



SCHEDULE 1

TO THE KWAZULU-NATAL GAMING AND BETTING BOARD GAMING RULES 2013

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SCHEDULE 1 TO THE KWAZULU-NATAL GAMING AND BETTING BOARD RULES: MINIMUM INTERNAL CONTROL STANDARDS AND PROCEDURES

Applicability

As specified in the Regulations, the Board has developed minimum internal control standards and procedures to be adopted by licensees when developing their internal control systems and procedures and should be read in conjunction with the relevant Rules.

These minimum internal control standards and procedures are set out in the following manner:

- (a) **Part 1** is applicable to all applicants and licensees within the Casino, LPM and Bingo sectors of the Gaming Industry.
- (b) **Part 2** is applicable to all applicants, casino licensees, manufacturers, suppliers and maintenance providers within the Casino industry.
- (c) **Part 3** is applicable to all applicants, route operators, site operator licensees, manufacturers, suppliers and maintenance providers within the LPMs industry.
- (d) **Part 4** is applicable to all applicants, bingo licensees, manufacturers, suppliers and maintenance providers within the bingo industry.

PART 1 GENERAL

1.1 Dispensation

A licensee must follow the application procedure as prescribed in paragraph 1.3 below for any dispensation as referred to in the Rules, using the form prescribed in Schedule 2 to these Rules.

1.2 Requests for Information, Documents or Records of the Board

- (1) In the event that information, documents or records of the Board are requested from the Board, the requester must apply to the Board by means of the completion and submission of the relevant form, as contained in Schedule 2 to these Rules.
- (2) The request must be submitted to the Board who will ensure that such request is considered by the Board in accordance with Section 21 of the Act.

1.3 Applications to the Board

All applications that require approval from the Board in terms of the Act, Regulations or Rules must be made to the Board in the following manner:

- (1) A licensee/applicant must complete the relevant application form(s), as prescribed in Schedule 2 to the Rules, which is available from the Board and/or on the Board's website.

- (2) All applications must be completed honestly and in full and where applicable, and all application instructions must be strictly adhered to.
- (3) The required annexures, as set out in the relevant application form, must accompany the application.
- (4) Incomplete applications will be returned to the applicant and applicable application fees forfeited.
- (5) Payment of the application fees, or proof of payment of the prescribed fee as set out in Schedule 2 to the Act, must accompany the application.
- (6) The application form and the supporting documentation must be submitted to the office of the Board.
- (7) The application will be analysed and evaluated by the office of the Board in accordance with the Act, Regulations, Rules and other relevant legislation.
- (8) The Board will determine whether such approval will be granted or not, the outcome of which will be made known to the licensee/applicant.
- (9) Where approved, such approval may be subject to any conditions specified by the Board.
- (10) Where declined, the Board will provide the applicant with reasons in writing, for such refusal.
- (11) The licensee must submit to the Board any further documentation or supporting information as may be required by the Board in respect of such applications.

1.3.1 Application for Consent to Acquire a Controlling or Financial Interest in a Licensee

All Applicants for consent to acquire a controlling or financial interest in a licensee must follow the application procedure as prescribed in paragraph 1.3 above using the form prescribed in Schedule 2 to the Rules.

1.3.2 Application for Transfer of Licence

A licensee who wishes to apply to the Board to transfer his/her licence to another person must follow the application procedure as prescribed in paragraph 1.3 above using the form prescribed in Schedule 2 to the Rules.

1.3.3 Application for Amendment, Substitution or Rescission of Condition Attached to a Gaming Licence or Certificate of Registration

All Applicants for the amendments, substitution or rescission of a condition attached to a gaming licence or certificate of registration must follow the application procedure as prescribed in paragraph 1.3 above using the form prescribed in Schedule 2 to the Rules.

1.3.4 Application for Renewal of Licence

All applicants for the renewal of licenses must follow the application procedure as prescribed in paragraph 1.3 above using the form prescribed in Schedule 2 to the Rules.

1.4 Disclosures

Upon receipt of a request by a patron, the licensee must make available to such patron for perusal, a copy of any relevant sections of its approved internal control systems and procedures in relation to an operational issue raised by such patron, which might have an unfair play implication.

