3. If an application is approved, the licensee or the affiliated company shall notify the Board of its intent to make the public offering and identify the type and amount of shares it proposes to sell and the date on which it is anticipated the sale will occur. If such notification is not written, it must be followed, as soon as practicable, with a written confirmation which need not precede such sale.

13.130 Public offerings by entities not presently affiliated companies.

1. Any entity which is not an affiliated company or otherwise subject to the provisions of the Act, the Regulations or these Rules which plans to make a public offering of shares intending to use such shares, or the proceeds from the sale thereof, to construct gaming facilities in Northern Province to be operated by the entity, or a subsidiary of the entity, or any other company or other form of business organisation under common control with the entity, to acquire any direct or indirect interest in gaming facilities in Northern Province, to finance the operation by the entity, or a subsidiary of the entity, or any other company or other form of business organisation under common control with the entity, of gaming facilities in Northern Province, or to retire or extend obligations incurred for one or more such purposes, may apply to the Board for prior approval of such an offering.
2. Any entity which submits an application pursuant to this Rule shall pay all costs connected with the processing of the application including but not limited to investigative costs.
3. An approval sought under this Rule will not include a finding regarding the suitability of the individuals involved. The commission may find an applicant to be unsuitable to be a holding company if it did not submit an application pursuant to subsection 1.

Any entity for which the Board has approved an application submitted pursuant to subsection 1 shall cause the following statement to be included in the prospectus, offering circular or other offering document, or if such a document is not required by law the offeror shall maintain adequate records that the statement was furnished to potential investors, for the public offering which was approved by the Board:

Because proceeds of this offering are to be used in connection with gaming facilities in Northern Province, the entity making the offering voluntarily sought and received approval of the Northern Province Casino and Gaming Board to make the offering. That approval relates solely to the terms of the offering. It does not constitute a finding that the entity has been or will be found qualified to be involved with gaming activities in Northern Province for which a separate Northern Province Gaming Board approval will be required. It also does not involve a finding by the Northern Province Casino and Gaming Board as to the accuracy or adequacy of this document.

13.140 Certain public offerings and shareholder approvals.

The Board may find a public company unsuitable to be a licensee or a holding company of corporate licensee if:

1. At a time when the applicant was not subject to the jurisdiction of the Board it made a public offering of shares intending to use such shares, or the proceeds from the sale thereof, to construct gaming facilities in Northern Province to be operated by the applicant, or a subsidiary of the applicant, or any other company or other form of business organisation under common control with the applicant, to acquire any direct or indirect interest in gaming facilities in Northern Province, to finance the operation by the applicant, or a subsidiary of the applicant, or any other company or other form of business organisation under common control with the applicant, of gaming facilities in Northern Province, or to retire or extend obligations incurred for one or more such purposes; or
2. At a time when the applicant was not subject to the jurisdiction of the Board it obtained the approval or consent of its shareholders to have a material involvement with gaming in the Northern Province, and in connection with such offering, approval or consent, it did not make a full disclosure of all material facts to the offerees or its shareholders relating to such material involvement including, without limitation, a description of the nature and scope of the provincial and applicable local laws of Northern Province regarding gaming control.

13.150 Approval of shares issuable on exercise of options or warrants or conversion of other shares.

If the Board approves a public offering of shares which involves shares issuable on exercise of purchase rights, such approval is deemed continuing for the entire period of exercisability or convertibility and further approval is not required for the actual issuance of such shares.

13.160 Application for approval of public offering.

A person applying for approval of a public offering pursuant to Rule 13 shall make a full disclosure of all material facts relating thereto to the Board. To the extent applicable, the application must include the following information:

1. A description of the shares to be offered.
2. The terms upon which the shares are to be offered.
3. The gross and net proceeds of the offering, including a detailed list of expenses.
4. The use of proceeds.
5. The name and address of the lead underwriter and the participating underwriters, if any.
6. The forms of the underwriting agreement, the agreement among underwriters, if any, and the selected dealers agreements, if any.
7. A statement of intended compliance with all applicable national, provincial, local and foreign securities laws.
8. The names and addresses of the applicant's general counsel, local counsel, special securities counsel, independent auditors, and any special consultants on the offering.
9. If any shares to be issued are not to be offered to the general public, the names and addresses of the other offerees and the form of the offering thereto.
10. True copies or descriptions of all papers filed with the Stock Exchange and all material communications between the applicant and the Stock Exchange. A copy of each registration statement and each amendment thereto must be filed with the Board by the end of the next business day after their filing with the Stock Exchange. All other papers required to be included pursuant to this subsection must be filed with the Board as soon as practicable.

13.170 Co-ordination.

The Board will ordinarily permit an application for approval of a public offering pursuant to Rule 13 to be completed over a period of time as documents and information become available in accordance with the normal and customary practice in the industry. An application may be filed without all the information required by Rule 13.160 if all such information required by the Board is supplied prior to the sale of the shares.

MERGERS, ACQUISITIONS AND CHANGES OF CONTROL

13.180 Approval of acquisition of control.

A public company shall not directly or indirectly acquire control of a corporate licensee or affiliated company, and a person shall not acquire control of a public company which is an affiliated company, without the prior approval of the Board.

13.190 Application for approval of acquisitions of control.

1. An application for approval of a transaction subject to Rule 13.180 must contain full disclosure of all material facts relating thereto, and include to the extent applicable:
 - a. the terms and provisions of the contemplated transaction.
 - b. a statement of any contemplated management and operating changes to be effected after completion of the contemplated transaction, and
 - c. copies or descriptions of all material documents and correspondence filed with the Stock Exchange in connection with the contemplated transaction, if any, or, if the transaction is not subject to the National Revenue Laws, copies or descriptions of all material documents and correspondence filed with such other governmental entity charged there with, if any.

MARKETS AND TRADING

13.200 Fraudulent and deceptive practices prohibited.

1. It is an offence if any person, in connection with the purchase or sale of any share issued by a licensee or an affiliated company or in connection with any document required to be filed pursuant to Rule 13 or the Act:
 - a. employs any device, scheme or artifice to defraud; or
 - b. makes any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or

- c. engages in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person; where it is determined by the Board that such device, scheme, artifice, statement, act, practice or course of business materially adversely affects the gaming industry in the Northern Province.

13.210 Approval of proxy and information statements related to gaming.

1. Before any person sends to the holders of a voting share of a public company a proxy statement, or an information statement, and includes a discussion of the nature and scope of, and procedures under, the Act, the Regulations of the Board and these Rules, such proxy statement or information statement must be approved by the Board. A facsimile copy of such proxy statement or information statement may be sent for approval purposes.
2. A proxy statement or information statement is deemed to have been approved if it has been filed with the Board for at least 5 days and the Board has not issued a stop order during such period.

13.220 Listing on stock exchange.

1. An affiliated company which does not have a class of voting shares listed on the Stock Exchange, shall not list any shares on the Stock Exchange without the prior approval of the Board. An application for such approval is deemed to have been approved if it has been filed with the Board for at least 30 days and the Board has not issued a stop order during such period.
2. An affiliated company which has a class of voting shares listed on the Stock Exchange may, at any time and without the prior approval of the Board, list on any stock exchange, any of its shares or make supplemental listings of any shares.

13.230 Reporting requirements.

1. Whenever any material document, including any document considered to be confidential or furnished to the holders of voting shares of the public company, is filed by a public company with or with any national or regional Stock Exchange, such public company shall within 10 business days file a true copy of such document with the Board.
2. Whenever a public company receives any material document filed by any other person relating to such public company, it shall, within 10 days following such receipt, file a true copy of such document with the Board.
3. Each publicly traded company shall file with the Board annually a list of the holders of its voting shares or more frequently as such lists are prepared.
4. Each publicly traded company shall promptly report to the Board, on the form prescribed by the Board, the election or appointment of any director, any executive officer and any other officer actively and directly engaged in the administration or supervision of the gaming activities at a licensed gaming establishment of the corporate licensee and file the necessary gaming applications within 30 days of such election or appointment.
5. Whenever a public company is informed that any person determined by the Board to be a controlling person in respect of such company has disposed of any of such company's voting shares, such company shall thereupon promptly report such information to the Board.
6. Each public company shall file promptly with the Board such other documents within its control as the Board may lawfully request.

INDIVIDUALS

13.240 Powers of Board.

The Board may determine at the time of initial application by a public company for licensing and registration or at any time thereafter that the public interest and the purposes of the Act require that any individual who has a material relationship to, or material involvement with, a public company and is subject to the jurisdiction of the Act should apply for a finding of suitability or licensing. A person may be deemed to have a material relationship to, or material involvement with, a company if he is a controlling person or key employee of the company, or if he, as an agent, consultant, advisor or otherwise, exercises a significant influence upon the management or affairs of the company. The foregoing powers of the Board are not limited to individuals having a formal and direct involvement or relationship with a public company nor to individuals who are beneficial owners of any stated percentage of the outstanding equity shares of a public company.

13.250 Beneficial owners of voting shares.

1. The Board shall consider the provisions of Rule 13.095 in making its determination as to which beneficial owners of voting shares of publicly traded companies must or may be required to be found suitable or to be licensed.

2. All Rules and Regulations of the Stock Exchange applicable in determining whether a person is the beneficial owner of a particular equity share may be considered by, but shall not be binding upon, the Board in making its determination whether, and the extent to which a person is the beneficial owner of a voting share for the purpose of this Rule.
3. Rule 13.240 applies to every person who is, directly or indirectly, the beneficial owner of any voting share in a public company which is licensed and registered with the Board, irrespective of the time of acquisition of such ownership.
4. If any shares of a public company are held in street name, by a nominee, an agent or trust, the public company shall render maximum assistance to the Board, upon its request, to determine the beneficial ownership of such shares.

13.260 Officers and employees.

1. The Board shall require application for finding of suitability and may require licensing of any officer or employee of a public company whom the Board finds to be actively and directly engaged in the administration or supervision of, or any other significant involvement with, the activities of a gaming licensee.
2. The Board may require application for licensing or finding of suitability by any officer or employee of a public company whose application is not otherwise required pursuant to paragraph 1 of this Rule, if the Board determines that the policies of the Province regarding gaming would be served by such action.
3. The following officers or employees of the public company are deemed to be actively and directly engaged in the administration or supervision of, and significantly involved with, the activities of the corporate licensee and therefore are normally required to be licensed or found suitable:
 - a. each employee who is involved in gaming and who is also a director of the public company; and
 - b. all officers of the public company including, but not limited to, the president, any person performing the function of principal executive officer or principal operating officer, the principal accounting officer and secretary.

13.270 Directors.

1. The Board shall require application for finding of suitability and may require licensing of any director whom the Board finds to be actively and directly engaged in the administration or supervision of the gaming activities at a licensed gaming establishment of a subsidiary corporate licensee.
2. The Board may require application for licensing or finding of suitability by any director of a public company whose application is not otherwise required by paragraph 1 of this Rule, if the Board determines that the policies of the Province regarding gaming would be served by such action.
3. The following directors of the public company are deemed to be actively and directly engaged in the administration or supervision of the gaming activities of the licensee and therefore are normally required to be licensed or found suitable:
 - a. each director who serves as chairman of the Board of directors;
 - b. each director who, individually or in association with others, is the beneficial owner of greater than 1 percent of any class of voting shares of the registered public company for which he serves as a director, and
 - c. each person, whether as director or otherwise, who serves on the executive committee of the Board of directors, or who serves on any comparable committee to which is delegated the authority of the Board of directors to act in any matter involving the activities of a gaming licensee.

13.280 Appointments and elections.

Except in a transaction subject to Rule 13.180 which involved a change of control of a public company as a whole, an individual may be appointed or elected to a position described in Rules 13.260 or 13.270 without the prior approval of the Board, and may occupy the position and exercise the authority and duties thereof pending processing of the individual's application for a finding of suitability until otherwise ordered by the Board. The Board may impose stricter requirements, including a requirement of prior approval, on any public company or with respect to any individual at any time.

13.290 Institutional investor.

1. An institutional investor that becomes or intends to become subject to Rule 13.250 as a result of its beneficial ownership of voting shares of a public company licensed and registered with the Board may apply to the Board for a waiver of the requirements of Rule 13.250 with respect to the beneficial ownership of voting shares of such public company if such institutional investor holds the shares for investment purposes only; provided, however, that an institutional investor shall not be eligible to receive or hold a waiver if the institutional investor beneficially owns, directly or indirectly, more than 15% of the voting shares and if any of the voting shares were acquired other than through a debt restructuring. Voting shares acquired before a debt restructuring and retained after a debt restructuring or as a result of an exchange, exercise or conversion, after a debt restructuring, of any shares issued to the institutional investor through a debt restructuring, shall be deemed to have been acquired through a debt restructuring. A waiver granted under this section shall be effective only as long as the institutional investor's direct or indirect beneficial ownership interest in such voting shares meets the limitations set forth above, and should the institutional investor's interest exceed such limitations at any time, it shall be subject to Rule 13.250.
2. An institutional investor shall not be deemed to hold voting shares for investment purposes only unless the voting shares were acquired and are held in the ordinary course of business as an institutional investor and not for the purpose of causing, directly or indirectly, the election of a majority of the members of the Board of directors, any change in the corporate charter, bylaws, management, policies or operations of the public company licensed and registered with the Board or any of its gaming affiliates, or any other action which the Board finds to be inconsistent with investment purposes only. The following activities shall not be deemed to be inconsistent with holding voting shares for investment purposes only:
 - a. voting, directly or indirectly through the delivery of a proxy furnished by the Board of directors, on all matters voted upon by the holders of such voting shares;
 - b. serving as a member of any committee of creditors or shareholders formed in connection with a debt restructuring;
 - c. nominating any candidate for election or appointment to the Board of directors in connection with a debt restructuring;
 - d. accepting appointment or election as a member of the Board of directors in connection with a debt restructuring and serving in that capacity until the conclusion of the member's term;
 - e. making financial and other inquiries of management of the type normally made by analysts for informational purposes and not to cause a change in its management, policies or operations; and
 - f. such other activities as the Board may determine to be consistent with such investment intent.
3. An application for a waiver must include:
 - a. a description of the institutional investor's business and a statement as to why the institutional investor is within the definition of "institutional investor" set forth in Rule 13.010(9)
 - b. a certification made under oath and the penalty of perjury, that the voting shares were acquired and are held for investment purposes only as defined in subsection 2 and a statement by the signatory explaining the basis of his authority to sign the certified statement and to bind the institutional investor to the its terms. The certification shall also provide that the applicant agrees to be bound by and comply with the Act, the Regulations of the Board and the Rules adopted thereunder, to be subject to the jurisdiction of the courts of Northern Province, and to consent to Northern Province as the choice of forum in the event any dispute, question, or controversy arises regarding the application or any waiver granted under this section.
 - c. a description of all actions, if any, taken or expected to be taken by the institutional investor relating to the activities described in subsection 2.
 - d. the name, address, telephone number and identification number of the officers and directors, or their equivalent, of the institutional investor as well as those persons that have direct control over the institutional investor's holdings of voting shares of the public company registered with the Board.
 - e. the name, address, telephone number and identification number of each person who has the power to direct or control the institutional investor's exercise of its voting rights as a holder of voting shares of the public company licensed and registered with the Board.
 - f. the name of each person that beneficially owns more than 5 percent of the voting shares or other equivalent.
 - g. a list of the institutional investor's affiliates.
 - h. a list of all shares of the public company registered with the Board that are or were beneficially owned by the institutional investor or its affiliates within the preceding year, setting forth a description of the shares, their amount, and the date of acquisition or sale.
 - i. a list of all regulatory agencies with which the institutional investor or any affiliate that beneficially owns voting shares of the public company licensed and registered with the Board files periodic reports, and the name, address, and telephone number of the person, if known, to contact at each agency regarding the institutional investor.

j. a disclosure of all criminal or regulatory sanctions imposed during the preceding 10 years and of any administrative or court proceedings filed by any regulatory agency during the preceding 5 years against the institutional investor, its affiliates, any current officer or director, or any former officer or director whose tenure ended within the preceding 12 months. As to a former officer or director, such information need be provided only to the extent that it relates to actions arising out of or during such person's tenure with the institutional investor or its affiliates.

k. any additional information the Board may request.

The Board shall consider all relevant information in determining whether to grant a waiver requested pursuant to subsection 1, including but not limited to:

- a. whether the waiver is consistent with the policy of the Province.
- b. the factors set forth in Rule 13.060; and
- c. any views expressed to the Board by the public company or any licensed affiliate thereof.

An institutional investor that has been granted a waiver of a finding of suitability and that subsequently intends not to hold its voting shares of the public company for investment purposes only, or that intends to take any action inconsistent with its prior intent shall, within 2 business days after its decision, deliver notice to the chief executive officer in writing of the change in its investment intent. The chief executive officer may then take such action under the provisions of Rule 13.250 as deemed appropriate.

A waiver of the requirements of Rule 13.250 that has been granted pursuant to this section shall not be construed as a waiver of or exemption from the prior approval requirements of Rule 13.180. An institutional investor that intends to apply for a waiver of the requirements of Rule 13.250 pursuant to this section must also simultaneously apply to the Board for an exemption from the prior approval requirements of Rule 13.180 if the proposed acquisition would give the institutional investor, directly or indirectly, the power to direct or cause the direction of the management and policies of the public company.

If the chief executive officer finds that an institutional investor has failed to comply with the provisions of this section, or should be subject to a finding of suitability to protect the public interest, the chief executive officer may, in accordance with Rule 13.250, require the institutional investor to apply for a finding of suitability. The institutional investor affected by the action taken by the chief executive officer may request a hearing on the merits of the action. The hearing shall be included on the agenda of the next regularly scheduled Board meeting occurring more than 10 working days after the request for hearing. Upon good cause shown by the institutional investor, the Chairperson may waive the 10 day requirement and place such hearing on an earlier Board agenda. The Board, for any cause deemed reasonable, may by a majority vote, sustain, modify or reverse the decision of the chief executive officer, or remand the matter to the chief executive officer for such further investigation and reconsideration as the Board may order. While the application for a finding of suitability or Board review of the chief executive officer's action requiring the filing of such application is pending, the institutional investor shall not, directly or indirectly, cause or attempt to cause any management, policy, or operating changes in the public company or any gaming affiliate.

Any public company licensed and registered with the Board or any registered or licensed subsidiary thereof shall immediately notify the chief executive officer of any information about, or fact concerning or actions of, an institutional investor holding any of its voting shares, that may materially affect such institutional investor's eligibility to hold a waiver under this section.

13.300 Prescribed activities with respect to "unsuitable" persons.

1. If a person required by the Board to apply for a finding of suitability fails, refuses or neglects to apply for a finding of suitability or a licence within 30 days after the Board orders that such application be made, the Board may find such person to be unsuitable.

2. The Board may determine a public company registered with the Board to be unsuitable, or take other disciplinary action, if the public company, after the Board serves notice to the public company that a person is unsuitable to be a shareholder or to have any other relationship or involvement with such public company or with a corporate licensee or any other affiliated company:

- a. pays to any person found to be unsuitable any dividend or interest upon any voting shares or any payment or distribution of any kind whatsoever except as permitted by paragraph (d) of this Rule;
- b. recognises the exercise by any such unsuitable person, directly or indirectly, or through any proxy, trustee or nominee, of any voting right conferred by any shares or interest in any shares;
- c. pays to any such unsuitable person any remuneration in any form for services rendered; or
- d. fails to pursue all lawful efforts to require such unsuitable person to relinquish his voting shares including, if necessary, the immediate purchase of said voting shares by the public company for cash at fair market value.

13.310 Exemptions.

1. The Board may, either generally or specifically, exempt a person, a share, a transaction, or any portion thereof, from the application of Rule 13 or any portion thereof if the Board determines that such exemption is consistent with the purpose of the Act or the Regulations of the Board.
2. The Board may by its order, from time to time, delegate to the chief executive officer the power to grant exemptions from the application of Rule 13, to the extent, and within the scope, specified in such order.

RULE 14: SUPERVISION

14.010 Policy.

1. The Board finds and hereby declares that the continuation of a casino gaming establishment's gaming operation following surrender, lapse, suspension or revocation of a licence essential to such operation presents significantly enhanced dangers to the public health, safety, morals, good order and general welfare of the inhabitants of the Northern Province and should only be permitted when:
 - a. the possible adverse economic impact of closure of the gaming operations upon the specific community in which the establishment is located and upon the Province generally is significant; and,
 - b. continued gaming operation pursuant to a supervisorship would facilitate speedy transfer of ownership of the establishment in a manner that does not unreasonably endanger the public health, safety, morals, good order and general welfare.

14.020 Determination to seek supervisor.

1. The Board is empowered to appoint a supervisor if the licence of any person whose licence is essential to the operation of a gaming establishment:
 - a. is revoked by the Board;
 - b. is suspended by the Board;
 - c. lapses; or
 - d. is surrendered because the gaming establishment or the ownership thereof has been conveyed or transferred to a secured party who does not possess the licences necessary to operate the establishment.
2. The decision to file such a petition is discretionary with the Board, and in determining whether such a petition shall be filed, the Board shall consider, at any time following issuance of an order revoking, suspending or allowing surrender or lapse of a casino gaming licence:
 - a. the nature of the violation which resulted in the revocation, suspension, surrender or lapse;
 - b. the ability and actions taken, if any, for a removal by licensees in good standing of persons who committed the violation;
 - c. the involvement during a proposed supervisorship in any operation of the establishment of persons whose licences were revoked, suspended, surrendered or lapsed;
 - d. the economic impact of closure of the casino gaming operations upon the community in which the establishment is located;
 - e. the economic impact of closure of the casino gaming operations upon the Northern Province;
 - f. the prior efforts, if any, to sell the establishment;
 - g. the involvement, if any, of undisclosed interests in the establishment;
 - h. the presence, if any, of a publicly traded holding company and the public trading that would occur during a supervisorship;
 - i. the current status of all fees and levies applicable to the operation;
 - j. the adequacy of existing financing for the operation, if continued, and the suitability of the source of such financing;
 - k. the impact upon public confidence and trust that casino gaming operations in Northern Province are conducted honestly, competitively and free from criminal and corruptive elements;
 - l. the ownership of the gaming establishment premises or any interest therein by persons other than the offending, surrendering or lapsed licensee;
 - m. any other matter material to a full and complete consideration of the particular circumstances presented;
 - o. the availability of two or more persons qualified and willing to assume the position of supervisor for the establishment in question, unless, in the opinion of the Board, only one person is available who is qualified to serve, in which case the Board may name only that person.
3. The Board may decline to appoint a supervisor if satisfied that because of any or all of the above considerations or for any other reason, a continuation of the casino gaming operation would not be in the best interest of the Northern Province, the gaming industry, or both.
4. The Board will not appoint a supervisor to continue gaming operations at any establishment if:
 - a. a rehearing has been granted by the Board to the licensee on the revocation or suspension of his licence and the rehearing has not been concluded; or
 - b. the casino gaming establishment has never been in operation and opened to the public; or
 - c. the casino gaming establishment is, or reasonably appears to be, insolvent; or
 - d. casino gaming operations ceased at the establishment for any reason prior to revocation, suspension or lapse of an essential licence.

14.030 Qualifications of supervisor.

1. Should the Board decide to appoint a supervisor, the Board shall consider as potential supervisors only persons whom the Board believes are suitable and qualified to manage the casino gaming establishment involved and who are available for appointment.
2. The Board shall not appoint any person unless first satisfied that the person meets the qualifications of licensing pursuant to the Act.
3. The Board may appoint more than a single individual, such as a management team, association or company, where such an appointment would better meet the circumstances and the needs of the establishment.

14.040 Termination.

1. Once a licence essential to a continuation of casino gaming operations has been revoked, suspended, surrendered or has lapsed, there is no right or interest in any person to further conduct casino gaming at the establishment, and the Board may terminate the supervisorship for any cause deemed reasonable by the Board.
2. Without limiting the foregoing, the Board may terminate whenever:
 - a. licence fees and taxes are not paid when due;
 - b. the establishment enters into voluntary or involuntary bankruptcy proceedings;
 - c. the establishment's debts exceed the value of its assets or the establishment cannot meet its debts as they become due;
 - d. the Board determines that a violation of the Act, the Regulations or Rules enacted pursuant thereto, relating to the establishment has occurred subsequent to the supervisorship;
 - e. a former owner, his agent, employee or representative is determined by the Board to have violated any law or Regulation relating directly or indirectly to gaming or the administration of the supervisorship, other than the violation, if any, which resulted in the revocation, suspension, surrender or lapse;
 - f. the death, disability, or removal of the supervisor;
 - g. closure of gaming operations at the establishment for any reason, regardless of fault; or
 - h. any circumstances which, in the determination of the Board, render continued operations under the supervisorship impractical or detrimental to the interests of the Northern Province, or licensed gaming, or both.

14.050 Distribution of earnings to former legal owners.

1. A supervisor shall not distribute earnings of the casino gaming establishment to the former licensed owners thereof until deduction is made for:
 - a. the costs of the supervisorship, including compensation and expenses incurred by the supervisor and those engaged by him to aid in his duties, then due and owing;
 - b. amounts deemed necessary by the supervisor for continuing the operation of the casino establishment, including, but not limited to, bankroll, salaries, and foreseeable operating expenses;
 - c. amounts deemed necessary by the supervisor to preserve the assets of the casino gaming establishment; and
 - d. a reserve fund sufficient, in the determination of the supervisor, to facilitate continued operation in light of pending civil litigation, disputed claims, contractual obligations, taxes, fees and any other contingency known to the supervisor which may require payment by the establishment.

RULE 15: MINIMUM INTERNAL CONTROL STANDARDS

15.010 DEFINITIONS

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

1. "Cage" "Cashier's Cage" or "Cash Desk," means a physical structure immediately adjacent to the gaming floor to house the cashiers and to serve as the central location in the casino for the following:
 - a. the custody of the cage inventory comprising currency including patrons' deposits, coin, patron credit instruments, gaming chips and plaques, forms, documents and records normally associated with the operation of a cage;
 - b. the approval, exchange, redemption, and consolidation of patron cheques received for the purposes of gambling in conformity with this chapter;
 - c. the receipt, distribution, and redemption of gaming chips, tokens and plaques in conformity with this chapter;
 - d. the issuance, receipt and reconciliation of imprest funds used in the acceptance of currency and coupons from patrons in exchange for currency in conformity with this chapter; and
2. "Cash equivalents" means:
 - a. certified cheques, cashier's cheques, recognised travellers cheques or recognised money orders, any of which are made payable to the casino licensee, "bearer";
 - b. certified cheques, cashiers cheques or recognised money orders, any of which are made payable to the presenting patron and endorsed in blank, provided, however, that no such instrument shall be accepted as cash equivalent if the instrument was originally made payable to any person other than the presenting patron; and
 - c. recognised credit cards presented pursuant to the licensee's system of internal control.
3. "Casino supervisor" means a person employed in the operation of a casino in a supervisory capacity or empowered to make discretionary decisions which govern casino operations, including but not limited to, inspectors, floorpersons, pit bosses, casino shift managers, the assistant casino manager, and the casino manager.
4. "Chief executive officer" or "Managing Director" means the natural person located at a casino hotel facility who is ultimately responsible for the daily conduct of an applicant's or casino licensee's hotel and gaming business, regardless of the applicant's or casino licensee's form of business association or the particular title which the person holds.
5. "Coin vault" means a separate area for the storage of the coin, prize tokens and slot tokens in locations outside the cage or master coin bank.
6. "Compensation" means direct or indirect payments for services performed including, but not limited to, salary, wages, bonuses, deferred payments, and overtime and premium payments.
7. "Drop" means
 - a. for slot machines, the total amount of coins, slot tokens or notes located in the machines drop box or note acceptor.
 - b. for table games, the total amount of currency, chips, plaques, tokens and credit markers contained in the drop box.
8. "Handle" means, slot machines, the total amount of coins, slot tokens, or credits played in a slot machine by patrons.
9. "Imprest" or "Imprest basis" means the basis on which cashiers' cage and slot booth funds are replenished from time to time by exactly the amount of the net of expenditures made from the funds and amounts received. A review is made by a higher authority of the propriety of the expenditures before the replenishment.
10. "Incompatible function" means a function, for accounting control purposes, that places any person or department, in a position to both perpetrate and conceal errors or irregularities in the normal course of his duties. Anyone recording transactions and having access to assets ordinarily is in a position to perpetrate errors or irregularities. Persons may be considered to have incompatible functions if such persons are members of departments that have supervisors not independent of each other.
11. "Jackpot" means any money, merchandise or thing of value to be paid to a patron as the result of a specific winning combination(s) of characters indicated on a slot machine.
12. "Security department member" means any person employed by a casino licensee to provide physical security in an establishment and to observe and participate in certain movements of cash and cash equivalents between secure locations and the casino floor.

13. "Shift" means the regular, daily work period of a group of employees administering and supervising the operation of table games, slot machines, cashier's cage and satellite cages, working in relay with another such succeeding or preceding group of employees or specific times, as stated in the licensee's system of internal control, during the day that all drop boxes attached to gaming equipment is removed, expeditiously transported to the count room, and replaced with empty ones.
14. "Surveillance department member" means any person employed by a casino licensee to perform covert surveillance of gaming operations through use of video cameras and recording equipment. This employee shall be independent of all casino-related operations and transactions.

15.020 ADMINISTRATION, ORGANISATION AND STRUCTURE

A 15.021 Organisational Structure

1. All casino licensees shall develop and implement an organisation structure that provides for:
- 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;
 - 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;
 - primary and secondary supervisory positions which permit the authorisation or supervision of necessary transactions at all relevant times; and
 - areas of responsibility which are not so extensive as to be impractical for one person to monitor.

A 15.022 Departments and Supervisory positions

In addition to satisfying the requirements of section 15.021 above, each casino licensee's organisation structure and system of internal controls shall, at a minimum, include the following departments and supervisory positions. Each of these departments and supervisors shall be required to co-operate with, yet perform independently of, all other departments and supervisors. Mandatory departments and supervisory positions are as follows:

1. A surveillance department supervised by a person referred to herein as the surveillance manager. The surveillance manager shall be subject to the reporting requirements specified in section 15.023 below. The surveillance department shall be responsible for, without limitation, the following:
 - a. the clandestine surveillance of the operation and conduct of the table games;
 - b. the clandestine surveillance of the operation of the slot machines and currency acceptors;
 - c. the clandestine surveillance of the operation of the cashiers' cage and satellite cages;
 - d. the video taping of activities in the slot and table games count rooms;
 - e. the detection of cheating, theft, embezzlement, and other illegal activities in the casino, count rooms, slot booths, cashiers' cage and other locations within the casino;
 - f. 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;
 - g. the video taping of illegal and unusual activities monitored;
 - h. providing timely notification to appropriate supervisors and 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 of the Board;
 - i. providing timely notification to appropriate supervisors and 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;
 - j. documentation in an incidence log of all illegal and unusual activities monitored by the surveillance department.
2. An internal audit department supervised by a person referred to herein as an internal audit manager (Note: Where a company has more than one Casino, Route or Bingo licence it is not required to have multiple internal audit departments). The internal audit manager shall be subject to the reporting requirements specified in section 15.023 and 15.100 below. The internal audit department shall be responsible for, without limitation, the following:
 - a. the review and evaluation of the adequacy of internal controls;
 - b. monitoring the casino's compliance with the minimum internal control standards and the Act, Regulations and Rules of the Board;
 - c. the reporting to the board of directors or committee thereof, executive management and the Northern Province Gaming Board of instances of non-compliance with the minimum internal control standards, the Act, Regulations and Rules of the Board;

- d. the reporting to the board of directors or committee thereof, executive management and the Northern Province Casino and Gaming Board of any material weaknesses in the system of internal control; and
 - e. the recommendation to management of procedures to eliminate any material weaknesses in the system of internal control.
 - f. the preparation and maintenance of reports documenting the information referred to in a. through e. above.
3. An electronic data processing ("EDP") department supervised by a person referred to herein as an EDP department manager. The EDP department shall be responsible for the quality, reliability and accuracy of all computer systems used by the casino licensee 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:
- a. access codes and other data-related security controls used to insure appropriately limited access to computers and the system-wide reliability of data;
 - b. computer tapes, disks, or other electronic storage media containing data relevant to casino operations; and
 - c. computer hardware, communications equipment and software used in the conduct of casino operations.
4. A table games department supervised by a person referred to herein as a casino manager. 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.
5. A slot department supervised by a person referred to herein as a slot manager. The slot department shall be responsible for the operation and maintenance of slot machines approved and authorised by the Board, but not including the count process that is considered an incompatible function.
6. A credit department supervised by a person referred to herein as a credit manager. Upon approval by the Board, the cage department may perform these functions upon the casino licensee's demonstration that there are no incompatible functions. The credit department shall be responsible for the credit function including, without limitation, the following:
- a. the verification of patron credit references;
 - b. the establishment of patron credit limits;
 - c. the maintenance, review and update of the patron's credit files;
 - d. the communication in writing of the names and addresses of patrons with newly approved credit limits to the supervisors of the table games and slot departments on a daily basis in accordance with the casino licensee's approved system of internal control.
 - e. the performance of credit related procedures required by the Regulations and Rules of the Board.
 - f. the performance of all duties and responsibilities in accordance with the internal control procedures approved by the Board.
7. A collection department supervised by a person referred herein as a collection manager. Upon approval by the Board, the collection department may be part of another department provided the casino licensee can demonstrate that there are no incompatible functions. The collection department shall be responsible for the credit function including, without limitation, the following:
- a. contact by telephone and/or mail all customers with outstanding credit instruments for the purpose of collecting the entire outstanding balance.
 - b. maintenance of detailed records of all outstanding credit instruments and of all collection efforts performed.
 - c. receive collections and forward to cage.
 - d. preparation of routine reports to management of collection status of all outstanding instruments.
8. A security department supervised by a person referred to herein as a director of security. The security department shall be responsible for the overall security of the establishment including, without limitation, the following:
- a. the enforcement of the law;
 - b. the physical safety of patrons in the establishment;
 - c. the physical safety of personnel employed by the establishment;
 - d. the physical safeguarding of assets transported to and from the casino floor and secured locations such as count rooms, slot booths, cashier cage, etc.;
 - e. the protection of the patrons' and the establishment's property from illegal activity;
 - f. 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.
 - g. the control and maintenance of a system for the issuance of temporary licence credentials and vendor credentials;
 - h. the recording of any and all unusual occurrences within the casino for which the assignment of a security department employee is made. Each incident, without regard to materiality, shall be assigned a sequential number and, at a minimum, the following information shall be recorded in indelible ink in a bound notebook from which pages cannot be removed and each side of each page of which is sequentially numbered:

- i. the assignment number;
 - ii. the date;
 - iii. time;
 - iv. the nature of the incident;
 - v. the person involved in the incident; and
 - vi. the security department employee assigned.
- i. 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
 - j. the performance of all duties and responsibilities in accordance with the internal control procedures approved by the Board.
9. A casino accounting department supervised by a person referred to herein as a controller. The controller shall be responsible for the control and supervision of the cashiers' cage, satellite cages, slot booths and slots cage. The casino accounting department shall be responsible for, without limitation, the following:
- a. accounting controls;
 - b. the preparation and control of records and data;
 - c. the control of stored data, the supply of unused forms, and the accounting for and comparing of forms used in operating the casino;
 - d. the preparation of all financial and management report
 - e. the hard count and
 - f. the casino and slots soft counts.
10. The cashiers' cage, which shall be supervised by a person, referred to herein as a cage manager. The cage manager shall report to the controller and shall be responsible for the control and supervision of cage and slot cashiers, change persons and casino pit clerks. The cashiers' cage must be independent of the count of table games and slot machine revenues. The cashiers' cage shall be responsible for, without limitation, the following:
- a. the custody of currency, coin, patron credit instruments, gaming chips, tokens and plaques, and documents and records normally associated with the operation of a cashiers' cage;
 - b. the approval, exchange, redemption, and consolidation of patron credit instruments;
 - c. the receipt, distribution, and redemption of gaming chips, tokens and plaques; and
 - d. such other functions normally associated with the operation of cashiers' cage and cashier booths.

A 15.023 Surveillance and Internal Audit Department

1. The managers of the surveillance and internal audit departments required by section 15.022 above shall comply with the following reporting requirements:
 - a. the manager of the surveillance department shall report directly to 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. The Board may approve different reporting lines if the licensee 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.

A15.030 Jobs compendium submission

1. Each casino licensee and applicant for a casino licence shall, prepare and maintain a jobs compendium consistent with the requirements of this section detailing job descriptions and lines of authority for all personnel engaged in the operation of the casino. 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. 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 Rules of the Board. If the Board finds any insufficiencies, it shall specify the same in writing to the casino licensee or applicant, who shall make appropriate alterations. When the Board determines a submission to be adequate with respect to licensing or registration and chain-of-command, it shall notify the casino licensee or applicant accordingly. No casino licensee shall commence gaming 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 c. below and the page number on which the corresponding job description may be found;

- b. a table of organisation for each department and division illustrating by position title direct and indirect lines of authority within the department or division. Each page of a table of organisation shall specify the following:
 - i. the date of its submission;
 - ii. the date of the previously submitted table of organisation which it supersedes; and
 - iii. a unique title or other identifying designation for that table of organisation.
- c. a description of each employee position which accurately corresponds to the position title as listed in the table of organisation and as listed in the table of contents. Each position description shall be listed on a separate page, organised by departments or divisions, and shall include, at a minimum, the following:
 - i. position title and corresponding department;
 - ii. job duties and responsibilities;
 - iii. detailed descriptions of experiential or educational requirements;
 - iv. access to secured or sensitive areas and keys to such areas;
 - v. the date of submission of each employee position job description and the date of any prior job description it supersedes; and
 - vi. the date of submission and page number of each table of organisation on which the employee position title is included.
3. 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 licensee. Unless otherwise directed by the Board, any amendment required to be pre-approved pursuant to this subsection shall be submitted to the Board at least 60 days prior to the proposed effective date of the amendment.
4. Notwithstanding any other requirement of this section, 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.

A 15.040 Personnel assigned to the operation and conduct of table games and slot machines

1. Each casino licensee 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 licensee in its approved jobs compendium. Functions described in this section shall be performed only by persons holding the appropriate licence required by the casino licensee's approved jobs compendium to perform such functions, or by persons holding the appropriate licence required by the casino licensee's approved jobs compendium to supervise persons performing such functions. Each casino licensee shall at all times maintain a level of staffing which ensures the proper operation and effective supervision of all table games and slot 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. 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. This function may be performed by pit personnel in certain circumstances if the licensee can demonstrate to the Board that there are no incompatible functions.
 - b. Dealers shall be the persons assigned to each licensed table game to directly operate and conduct the game
Inspector, shall be the first level supervisor assigned the responsibility for directly supervising the operation and conduct of a licensed table game. The number of tables assigned to an individual inspector shall be in terms of the companies internal controls as approved by the Northern Province Casino and Gaming Board.
 - c. Pit boss or Floorman shall be the second level supervisor assigned the responsibility for the overall supervision of the operation and conduct of a limited number of licensed table games.
 - d. Casino shift manager shall be the supervisor assigned to each shift with the responsibility for the supervision of table games conducted in the casino. 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.
 - e. Casino manager shall be the management employee assigned the responsibility and authority for the supervision and management of the overall daily activities and operation of casino licensee's table games including, without limitation, the hiring and terminating of all table games personnel. The casino manager shall ensure that the table games department operates in accordance with the policies and practices established by the casino licensee's board of directors and in compliance with the Act, Regulations and Rules of the Board.

3. The following personnel shall be used to operate the slot department in an establishment in accordance with the approved system of internal controls:
 - a. Slot technicians shall be the persons assigned the responsibility for repairing and maintaining slot machines and currency acceptors in proper operating condition. Slot technicians shall report directly to the slot technical manager. In the absence of a slot technical manager directly to the slot manager. Slot technicians shall be independent of slot attendants and slot supervisors.
 - b. Slot attendants shall be the persons assigned the responsibility for the operation of slot machines and currency acceptors, including, but not limited to, participating in manual jackpot pay outs and slot machine fills.
 - c. Slot supervisors shall be the first level supervisors assigned the responsibility for directly supervising the operation of slot machines and currency acceptors.
 - d. Slot shift manager shall be the second level supervisor with the responsibility for the overall supervision of the slot machine and currency acceptor operation for each shift. In the absence of the slot manager or assistant slot manager, the slot shift manager shall have the authority of the slot manager.
 - e. Slot manager shall be the management personnel assigned the responsibility and authority for the supervision and management of the overall operation of the casino licensee's slot machines and currency acceptors including, without limitation, the hiring and terminating of all slot department personnel. The slot manager shall ensure that the slot department operates in accordance with the policies and practices established by the casino licensee's board of directors and in compliance with the Act, Regulations and Rules of the Board.
 - f. The limitations in respect of signing authorities will be set in accordance to the companies internal control procedures and as approved by the Northern Province Casino and Gaming Board prior to implementation.
4. Nothing in this section shall be construed to limit a casino licensee from utilising personnel in addition to those described herein nor shall anything in this section be construed to limit the discretion of the Board to order the utilisation of additional personnel by the casino licensee necessary for the proper conduct and effective control and supervision of gaming in an establishment.

15.041 Gratuities

1. As a supplement to Regulation 13 the procedures and policies for the payment of gratuities to staff must be contained in the licensee's minimum standards of internal controls as approved by the Board.

A15.050 Cage and Credit Standards

1. All issuances of credit by a casino licensee must be documented in the form of a credit instrument signed by the patron.
2. Prior to the issuance of any credit to a patron, the casino licensee shall create a credit file which shall contain the patron's application for credit which must contain, at a minimum, the following information:
 - a. patron's name;
 - b. address of the patron's residence;
 - c. number of years at that address;
 - d. telephone number at patron's address;
 - e. employment information including:
 - i. name of patron's employer, or an indication of self-employment or retirement;
 - ii. type of business;
 - iii. patron's position;
 - iv. number of years employed;
 - v. patron's business address;
 - vi. patron's business telephone number;
 - vii. banking information including:
 - viii. name and location of patron's bank;
 - ix. account number of patron's personal Cheque account upon which the patron is individually authorised to draw and upon which the patron is credit instruments may be drawn. Cheque accounts of sole proprietors shall be considered as personal Cheque accounts.
 - f. credit limit requested by the patron;
 - g. name of each casino where the patron has a casino credit limit if this information is obtainable;
 - h. approximate amount of all other outstanding gaming related indebtedness;
 - i. amount and source of income and assets in support of the requested credit limit; and
 - j. patron's signature indicating acknowledgement of the following statement, which shall be included at the bottom of every application form containing the information required to be submitted by the patron pursuant to this subsection:

"I certify that I have reviewed all the information provided above and that it is true and accurate. I authorise (insert the casino licensee) to conduct such investigations pertaining to the above information as it deems necessary for the approval of my credit limit. I am aware that the application is required to be prepared by the Regulations and Rules of the Northern Province Casino and Gaming Board and I may be subject to civil and criminal liability if any material information provided by me is wilfully false."

3. A casino licensee shall record the following information in the credit file prior to the approval of a patron's credit limit:
 - a. a physical description of the patron which shall include, but not be limited to, the following:
 - i. date of birth;
 - ii. height;
 - iii. weight;
 - iv. hair colour; and
 - v. eye colour.
 - b. type of identification credentials examined containing the patron's signature and whether said credentials included a photograph or general description of the patron; and
 - c. date and signature of the casino licensee's employee who examined, recorded and verified the information required for the credit file.
4. ✓ Prior to the casino licensee's approval of the patron's credit limit, a credit department representative with no incompatible functions shall:
 - a. verify the address of the patron's residence;
 - b. verify the patron's current casino credit limits and outstanding balances, if possible, which shall include the following:
 - i. date the patron's credit account was established;
 - ii. amount of current approved credit limit at each casino;
 - iii. current balance and status of patron's credit account at each casino including Cheques deposited by Northern Province casino licensees that have not yet cleared the bank and any derogatory information. ("Derogatory" is defined as patron credit accounts partially or completely uncollectible, Cheques returned unpaid by the patron's bank, settlements, liens, judgements, and any other credit problems).
 - c. verify the patron's outstanding indebtedness;
 - d. verify the patron's personal Chequing account information which shall include, but not be limited to, the following:
 - i. type of account (personal or sole proprietorship);
 - ii. account number;
 - iii. date account was opened;
 - iv. obtain a reference code from the bank with regards to the persons credit worthiness.
 - v. whether the patron can sign individually on the account; and
 - vi. name of person supplying the information.
 - e. ✓ date and sign documentation in the credit file acknowledging the performance of the required credit verification procedures.
5. ✓ The credit limit, and any subsequent changes thereto, must be approved by any one or more of the individuals in the following categories:
 - a. licensed credit department key employee; or
 - b. licensed casino department key employee; or
 - c. a credit committee composed of licensed key employees which may approve credit limits as a group but whose members may not approve credit individually unless their job position is within a. or b. above.
6. 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 section;
 - b. a brief summary of the key factors relied upon in approving or reducing the requested credit limit and any changes thereto;
 - c. the reason credit was approved if derogatory information was obtained during the verification process; and
 - d. the signature(s) of the employee(s) approving the credit limit.
 - e. the date and time shall be recorded contemporaneously with the transaction.
7. Prior to approving a credit limit increase, a representative of the casino licensee's credit department shall:
 - a. obtain a written request from the patron which shall include the date and time of the request, the amount of credit limit increase requested by the patron and the patron's signature;
 - b. verify the patron's current casino credit limits and outstanding balances, as required of a new account pursuant to this section, unless such verification was performed earlier in that gaming day;
 - c. verify the patron's outstanding indebtedness and personal Chequing information as required of a new account pursuant to this section, unless such verification has been performed within the previous twelve months;

- d. consider the patron's player rating based on a continuing evaluation of the amount and frequency of play subsequent to the patron's initial receipt of credit. The patron's player ratings shall be permanently recorded and available to representatives of the credit department prior to their approving a patron's request for a credit limit increase.
- e. all information used to support the approval of an increase in the patron's credit limit shall be included in the patron's credit file.

* Credit limit increases may be approved on a temporary basis without completing the procedures in subsection 7 above provided the increase does not exceed ten percent of the patron's currently approved credit limit, the patron's credit file denotes the increase in credit limit as "TTO" (this trip only) and such temporary increases occur only once the previous temporary increase has been paid and the cheque has cleared. Should it be found that the payment is stopped or not cleared no TTO shall be granted again until such time as the patrons outstanding limit has been paid in full.

8. The credit department shall either re-verify the patron's credit information and creditworthiness required by this section or suspend a patron's credit privileges if any of the following events occur:

- a. a patron's credit file has been inactive for a period of 12 months; or
- b. a patron has failed to completely pay off his credit balance at least once within a six month period; or
- c. a credit instrument is returned to any casino by a patron's bank; or
- d. any information is received by a casino licensee's credit department which reflects negatively on the patron's continued creditworthiness; or
- e. the information used to support the patron's current credit limit has not been verified for a 12-month period.

9. All transactions affecting a patron's outstanding indebtedness to the casino shall be recorded in chronological order in the patron's credit file and credit transactions shall be segregated from safekeeping or similar deposit transactions. The following information shall be included in the patron's credit file:

- a. the date, amount, and credit instrument number for each credit instrument accepted from the patron;
- b. the date, amount and credit instrument number of each consolidation credit instrument and the credit instrument numbers of the credit instruments returned to the patron;
- c. the date, method, amount and credit instrument numbers of each redemption transaction and the numbers of the redeemed credit instruments returned to the patron;
- d. the date, amount and credit instrument number of each substituted transaction and the number of the credit instrument returned to the patron;
- e. the date, amount and credit instrument number of each credit instrument deposited;
- f. the date, amount and credit instrument number of each credit instrument returned to the casino licensee by the patron's bank and the reason for its return;
- g. the outstanding balance after each transaction; and
- h. the date, amount and credit instrument numbers which have been partially or completely written-off by the casino licensee and a brief explanation of the reason for such write-off.

10. A casino licensee, after extending credit, shall:

- a. document in the patron's credit file that it has attempted to collect the full amount of the debt at least once every 30 days while the debt is treated as collectible, by requesting payment in letters sent to the patron's last-known address, or in personal or telephone conversations with the patron, or by presenting the credit instrument to the patron's bank for collection, or otherwise demonstrate to the satisfaction of the chief executive officer that it has made good faith attempts to collect the full amount of the debt.
- b. furnish the copy credit instrument to the Board within 10 days after its request, unless the licensee has independent, written, and reliable verification that the credit instrument is in the possession of a court, governmental agency, or financial institution; has been returned to the patron upon partial payment of the instrument; has been returned to the patron upon the licensee's good faith belief that it had entered into a valid settlement and the licensee provides a copy of the original credit instrument and a settlement document created contemporaneously with the settlement of the debt; or the credit instrument has been stolen and the licensee has made a written report of the theft to an appropriate law enforcement agency, other than the Board, having jurisdiction to investigate the theft.

* 11. Casino licensees shall describe in their written system of internal controls submitted to the Board all procedures used in the approval, issuance, redemption and collection of credit instruments.

A 15.051 Authorisation and Extension of Patron Credit

Notwithstanding 15.050 above, casino licensees shall comply with the following minimum standards relative to the authorisation, issuance and redemption of credit instruments. Controls relating to the day to day operations of the casino cage e.g. (Counter transactions, cage internal transactions, banking, banking held over, bank transactions and ATM fills, cash variances, checking a float, float or value transfers, cash desk administration, cage opening and closing, cash desk and vault floats,) shall be specified in the licensee's internal controls procedures manual as approved by the Northern Province Casino and Gaming Board.

1. 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. This requirement applies whether the credit is extended at a table game or at the cage.
2. If cage credit is extended to a single patron in an amount exceeding R5000,00, applicable table games supervisory personnel shall be notified immediately that the patron is playing on cage credit, the applicable amount of credit issued, and the remaining credit available. This may be accomplished by requiring cage personnel to immediately enter the applicable information into a computer system that is available to table games personnel for purposes of making appropriate patron inquiries.
3. Cage marker forms shall be at least two parts (the original marker and a redemption slip), pre-numbered by the printer or concurrently numbered by the computerised system, and utilised in numerical sequence.
4. The completed original cage marker shall contain at least the following information:
 - a marker number;
 - b patron's appropriate banking information;
 - c patron's name and signature;
 - d amount of credit issued (both alpha and numeric).
5. The completed redemption slip shall include the same marker number as the original and
 - a the date and time of payment;
 - b amount of payment;
 - c method of payment (cash, chips, etc.) and
 - d signature of cashier receiving the payment.
6. When traveller's cheques/guaranteed drafts are presented, the cashier shall comply with the examination and documentation procedures as required by the issuer.
7. Notwithstanding the requirements of Rule 15.050-12, if outstanding credit instruments are transferred to branch offices, 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 to other offices as indicated in 6. above. Licensee branch offices shall maintain a separate detailed listing of all outstanding credit instruments in their custody.
9. The branch office listing shall be prepared or reviewed by an individual independent of credit transactions and collections thereon.
10. These listings must be reconciled by the casino accounts department on at least a monthly basis.

A 15.052 Credit Instrument Redemption Standards

1. All payments received on outstanding credit instruments shall be permanently recorded in the licensee's records and at the applicable branch office (if applicable).
2. When partial payments are made on credit instruments at the cage, they shall be evidenced by a multi-part receipt (or another equivalent document) which contains, at a minimum:
 - a. the same pre-printed receipt number on all copies.
 - b. patron's name.
 - c. date of payment.
 - d. amount of payment and method of payment (cash, chips, etc.).
 - e. remaining balance and serial number if a new marker is issued.
 - f. signature or initials of individual receiving payment.
 - g. serial number of marker on which payment is being made.
3. All payments on credit instruments shall be immediately recorded in the patron's credit file by cage personnel in accordance with Rule 15.050.
4. The routing procedures for payments on credit instruments by mail shall be documented in the system of internal control and shall require that payments are received by a department independent of credit instrument custody and collection function.
5. Receipt of payments on credit instruments by mail shall be documented on a listing indicating the following:
 - a. patron's name.
 - b. amount of payment.
 - c. method of payment.
 - d. date payment received.
6. The total payments documented on the listing described in 4 above shall be reconciled at least monthly with the total mail payment deposits by an accounting department representative who is independent of the collection function.

A 15.053 Access to Customer Credit Documentation

1. Access to a patron's credit information shall be restricted to those individuals that require access by nature of their job function and are so authorised by management. The positions of such persons shall be documented in the system of internal control.
2. Access to outstanding credit instruments shall be restricted to those individuals that require access by nature of their job function and are so authorised by management. The positions of such persons shall be documented in the system of internal control.
3. Access to written-off credit instruments is further restricted to individuals specified by management who do not have functions relating to credit authorisation or collection. The positions of such persons shall be documented in the system of internal control.

A 15.054 Patron Credit write-off and Settlement Standards

- ① Written-off or settled credit instruments shall be authorised in writing by a committee of management personnel with at least two of them being independent of the credit authorisation and collection function.
- ② Documentation of each written-off or settled credit instrument shall include, at a minimum:
 - a. signatures of management personnel authorising the write-off or settlement.
 - b. date of write-off or settlement.
 - c. reason for write-off or settlement.

Note: This documentation shall be retained and made available for the Boards inspection.

A 15.055 Patron Cash or Cash Equivalent Deposits

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

A 15.056 Cage/Vault Accountability

- ① Report on currency transactions:

Each casino shall file a report of each transaction in currency, involving either cash in or cash out of more than R10 000.

- a. transactions in currency involving cash in; include, but are not limited to:
 - i. purchases of chips, tokens and plaques;
 - ii. front money deposits;
 - iii. safekeeping deposits;
 - iv. payments on any form of credit, including markers and counter cheques;
 - v. bets of currency;
 - vi. currency received by a casino for transmittal of funds through wire transfer for a customer;
 - vii. purchases of a casino's cheque; and
 - viii. exchanges of currency for currency, including foreign currency.
- b. transactions in currency involving cash out include, but are not limited to:
 - i. redemption of chips, tokens and plaques;
 - ii. front money withdrawals;

- iii. safekeeping withdrawals;
 - iv. advances on any form of credit, including markers and counter cheques;
 - v. payments on bets, including slot jackpots;
 - vi. payments by a casino to a customer based on receipt of funds through wire transfer for credit to a customer;
 - vii. cashing of cheques or other negotiable instruments;
 - viii. exchanges of currency for currency, including foreign currency; and
 - ix. reimbursements for customers' travel and entertainment expenses by the casino.
- c. multiple currency transactions shall be treated as a single transaction if the casino has knowledge that they are by or on behalf of any person and result in either cash in or cash out totalling more than R10 000 during any gaming day. For purposes of this paragraph the casino shall be deemed to have the knowledge described in the preceding sentence if: any sole proprietor, partner, officer, director, or employee of the casino, acting within the scope of his/her employment, has knowledge that such multiple currency transactions have occurred, including knowledge from examining the books, records, logs, information retained on magnetic disk, tape or other machine readable media, or in any manual system, and similar documents and information, which the casino maintains pursuant to any law or regulation or within the ordinary course of its business, and which contain information that such multiple currency transactions have occurred.

2. A record should also be kept of each transaction between the casino and its customers involving the following types of instruments having a face value of R3 000 or more

- a) personal cheques;
- b) company cheques;
- c) bank cheques;
- d) cashier cheques;
- e) third party cheques;
- f) travellers cheques; and
- g) money orders

The list will contain the time, date and amount of the transaction, the name of the customer, the type of instrument, the name of the drawee or issuer, the identification number of the customer and the casino licence number of the casino employee who conducted the transaction.

- 3. Increases and decreases to the cage/vault inventory shall be supported by properly authorised and detailed documentation. An authorised member of the casino accounts department must form part of this verification process.
- 4. Cage and vault inventories (including coin rooms/vaults) shall be counted at the end of each shift by off-going and oncoming cage/vault personnel responsible for the funds being counted. The inventory count shall be recorded in permanent form with errors being lined out and corrections made on the reconciliation form. At least two people must initialise the correction.
- 5. Reconciliation forms shall contain the date, shift and signatures of the off-going and oncoming cashiers attesting to the accuracy of the count.
- 6. All net changes in outstanding casino accounts receivable (i.e. credit issued at, or transferred to the cage net of payments at the cage), including all returned cheques, shall be summarised on a cage accountability form or similar document on a per shift basis.
- 7. Total cage and vault inventory shall be summarised in the accounting records on a daily basis.

A 15.057 Accounting Standards

- 1. The casino accounts department will verify all cage/vault reconciliation forms to the supporting documentation and nominal floats as recorded in the general ledger on a daily basis.
- 2. The cage/vault accountability shall be reconciled by the casino accounting department to the general ledger on at least a monthly basis. This verification process will take on the format of a physical verification to the actual source documents and inventory.
- 3. An aged analysis of casino accounts receivable, including each patron name and current balance, shall be prepared at least monthly for active, inactive, settled and written-off accounts.
- 4. The aged analysis of casino accounts receivable shall be reconciled to the general ledger at least monthly.

A 15.058 Auditing Standards

- 1. In addition to the requirements of the minimum internal audit standards, an employee of the casino accounts department shall perform the following procedures at least monthly:
 - a. randomly test accounts for outstanding balances within established credit limits and compliance with other authorised and required credit issuance procedures.
 - b. randomly reconcile outstanding balances of active, inactive and written off accounts on the listing to individual patron credit records and original credit instruments.

- c. examine patron credit records to determine that appropriate collection efforts are being made and payments are being properly recorded.
 - d. for a minimum of five (5) days per month, test partial payment receipts, representing payments on credit instruments, and reconcile such payments to the total credit instrument payments recorded by the cage for the day. Ensure that all receipts are numerically accounted for.
 - e. the casino accounts department must ensure that all records have been verified on at least a quarterly basis.
2. All cage and credit accounting/auditing procedures performed as required in 15.057 (4) above shall be documented and retained for Board inspection. All follow-up performed, or discrepancies discovered, as a result of such procedures shall be documented and retained.
 3. At least monthly, a home office employee who is independent of branch office operations and the cage and collection departments shall reconcile the listing prepared pursuant to 15.051 (7) above to the credit issuance's and payments recorded by the cage.

A 15.060 Table Games Standards

Controls relating to the day to day operations of the casino tables e.g. (Table opening/closing, dealers duties, table limits, order of payouts, inspectors duties, and change procedures) shall be specified in the licensee's internal controls procedures manual as approved by the Northern Province Casino and Gaming Board.

A 15.061 Table Games Credit Play

1. Prior to the issuance of gaming credit to a player, the supervisory table games employee extending the credit shall contact the cashier or perform a computer record inquiry to determine if the player's credit limit has been properly established and there is sufficient remaining credit available for the advance.
 2. Temporary credit extensions in excess of a previously established limit may only be authorised in accordance with Rule 6.090 and requires the documented approval of a supervisory employee who does not perform an incompatible function. *
 3. The amount of credit extended shall be communicated to the cage or entered into a computer record immediately subsequent to each issuance of credit.
 4. Marker forms shall be in duplicate form if issued from the cash desk or at least in triplicate form if issued from the Pit (triplicate form being defined as three parts performing the functions delineated in the standard 5 below), with a pre-printed or concurrently printed marker number, and utilised in numerical sequence.
- Note:** This requirement does not preclude the distribution of batches of markers to various pits provided each batch distributed is properly recorded and accounted for.
5. Pre-numbered marker forms shall be utilised as follows:
 - a. original (Top Copy) (both cage and pit markers) - Maintained in the Cash Desk (Cage) until settled by the patron. No alterations may be present on markers.
 - b. second copy - Maintained in the cage. At the end of the business day all second copies must be sorted into numerical order and handed to the soft count team for matching to the third copy extracted from the drop box.
 - c. third copy - Inserted into the appropriate table drop box when credit is extended and after all required signatures are obtained and when the player has signed the original.
 6. Only the dealer may insert the marker documentation into the drop box.
 7. In the case of a computerised system, the credit transaction shall be immediately entered into the computer by pit supervisory personnel or a pit clerk.
 8. A pre-numbered and controlled record is maintained which details the following information (e.g., master credit record retained at the cash desk, or on a permanent computer file):
 - a. the signature or initials of the pit supervisory employee(s) approving the extension of credit. This may be in the form of an ID designation in the case of a computerised system.
 - b. the legible name of the individual receiving the credit.
 - c. the date, shift and time of the granting of credit.
 - d. the table number on which the credit was extended.
 - e. the amount of credit issued.
 - f. the marker number.
 - g. the amount of credit remaining after each issuance.
 - h. the amount of payment received and nature of settlement (e.g., cash, cheque, credit card, chips or plaques).
 - i. the signature or initials of the individual receiving payment/settlement. This may be in the form of an ID designation in the case of a computerised system.
 9. The above mentioned forms shall be safeguarded, and adequate procedures employed to control the distribution, use, and access to these forms. In the case of a computerised system, pit personnel shall be prohibited from altering data files or participating in any incompatible function.
 10. Credit chips received at the cage and brought to the table for play will be swapped for value or non value chips and dropped into the drop box.

11. Credit extensions at the table shall be initially evidenced by memory marker buttons, indicating the amount of the credit, which is displayed on the table in view of the public and surveillance and placed there by pit supervisory personnel.
12. The marker preparation process shall be initiated, and other records updated, immediately following the initial issuance of credit to the player.
13. Memory marker buttons shall be removed only by the dealer at the table upon completion of a marker transaction which is evidenced by the signing of the original marker by the player and placement of the third copy of the marker into the drop box.
14. The original marker shall contain at least the following information: marker number, player's name and signature, date and amount of credit issued.
15. The second copy shall have the same marker number as the original and third copy. It will also include the table number, date and time, the signature of a table games supervisor and the signature of the dealer.
16. The third copy shall include the same marker number as the original, the carbonised table number, the date and time of issuance and amount of credit issued. It shall also include the signature of the supervisory table games employee extending the credit and the signature of the dealer at the table at which the credit is issued.
17. All portions of markers, both issued and unissued, shall be adequately safeguarded by employees from the accounting and/or security department until distribution to, for use by, pit and cage personnel. All forms shall be issued to the table games supervisors by either accounting or security with all sequential numbers being recorded at the time of distribution. In the case of a computerised system, the system is configured such that markers are issued sequentially and all issued slips can be accounted for after use.
18. No markers will be redeemed at the tables.
19. An investigation shall be performed by an accounting department employee to determine the cause and responsibility for loss whenever marker forms, or any part thereof, are missing. The results of any investigation shall be documented and retained for Board inspection.

A 15.062 Call Bets/Announced Bets

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 not permissible.
4. The procedures for call bets will be laid out in the companies internal control procedures manual as approved by the Northern Province Casino and Gaming Board.

A 15.063 Fill and Credit Standards

1. Fill/credit slips shall be in at least triplicate form, in a continuous numerical series, and pre-numbered or concurrently numbered in a form utilising the alphabet and only in one series at a time. In the case of a computerised system, the computer shall assign each fill and credit slip a unique identification number that will not be duplicated and will allow for the subsequent accountability of all slips issued.
2. Unissued and issued fill/credit slips shall be safeguarded and adequate procedures shall be employed in the distribution, use and control of same. In the case of a manual system, the accounting department or other department independent of fill and credit transactions shall be responsible for the issuance and control of fill and credit slips.
3. Employees of the cashier or table games departments shall have no access to the locked box or restricted copies of fill/credit slips. For computerised systems, employees that participate in fill and credit transactions shall not have access to data files and shall have no ability to delete or alter such information.
4. When a fill/credit slip is voided, the cashier shall clearly mark "Void" across the face of the original and first copy. The cashier and a representative from the security department shall sign both the original and first copy and shall submit all available parts to the accounting department for retention and accountability. For computerised systems, at least two persons from separate departments shall be required to enter authorising I.D.'s in order to void a fill/credit slip. A complete chronological record of the transactions and authorisations shall be retained in the computer system and printed on an exception report.
5. Fill transactions shall be authorised by a pit supervisor prior to the issuance of fill slips and transfer of chips, tokens, or monetary equivalents from the cage to the table. A request for fill slip shall be used to document this authorisation. The request for fill slip shall be at least a two-part document and shall contain, at a minimum, the table number, the date, time, amount of fill requested by denomination and the signatures of the pit supervisor authorising the fill and the cashier that prepares the fill.
6. One part of the request for fill slip shall remain in the pit for subsequent comparison to the fill slip and the other part shall be transported to the cage by a security department representative for use by the cashier in the preparation of a fill slip. In the case of a computerised system, the pit supervisor shall provide the required information to the pit clerk who enters the information into the computer system and the copy of the request for fill is automatically printed in the cage.
7. At least three parts of each fill slip shall be used as follows:

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

A 15.064 Soft Count Standards

1. The soft count shall not be performed at the same location or simultaneous to the count of other revenue centres.
2. Removal and transport of drop boxes:
 - a. the keys to the drop boxes as well as the drop box storage racks will be signed out from security by the following people; Security, cash desk supervisor and count supervisor signing as witnesses to this.
 - b. locked drop boxes are to be removed from the tables by the security department under the supervision and accompaniment of a senior pit official.

- c. the drop boxes will be transferred to a secure storage area that may be located in the soft count room.
- d. the removal and transportation of the drop boxes must be monitored and recorded by the surveillance personnel on the CCTV system. It must also be noted in the occurrence book.
- e. all drop boxes will be cleared from the tables regardless of whether the tables were opened or not.
- f. the drop boxes removed will be placed in a trolley for transportation purposes. The drop boxes and trolley will always be in full view of the CCTV cameras.
- g. once all the drop boxes have been removed they will be secured in the storage area. The storage area will be continually recorded.

A 15.065 The Soft Count Room

1. The Soft count will take place in a room separated from the casino which will have the following features :
 - a. the door will be of substantial, steel lined construction, and will be opened only under Surveillance or the Casino Managers Supervision during the count at times when the count table is clear of loose chips and Cash.
 - b. the room will be of Brick/concrete construction and both the ceiling and the floor will be solidly constructed.
 - c. the keys to the Soft count room will be maintained by the Cage Manager who will sign this in and out together with security. Notification to security must be made prior to ANY entry to the count room. The drop box contents keys will be sealed in a separate pouch and held by security.
 - d. these keys will be subjected to strict security controls, refer to Key Control Standards.
 - e. the door will have a spy hole fitted and will be locked or bolted from the inside while the count is taking place.
 - f. the count procedure will be monitored and recorded on CCTV, with sound, from the monitoring department. Refer to the Surveillance rules for the minimum camera standards.
 - g. the table will be made of toughened glass and there will be no shelves or objects on, above or below the table that would obstruct the clear view of the sheet person or CCTV. There will be 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.
 - h. there will be a panic alarm system fitted at the sheet person's position connected to the security office or the surveillance office which must be tested daily before the start of the count.
 - i. there will be an internal telephone near the sheet person's position.
 - j. lighting in the count room will be arranged so that there is no reflection from the count table on the CCTV picture.
 - k. the room will have no windows, and there will be a battery emergency lighting system that comes on immediately the power is cut, and the emergency lighting will last at least 8 hours.
 - l. the room will be air conditioned, and this will be controlled from inside the count room.
 - m. when the soft count is to take place the day after the business day, the room will have the following additional features :
 - i. the drop boxes will 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. Very secure and high quality locks are to be used for the doors to the shelves.
 - ii. there will be a device on the inside to detect any movement within the room, as well as the door being alarmed, all to be operative once the boxes have been locked into the room.

A 15.066 Personnel

1. The count team shall be independent of transactions being reviewed (i.e. the table games department) and counted and the subsequent accountability of soft drop proceeds.
2. There will be at least 4 persons present during the soft count. Only English shall be spoken in the count room.
3. The detailed count procedures and uniforms worn in the count rooms must be contained in the licensees internal control procedures as approved by the Board.
4. At no time during the count (to provide for emergency situations) shall more than one person at a time leave the count room until all monies have been counted, verified and accepted into cage/vault accountability.
5. Count team members shall be rotated on a routine basis. Rotation shall be such that the count team is not consistently the same four individuals more than four days per week.
6. Drop boxes shall be individually emptied and counted. No more than one box may be open at any one time.
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 must observe at all times the loading and unloading of all currency at the currency counter, including rejected currency.
9. Drop boxes, when empty, are shown to the other members of the count team who are observing the count, and to the CCTV camera.
10. Cage and drop box copies of fill/credit slips are matched or otherwise reconciled by the count team to verify that the total rand amounts for the gaming day are identical.
11. Requests for fills and credits shall be matched to the fill/credit slips.
12. Fills and credits shall be traced to, or recorded on, the count sheet and examined for correctness.

13. Copies of the markers removed from the drop boxes shall be either:
 - a. traced to or recorded on the count sheet by the count team; or
 - b. totalled and traced to the totals documented by the computerised system.
14. The opening/closing table sheet and marker inventory forms (if applicable) shall be either:
 - a. examined and traced to or recorded on the count sheet; or
 - b. If a computerised system is used, accounting personnel may trace the opening/closing table and marker inventory forms (if applicable) to the count sheet in place of the count team. Any discrepancies shall be investigated with the findings documented and maintained for Board inspection.
15. Corrections to information originally recorded by the count team on soft count documentation shall be made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two of the count team members next to the change, on the count sheet change.
16. The total count recorded on the count sheet shall be reconciled to the total cash removed from the drop boxes by a count team member who does not function as the count team member who records the count.
17. All members of the count team shall attest by signature to the accuracy of the table games count.
18. All monies and monetary equivalents that were counted shall be turned over to the cage/vault cashier who shall be independent of the count team.
19. The above mentioned individual shall certify by signature on the count sheet as to the accuracy of the monies delivered and received.
20. Access to stored drop boxes, full or empty, shall be restricted to only authorised members of the drop and count teams.
21. Access to the count room during the count is restricted to members of the drop and count teams. Authorised observers, supervisors for the purpose of resolving problems, authorised maintenance personnel and personnel required to collect the empty drop boxes for purposes of putting them on the tables may be present in the count room only if accompanied by a representative from the security department. Refer Rule 15.066 (23)
22. 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. Alternatively, the documentation may be placed in a locked container to which only accounting personnel can gain access until retrieved by the accounting department.
23. The involvement of at least two individuals independent of the cage department, one of which shall be security department representative, is required to access empty drop boxes. In addition, the surveillance department shall observe all accesses of the locked empty drop box storage area.

A 15.067 Key Control Standards — In Conjunction with 15.093

1. Drop Box Release Keys
 - a. Drop box release keys shall be maintained by a department independent of the pit department and shall require persons from at least two separate departments to act as custodian and to access the keys.
 - b. Only a representative from the security department shall be authorised to obtain drop box contents keys and shall be allowed access to the contents keys.
 - c. Persons authorised to remove table games drop boxes from the tables shall be precluded from having access to drop box contents keys.
2. Drop Box Storage Rack Keys
 - a. a representative from the security department shall be required to obtain and retain control of such keys each time drop boxes are removed from or placed in storage racks.
 - b. persons who maintain custody and those authorised to obtain drop box storage rack keys shall be precluded from maintaining custody or having access to drop box contents keys (with the exception of the count team in the limited case to reset the boxes during the count).
3. Drop Box Contents Keys
 - a. the physical custody and access controls shall be such that the keys necessary for accessing stored full drop box contents requires the involvement of persons from at least three separate departments, one of which must be the security department.
 - b. controls shall be implemented that provide for the surveillance department to be automatically notified each time the drop box contents keys are accessed. Surveillance personnel shall verify that persons obtaining the keys are authorised to do so and that at least three people from different departments are present. In cases of unscheduled access to drop box contents keys referred to in (c) below, the surveillance department shall observe and record the movement of such keys for the entire time they are unsecured.
 - c. access to the drop box contents key at other than scheduled count times requires the involvement of at least three persons from separate departments one of which must be the security department. Casino management personnel shall be required to authorise any unscheduled access to drop box contents keys. The reason for the unscheduled access must be documented with the signatures of all participants and observers.
4. Count Room Keys
 - a. at least three count team members are required to be present when count room and other keys necessary to conduct the soft count are issued.

- b. controls shall be implemented that require the automatic notification of the surveillance department each time someone enters the soft count room. Fixed surveillance cameras shall be positioned such that anyone entering the soft count room will be recorded.
- 5. Duplicate Keys
 - a. all duplicate shall be maintained in a manner which provides the same degree of control over drop boxes as is required for the original keys. Representatives from at least three separate departments shall be present and involved in obtaining keys necessary to gain access to the keys needed to access the contents of drop boxes.
 - b. the storage location of duplicate keys shall be subject to 24-hour video surveillance and recording and controls shall be implemented such that the surveillance department will be automatically notified each time duplicate keys are accessed.
 - c. detailed records shall be maintained for each key that is issued, duplicated or destroyed which indicates the type of key, number of keys issued, made or destroyed, the date, the reason(s) and the signatures of all persons involved. Representatives from at least two separate departments, one of which must be the surveillance department, shall be required to authorise and verify the issuance, duplication and destruction process.
- 6. Key Control Logs
 - a. key control logs shall be maintained for the following keys:
 - i. drop box release and contents keys
 - ii. count room keys
 - iii. drop box storage rack keys
 - iv. drop box contents keys
 - v. all duplicate keys for i. through iv. above
 - b. all key control logs shall contain, at a minimum, the following information for each of the keys listed in a. above:
 - i. date and time keys are obtained
 - ii. legible signature of custodian releasing the keys
 - iii. legible signature of person obtaining the keys
 - iv. date and time keys are returned to custodian
 - v. legible signature of person returning the keys
 - vi. legible signature of custodian receiving the keys
 - c. key control logs shall be periodically forwarded to the accounting department for review and retention.
 - d. all entries in key logs shall be in ink or other form of permanent recordation.

A 15.068 Table Games Computer Generated Documentation

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

A 15.069 Playing Cards

- 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, playing cards shall be inventoried by the security department in the presence of an accounting department representative. Both individuals shall verify the amount and propriety of the inventory received and both shall sign the inventory document.
- 3. The licensee shall maintain complete and accurate records of all cards distributed to table games personnel and those collected and cancelled. The accounting department shall, at least monthly, count inventory on hand and reconcile to purchases and cancellations. Inventory sheets shall be signed to evidence such checks.
- 4. The licensee shall document all controls over playing cards in their system of internal control.

A 15.070 Statistics

- 1. Tables
 - a. records reflecting statistical and actual drop, win, win to drop, hold percentage by table and type of game; and
 - b. shall be maintained at least by day, cumulative month to date and cumulative year to date.

2. Slot Machines

- a. records reflecting handle, win, win to handle, hold percentage by machine and denomination; and
- b. shall be maintained at least by shift, by day, cumulative month-to-date, cumulative year-to-date and twelve months rolling.

A 15.071 Table Games Accounting/Auditing Procedures

1. Table games accounting and auditing procedures shall be performed by personnel who are independent of the transactions being audited/accounted for and who have no incompatible functions.
2. A daily recap shall be prepared for at least the day, week and month-to-date which includes the following information necessary to prepare the gaming and VAT levy returns:
 - a. drop per table.
 - b. win per table
 - c. total Gross Gaming 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/auditing employees shall review exception reports for all computerised table games systems at least monthly for propriety of transactions and unusual occurrences.
5. Any improper transactions or unusual occurrences discovered during the review of the exception reports shall be investigated with the results being documented and maintained for Board inspection.
6. The licensee shall document the audit process undertaken and procedures used for auditing table games. All follow-up performed on any noted exceptions shall be documented and retained for Board inspection.

A 15.072 EMERGENCY CLEARANCES: TABLES

1. In certain instances an emergency clearance may be required. The procedures required to perform such clearances must be listed in the internal controls of the licensee and approved by the Board.

A 15.080 Slot Machine Standards

Controls relating to the day to day operations of the slot department e.g. (cash variances, complimentary accounts, customer complaints, documentation, asset registers, jackpot base values and progressive rates, reel tape control, security seals, slot statistics, reports and machine moves) shall be specified in the licensee's internal controls procedures manual as approved by the Northern Province Casino and Gaming Board. In terms of route operations the Route must submit procedures relating to machine installation, moves, disposals, counting, variances maintenance and these shall be specified in the routes minimum standards of internal controls as approved by the Board.

A 15.081 Coin and Token Drop Standards

1. A minimum of three employees shall be involved in the removal of the slot drop, at least one of whom is from the security department and may not include personnel from the slot department. 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.
2. Proper security shall be provided at all times over the buckets removed from the slot drop cabinets prior to being transported to, and secured in, the hard count room.
3. If more than one trip is required to remove the slot 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. These carts shall be under continuous surveillance coverage.
4. The surveillance department shall observe and record the entire slot drop process to ensure that all coins and tokens are adequately safeguarded during the drop process.
5. The time of clearance and the sequence in which machines will be cleared will be determined by slot management and given to the Board for approval. Any time or sequence change must be forwarded to the Board for approval two weeks prior to the intended change.
6. The procedures relating to the physical clearance and the responsibilities of each person involved must be submitted by the licensee to the Board for approval at least one month prior to implementation.
7. For the route operation a time may not necessarily be specified but the down loading of meters should be performed at a time specified by the route operator and approved by the Board.
8. The Route operator must ensure that a Board approved contingency plan is in place should the central monitoring system not be able to retrieve meter readings on any particular day or period.

A 15.082 Equipment Standards

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 security official from the security department shall be present whenever the calibration module is accessed for repair or re-calibration. The surveillance department shall be notified prior to anyone accessing the calibration module.
3. Each time the calibration module is accessed, a log shall be completed that includes the date, time, nature of the repair and the signatures of all persons observing the process. This log 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 such that any unnecessary adjustments to it during the weigh process would be observed by other count team members and the surveillance department.
6. The weigh scale and weigh scale interface (if used) shall be tested by the internal audit department on at least a quarterly basis with the test results being documented and retained for Board inspection.
7. Prior to the slot count beginning, at least two employees shall verify the accuracy of the weigh scale and weigh scale interface with varying weights or with varying amounts of previously counted coin for each denomination to ensure the scale is properly calibrated.
8. The preceding weigh scale and weigh scale interface test results shall be documented by the persons performing the test. All persons participating in the test shall date and sign the form stating the results of the test. These forms shall be retained for Board inspection.

A 15.083 Slot Hard Count and Wrap Standards

Note: Wrap or wrapping for purposes of this section includes terms such as bag, bagging, rack or racking

1. The weigh/count process shall be performed by a minimum of three employees.
2. At no time during the weigh/count shall there be fewer than three count team members in the count room. The surveillance department shall be notified prior to the start of the weigh/count process so they may observe and record the weigh and wrap of the slot drop.
3. The slot count team shall be independent of the slot department and the subsequent accountability of slot count proceeds.
4. The following functions shall be performed in the counting of the slot drop:
 - a. count team supervisor/recorder function which involves the recording of the slot 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.
5. The amount of the slot drop proceeds from each machine shall be recorded in ink on a slot weigh/count document by the recorder or mechanically printed by the weigh scale. If a weigh scale interface is used, the slot weigh/count figures shall be transferred and recorded via direct line or computer storage media.
6. At a minimum, the count team supervisor / recorder and at least one other count team member shall sign the weigh tape and the slot count document attesting to the accuracy of the weigh/count.
7. All other persons who participate in the weigh/count and/or wrap process shall sign the slot count document or a summary report to attest to their presence and evidencing their participation in the weigh/count and wrap. This document must also be signed by a person from the casino accounts department and the vault department attesting to the accuracy thereof.
8. Coins and tokens shall be wrapped and reconciled in a manner that precludes the commingling of slot drop proceeds with coin and tokens from the previous or next slot drop.
9. The total coins counted per machine will be agreed to the meter readings obtained from the machine on a daily basis. Investigation and reporting procedures with regards to variances will be contained in the licensees internal control manual as approved by the Board.
10. At least four employees shall be present throughout the entire wrapping process of the slot drop proceeds. These employees will remain responsible for all the proceeds until the funds are handed over to the safe custodian.
11. Transfers out of the count room during the slot count, wrap process shall be either prohibited, or if transfers are permitted during the count and wrap, each transfer shall be recorded on a separate pre-numbered, multi-part form (used solely for slot count transfers) which is subsequently reconciled by the accounting department to ensure the accuracy of the reconciled wrapped slot drop.
12. Transfers, as noted above, shall be counted and signed for by at least two members of the count team, a member of casino administration who is responsible for authorising the transfer and the employee receiving the transfer. The physical transfer shall require the participation of a security department representative.
13. Upon completion of the wrapping, of the slot 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 slot drop independently from each other.

- b. the above counts shall be independently recorded on a summary report. If discrepancies exist between the counts, a re-count is performed and any differences reconciled. All such documents shall be retained and forwarded to accounting.
14. The same members as discussed in (a.) above shall compare the final wrap amounts, by denomination, to the weigh/count. The weigh and wrap comparison shall be recorded on a variance summary sheet.
15. A member of the cage/vault department shall independently count the wrapped slot drop by denomination and reconcile it to the weigh/count recorded on the summary report by the count team representatives.
16. At the conclusion of the reconciliation, the count team supervisor, one other count team member, the cage/vault employee and a casino accounts employee shall sign the summary report attesting to its accuracy. The accountability for the slot 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. Variances between the weigh/count and wrap shall be investigated by management personnel independent of the slot department, count team and the cage/vault functions on a timely basis, using the following minimum guidelines:
 - a. R50.00 for machines with a denomination less than R2.00; and
 - b. R250 for machines with a denomination equal to or greater than R2.00.
19. The results of such investigations shall be documented and maintained for Board inspection.
20. All slot count and wrap documentation, including any applicable computer storage media, shall be immediately delivered to the accounting department by the count team or security. Alternatively, count documentation may be secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.
21. Corrections on slot 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. If a weigh scale interface is used, corrections to slot count data shall be made using either of the following:
 - a. crossing out the error on the slot document, entering the correct figure, and then obtaining the initials of at least two count team employees. If this procedure is used, an employee independent of the slot department and count team shall subsequently enter the corrected figure into the computer system prior to the generation of related slot reports.
22. During the count process, correct the error in the computer system and enter the passwords of the count team supervisor and at least one other count team members. If this procedure is used, an exception report shall be generated by the computer system identifying the slot machine number, the error, the correction and the count team employees attesting to the correction.

A 15.084 Currency Acceptor Drop and Count Standards

1. The currency acceptor drop boxes shall be removed by an employee independent of the slot department, placed in locked trolleys, transported directly to the soft count room or other similarly 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.
3. The currency acceptor count shall be performed in the soft count room or equivalently secure area with comparable controls.
4. The currency acceptor count shall be performed by a minimum of three employees.
5. The currency acceptor count team shall be independent of transactions being reviewed and counted (i.e. the slot 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 agreed to the machines meter reading on a daily basis. Investigation and reporting procedures with regards to variances will be contained in the licensees internal control manual as approved by the Board.
11. 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.
12. 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.
13. 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.

14. After all currency acceptor drop boxes have been counted and the totals reconciled by the count team, all monies shall be turned over to the cage cashier, who is independent of the count team.
15. The vault/cage department representative shall certify by signature on the count sheet as to the accuracy of the currency delivered and received. Upon signing the count sheet, the vault/cage becomes responsible and accountable for the drop proceeds.
16. Access to stored full currency acceptor drop boxes shall be restricted to only authorised members of the drop and count teams.
17. Access to the count room shall be restricted to members of the drop and count teams, excluding authorised observers, supervisors for resolution of problems, and authorised maintenance personnel. All persons other than the authorised drop and count team members shall be accompanied by a security department representative at all times they are present in the count room.
18. 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. Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.

A 15.085 EMERGENCY CLEARANCES OF COIN OR NOTES

1. In certain instances an emergency clearance may be required. The procedures required to perform such clearances must be listed in the internal controls of the licensee and approved by the Board.

A 15.086 Jackpot Payouts, Slot Hopper Fills, Short Pays and Accumulated Credit Payouts

1. For all jackpot payouts and slot fills, the payout form/documentation shall be at least three parts (single sheet if computer generated) and shall include, at a minimum, the following information:
 - a. Date and time.
 - b. Machine number.
 - c. Rand amount of cash payout (both alpha and numeric) or the description of personal property awarded.
 - d. Game outcome (including reel symbols, card values and suits, etc.) for jackpot and progressive payouts only. This point relates to hand written payouts only.
 - e. Type of payout (e.g. Progressive, Jackpot, Credit Win, Short Pay, Special Pay or Hopper Fill)
 - f. Signatures of all employees verifying and witnessing the jackpot payout or slot hopper fill.
 - g. Signature of the customer.
 - h. Same pre-printed or concurrently printed sequential number on all copies of the form.
 - i. For hopper fills at a minimum the information as required by a, b, c, e, f and h above.
2. For computer generated forms, a copy of the document must be available on the computer system for at least an eighteen month period.
3. Signature verification rules for the above point 1 must be included in the licensee's internal controls as approved by the Board.
4. For machine short pays and payouts required for accumulated credits, the payout form shall be the same form as described in 1 above and shall, at a minimum, include:
 - a. date and time.
 - b. machine number.
 - c. rand amount of payout (both alpha and numeric).
5. Signatures verifying and witnessing the payout as per 4 c) above.
6. For short pays the value paid must also be recorded on the "machine entry log" contained in the machine. The person authorising and making the payout shall sign the machine log.
7. Computerised jackpot/fill systems shall be restricted so as to prevent unauthorised access to the system and fraudulent payouts by a single individual. Password and physical controls shall be addressed in the system of internal control and shall require supervisory authorisations of all corrections made to jackpot payout and slot hopper fill information.
8. Computer systems used to record slot machine transactions shall be capable of generating adequate documentation of all information recorded on the source documents and transaction the detail (e.g., jackpot payout slips, slot hopper fill slips, etc.).
9. All such computer-generated documentation shall be restricted to authorised personnel with no incompatible functions.
10. Computer generated documentation shall include, at a minimum:
 - a. system exception information (e.g., appropriate system parameter information, corrections, voids, etc.).
 - b. personnel access listing which includes at a minimum:
 - c. employee name.
 - d. employee identification number.
 - e. listing of functions employee can perform or equivalent means of identifying such functions.

11. Jackpot payout and slot hopper fill slips shall be controlled and routed in a manner that precludes any one individual from producing a fraudulent payout by forging signatures; or by altering the amount paid out subsequent to the payout and misappropriating the funds. A restricted copy of forms used to record all such transactions shall be:
 - a. retained in a locked dispenser that is only available to accounting personnel and which are subsequently compared to other copies of the document.
 - b. have the same pre-printed number as all other copies of the form.
 - c. accounted for by the accounting department personnel who shall investigate all missing or altered forms.
 - d. In the case of a computerised system, the restricted copy shall be in the form of restricted computer storage media that shall be verified by the accounting department against the documents issued on the casino floor. Personnel participating in slot payout and fill transactions shall not have access to this stored information for any purpose.

A 15.087 Promotional Payouts and Awards

1. Promotional payouts and awards are supplemental payouts or awards that are not reflected in the slot machine pay table. Compliance with the following standard is required for all such promotional payouts and awards.
 - a. The payout form/documentation shall include, at a minimum, the following information:
 - i. Date and time.
 - ii. Machine number and denomination.
 - iii. Rand amount of payout or description of personal property (e.g., jacket, car, etc.).
 - iv. Type of promotion (e.g., double jackpots, four-of-a-kind bonus, etc.).
 - v. Signature of a slot department supervisor and at least one other employee authorising and completing the transaction. If the payout or award has a value greater than R 10 000.00, or is as a result of a progressive jackpot, a supervisor or management employee from a department independent of the slot department shall verify and witness the payout or award and shall sign the payout form.
 - vi. All casino licensees must submit to the Board for approval the companies procedures for authorising hand pays.

A 15.088 Slot Department Funds Standards

1. Imprest slot booths and change banks, which are active during the shift, shall be counted down by off-going and oncoming personnel and reconciled each shift utilising appropriate accountability documentation. The forms shall be signed by both employees performing the count. If there is no oncoming employee, a departmental supervisor shall verify the count and sign the accountability form along with the off-going employee.
2. Cashier float return (to the vault): this transaction must take place at the end of each cashiers shift or at least once a day when there is a transfer of responsibility.
3. Slot booth and change bank accountability documentation shall be either 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 slot booth and cage cashier coin shall be performed at a time or location that does not interfere with the hard count/wrap process or the accountability of that process.
5. A record shall be maintained evidencing the transfers of unwrapped coin from the respective slot booths. The slot booth cashier and at least one other person shall sign the transfer documentation.

A 15.089 EPROM Control

1. On receipt of EPROM's from the manufacturer the following will be adhered to:
 - a. The master program number, par percentage and pay table are to be verified to the manufacturer's specification sheet and Gaming Board licence number.
 - b. This is to be performed by the technical manager (supervisor), security supervisor and Gaming Board official.
 - c. On completion of this test, the master EPROM register will be signed by all parties present.
2. Registered copies of all percentage, game or personality EPROM's must be kept under dual control. Where the EPROM is for a game type that is for a wide area progressive or has a potential jackpot value in excess of R50 000, then the dual control over such EPROM's must include the security department.
3. A register for all master EPROM's must be kept and include at a minimum the following information:
 - a. EPROM number
 - b. gaming Board Licence number
 - c. manufacturer
 - d. date of par verification and signatures of all persons present
 - e. reason for removal from secured area and signatures
 - f. date of destruction, reasons and signatures of those involved
 - g. the kobertson signature number.
4. Procedures for copying of EPROM's and the sealing of EPROM's into the machines will be documented in the licensees internal controls as approved by the Board.

5. Procedures for the controlling of competition and promotional EPROM's will be documented in the licensee's internal controls as approved by the Board.


A 15.090 Theoretical/Actual Hold

1. Accurate and current theoretical hold worksheets shall be maintained for each slot machine either on the floor or in inventory.
2. For those slot 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, and which contain meters required by Rule 11.050 Proper Accounting Standard 3 the following shall be performed:
 - a) On a quarterly basis, record the meters that contain the number of plays by wager (i.e., one coin, two coins, etc.).
 - b) On an annual basis, calculate the adjusted theoretical hold percentage based on the distribution of plays by wager type.
 - c) On an annual basis, adjust the machine(s) theoretical hold percentage in the slot statistical report to reflect this revised percentage.
3. For multi-game machines the following procedures shall be performed:
 - a) Record at least weekly the total coin-in meter.
 - b) Record at least quarterly the coin-in meters for each game contained in the machine.
 - c) On an annual basis adjust the theoretical hold percentage to a weighted average based upon the ratio of coin-in for each game.
4. The theoretical hold percentages used in the slot analysis reports shall be within the performance standards set by the manufacturer. Any discrepancies shall be reported to the manufacturer and resolved immediately. Appropriate documentation shall be prepared and retained for Board inspection.
5. Records shall be maintained for each machine that reflects the dates and type of changes made and the recalculation of theoretical hold as a result of the changes.
6. 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. Machines shall retain the same assigned asset number during the entire time the licensee owns the machine.
7. All slot machines shall contain, at a minimum, the following functioning meters:
 - a) Coin-in
 - b) Coin-out
 - c) Drop (cash box)
 - d) Jackpot/Credit Win (Hand pay meter)
 - e) Games played meter (Hand pull meter)
8. All slot machines with currency acceptors shall contain functioning bill-in meters that record the Rand amounts or number of bills accepted, by denomination.
9. A representative of the count department shall record the meter reading information for the meters listed in 7 above if manual meter readings are taken. If a computerised system is in place the meters may be downloaded by the system at the time that the machine is cleared.
10. Upon receipt of the meter-reading summary, the accounting department shall review all meter readings for reasonableness using pre-established and documented parameters. If a computerised system is in place, tolerance levels may be pre-set in the system to highlight these exceptions.
11. Prior to final preparation of statistical reports, meter readings that do not appear reasonable are reviewed with slot department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected. All follow-up performed on unreasonable meter readings shall be documented and retained with the report.
12. 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.

Note: Actual hold = rand amount of win divided by rand amount of coin-in.
13. Each change to a slot 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).
14. If promotional payouts and awards are included as a factor in preparing slot statistical reports, it shall be done in a manner that prevents distorting the actual hold percentages of the relevant machines.
15. A report shall be produced at least monthly showing year-to-date combined slot machine performance, by denomination. 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).

- Note: Floor par is the sum of the theoretical hold percentages of all machines within a denomination weighted by coin-in contribution.
16. Slot statistical reports shall be reviewed by both slot department management and executive management on at least a monthly basis.
 17. Large variances between theoretical hold and actual hold shall be investigated by management and resolved with the findings documented in a timely manner.
 18. Maintenance of the computerised slot accounting and monitoring system data files shall be performed by the EDP department.
 19. Updates to the computerised slot accounting and monitoring system to reflect additions, deletions or movements of slot machines shall be made at the time of the change in order to ensure that reports reflect accurate information.

A 15.091 Slot Machine Hopper Contents

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

A 15.092 Slot Machine Drop and Cabinet Keys

1. Keys necessary to access slot 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. The security representative 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 slot machine drop cabinets are accessed. The surveillance department shall be notified and shall observe and record the drop process throughout the period the keys are checked out.

A 15.093 Currency Acceptor Keys

In conjunction with 15.167

1. Currency Acceptor Drop Box Release Keys
 - a) Only the employees, one of who shall be from the security department, authorised to remove the currency acceptor drop boxes are allowed access to the release keys.
 - b) For situations that require the removal of currency acceptor drop box at other than scheduled drop times, the surveillance department shall be notified and shall observe and record the entire process. A representative of the security department and at least two other employees shall be present during the entire time the keys are checked out. The reason for obtaining the keys at other than authorised drop times shall be recorded in the key log.
 - c) The currency acceptor drop box release keys shall be separately keyed from the currency acceptor contents keys. Persons performing the removal of currency acceptor drop boxes shall be precluded from having access to the currency acceptor contents keys.
2. Currency Acceptor Drop Box Storage Rack (Trolley) Keys
3. At least three members of the count team shall be present each time storage rack keys are issued for the count. 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. ✓
4. Currency Acceptor Drop Box Contents Keys
 - a) Keys necessary to access slot 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 other than scheduled drop times, the surveillance department shall be notified and shall observe and record the entire process. 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. The reason for obtaining the keys at other than authorised drop times shall be recorded in the key log.
5. 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. Controls shall be implemented that provide for the automatic notification of the surveillance department each time the currency acceptor count room is accessed.

15.087.2

6. Duplicate Keys
 - a. All duplicate shall be maintained in a manner which provides the same degree of control over slot machine drop cabinets currency acceptor drop boxes as is required for the original keys. Representatives from at least three separate departments shall be present and involved in obtaining keys necessary to gain access to the contents of slot drop cabinets and currency acceptor contents.
 - b. The storage location of duplicate keys shall be subject to 24-hour video surveillance and recording. Controls shall be implemented such that the surveillance department will be automatically notified each time duplicate keys are accessed.
 - c. Detailed records shall be maintained for each key that is issued, duplicated or destroyed which indicates the type of key, number of keys issued, made or destroyed, the date, the reason(s) and the signatures of all persons involved. Representatives from at least two separate departments, one of which must be the security department, shall be required to authorise and verify the issuance, duplication and destruction process.
7. Key Control Logs
 - a) key control logs shall be maintained for the following keys:
 - i. slot drop 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
 - vi. all duplicate keys for (1) through (5) above
 - b) all key control logs shall contain, at a minimum, the following information for each of the keys listed in a. above:
 - i. date and time keys are obtained
 - ii. legible signature of custodian releasing the keys
 - iii. legible signature of person obtaining the keys
 - iv. date and time keys are returned to custodian
 - v. legible signature of person returning the keys
 - vi. legible signature of custodian receiving the keys
 - c) key control logs shall be periodically forwarded to the accounting (casino accounts) department for review and retention.
 - d) all entries in key logs shall be in ink or other form of permanent recordation.

A 15.094 Player Tracking

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

A15.095 Wide Area Progressive Slot Machines (Inter-Casino Linked Progressives)

1. Any wide area progressive system must be adequately restricted to prevent unauthorised access (e.g., changing passwords at least monthly, restricted access to EPROM's, and restricted physical access to computer hardware, etc.).
2. Procedures shall be developed, implemented, and documented for:
 - a. reconciliation of meters and jackpot payouts.
 - b. collection/drop of slot machine funds.
 - c. jackpot verification and payment and billing to casinos on pro-rata basis.
 - d. system maintenance.
 - 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.

A 15.096 Slot Accounting/Auditing Procedures

1. Slot accounting/auditing procedures shall be performed by employees who are independent of the transactions being reviewed.
2. For computerised player tracking systems, an accounting/auditing employee shall perform the following procedures at least one day per month:
 - a. Total all "points-redeemed" documentation and trace to the system-generated totals.
 - b. Review all points-redeemed documentation for propriety.
3. For computerised slot accounting and monitoring systems, procedures shall be performed on a random basis to verify that the system is transmitting and receiving data from the slot machines properly and to verify the continuing accuracy of the meter readings as recorded in the slot statistical report.
4. Follow-up shall be performed for any one machine having an unresolved coin variance in excess of R 50,00 between actual drop and weigh scale reading and bill-in meter reading and soft count. The follow-up performed and results of investigation shall be documented and retained.
5. Gross gaming revenue on tax returns shall be reconciled to the win in the slot analysis report by denomination.
6. At least quarterly, accounting/auditing personnel shall randomly verify that EPROM changes are properly reflected in the slot analysis reports.
7. Accounting/auditing employees shall review exception reports for all computerised slot systems on a daily basis for propriety of transactions and unusual occurrences.
8. All slot auditing procedures and any follow-up performed shall be documented and maintained for Board inspection.

A 15.097 General

1. For all computerised slot systems a personnel access listing shall be maintained which includes, at a minimum, the following information:
 - a. employee name.
 - b. employee identification number (or equivalent).
 - c. listing of functions employee can perform or equivalent means of identifying same.
2. An audit trail shall be maintained of all changes made to individuals access to the system. The audit trail must contain at a minimum:
 - a. name of the person who performed the change.
 - b. the persons name, 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
 - f. if access rights are amended as a result of a system upgrade, these changes must be documented on an audit trail.

15.100 ELECTRONIC DATA PROCESSING

A 15.101 General Controls

Standards 1 through 6 shall be addressed in the system of internal control for each applicable gaming section.

1. The main computers (i.e., hardware, software and data files) for each gaming department application shall be in a secured area with access restricted to only authorised persons.
2. Gaming personnel shall be precluded from having unrestricted access to the secured computer areas.
3. Computer systems, including application software, shall be secured through the use of passwords or other approved means. Management personnel or persons independent of the department being controlled shall assign and control access to system functions. For the security of the central monitoring system refer to point 15.110 (3)
4. Passwords shall be controlled as follows unless otherwise addressed in these standards:
 - a. each user shall have their own individual password.
 - b. passwords shall be changed at least monthly with changes being documented.
 - c. the system shall preclude an individual from using the same password for more than one month in every twelve months.
5. Adequate backup and recovery procedures shall be in place, and if applicable, include:
 - a. daily backup of data files.
 - b. backup of all programs.
 - c. secured off-site storage of all backup data files and programs, or other adequate protection.
 - d. recovery procedures shall be tested at least quarterly.

6. Adequate system documentation shall be maintained, including descriptions of both hardware and software, operator manuals, etc.

A 15.102 EDP Department

If a separate EDP department is maintained or if there are in-house developed systems, Standards 7 through 10 are applicable.

1. The EDP department shall be independent of all gaming 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 gaming areas.
 - b. source documents.
 - 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. Approvals to begin work on the program shall be documented and retained.
 - b. A written plan of implementation for new and modified programs shall be maintained and include, at a minimum, the date the program is to be placed into service, the nature of the change (if applicable), a description of procedures required in order to bring the new or modified program into service (conversion or input of data, installation procedures, etc.), and an indication of who is to perform all such procedures.
 - c. Testing of new and modified programs shall be performed and documented prior to implementation.
 - d. 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. Alternatively, the system shall deny user access after three attempts to log-on.
 - b. Changes to live data files.
 - c. Any other unusual transactions.

A 15.103 Modems

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

A 15.104 Optical Disk Document Storage

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

15.110 CASINO ACCOUNTS

Controls relating to the day to day operations of the casino accounts department shall be specified in the licensee's internal controls procedures manual as approved by the Northern Province Casino and Gaming Board.

1. The casino accounts department will be independent of the gaming departments.
2. Casino accounts will be responsible for the controls over security stationery. They will ensure the following:
 - a. Stationery that requires strict security controls, due to the fact that it may represent value in the casino may only be purchased from a company that has been approved by the Board and granted a certificate of suitability.
 - b. Security stationery must be checked on a daily basis for completeness, that all copies are present, no unauthorised alterations have been effected and that the stationery is being used in numerical sequence.
 - c. The internal control procedures as approved by the Board shall identify all security stationery and the specific controls relating to each form required.
3. On a daily basis a member of the department will check, verify and attest to the accuracy of both the hard and soft counts.

4. 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 standards of internal controls.
5. The casino accounts department will perform the day to day accounting functions with regards to the operation of the gaming departments and the cage and vault departments. The casino controller will authorise all journal entries and ensure that revenues, expenses, assets and liabilities are reconciled to the general ledger on a monthly basis.
6. A member of the casino accounts department must audit the cage and vaults on at least a monthly basis. All variances must be reported to the casino controller.

A 15.120 INTERNAL AUDIT

Note 1: The Board may publish checklists, programs, and guidelines as a supplement to these standards.

Note 2: Whenever possible, internal audit observations shall be performed covertly (i.e., without the employees knowing of their activities being observed).

1. A separate internal audit department (whose primary function is performing internal audit work and who is independent with respect to the departments subject to audit) shall be maintained by all casino licensees.
2. Documentation (e.g., checklists, programs, reports, etc.) shall be prepared to evidence all internal audit work performed as it relates to these requirements.
3. 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. Copies of these reports must be forwarded to the Northern Province Casino and Gaming Board.
4. 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.
5. Observations and examinations of the following activities, with emphasis on compliance with the Minimum Internal Control Standards, shall be performed (based on the licensee's business year end) on the following activities as applicable to the operation:

The following shall be reviewed 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. Slots - jackpot payout and slot fill procedures, slot 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, slot 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 standards.
 - f. Gross revenue is reconciled from the accounting records to Board tax returns.
6. At least six monthly, all casino related balance sheet accounts.
7. Branch offices having average total account balances of R 200 000,00 or more shall be visited and reviewed at least every six months. The review shall include all credit and collection procedures, and the reconciliation of physical instruments to the listing maintained by the licensee of transfers to/from the branch office.
8. In addition to the observation and examinations performed under Standards #5 and #7 above, follow-up observations and examinations shall be performed to verify that corrective action has been taken regarding all instances of non-compliance cited by internal audit, the Board and/or the independent accountant. The verification shall be performed within six months following the date of notification.
9. At least annually, the internal audit staff shall test for compliance with other accounting and reporting Regulations and Rules.

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