1.5 Internal Control Standards

- (1) A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its internal control standards using the form prescribed in Schedule 2 to these Rules.
- (2) In the event of any amendments to a licensee's approved internal control standards, (which include organisational structure, jobs' compendium, gaming-related policies, internal control systems and procedures) the same application procedure referred to in paragraph (1) above must be followed.

1.6 Registration of Persons

- (1) All applicants for registration must follow the application procedure as prescribed in paragraph 1.3 above using the form prescribed in Schedule 2 to these Rules.
- (2) Such registration includes the following categories of persons:
 - (a) Registration as a Special Employee.
 - (b) Registration of other employees.
 - (c) Persons Associated With Provision of Gaming Equipment.

1.7 Suitability of Third Parties / Certificate of Suitability

All applicants for certificates of suitability must follow the application procedure as prescribed in paragraph 1.3 above using the form prescribed in Schedule 2 to these Rules.

1.8 Relocation of Business to Other Premises

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the relocation/removal, whether permanently or temporarily, of his or her business from the premises specified in the licence to other premises, using the form prescribed in Schedule 2 to these Rules.

1.9 Notification to Board of Disqualifying Information

A licensee must notify the Board of any disqualifying information in terms of the Act of any owner, director, officer or registered employee by means of the completion and submission of the prescribed form as contained in Schedule 2 to the Rules.

1.10 Reports of Cheating or Contravention of the Act, Regulations or Rules

A licensee must report any acts of cheating or contravention of the Act, Regulations or Rules to the Board within twenty-four (24) hours of the discovery thereof by means of the completion and submission of the prescribed form, as contained in Schedule 2 to the Rules.

1.11 Control of Evidence and Destruction of Cheating Devices

The licensee's procedure in its ICS for the handing over to the Board of any article or property which article or property constitutes a cheating device must include the following:

- (1) A licensee must submit a written submission to the Board detailing the incident in which the cheating device was used, a description of the cheating device, the name of the person involved in the incident and whether or not the matter was reported to the SAPS.
- (2) The cheating device must be hand-delivered to the office of the Board in a sealed box or container within ten (10) days of the cheating device having been identified and seized by the licensee, unless the cheating device has been seized for the purposes of court or internal disciplinary proceedings.

1.12 Extension of Time for Reporting

A licensee must make application to the Board for any extension of time for filing any report or document required by the Act, the Regulations or these Rules by means of the completion and submission of the prescribed form as contained in Schedule 2 to the Rules.

1.13 Excluded Persons

A licensee's procedures for self-exclusion must, at a minimum, include the following provisions:

- (1) Reasonable measures to identify and restrict access to gambling by persons who have requested to be excluded from participating in gambling;
- (2) Self-exclusion must only be lifted upon production of a certificate by a psychologist, psychiatrist or any registered counsellor. The certificate should at least certify that the patron has attended counselling sessions and that in his/her opinion the patron is fit and competent to participate in gambling;
- (3) Whilst the Board and the gambling operators will make reasonable efforts to give effect to the request for exclusion, it is the patron/player's responsibility to refrain from participating in gambling during the period of exclusion. Both the Board and the licensee shall not be liable, whatsoever, for any damages that may be suffered as a result of the patron participating in gambling during the period of self-exclusion;

- (4) A licensee may institute criminal proceedings for trespassing, against persons participating in gambling during the period of exclusion;
- (5) A licensee must, on a monthly basis, supply the Board with details of persons who requested to be excluded from gambling;
- (6) The details contemplated in (5) above, must at a minimum contain:
 - (a) The name of the patron;
 - (b) The identity number;
 - (c) Electronic photograph;
 - (d) Name of licensee;
 - (e) Dates and time of request; and
 - (f) Duly signed exclusion form.

1.14 Credit Extension

A licensee must develop controls and procedures in accordance with the Rules and which include credit limits.

1.15 Advertising

The restrictions pertaining to advertising and the promotion of gambling activities in terms of the National Gambling Act, 2004 reads as follows:

- (1) A person must not advertise or promote-
 - (a) any gambling activity-
 - (i) in a false manner; or
 - (ii) that is unlawful in terms of this Act or applicable provincial law; or
 - (b) a gambling activity, other than an amusement game, in a manner intended to target or attract minors.
- (2) Any advertisement of a gambling machine or device, a gambling activity, or licensed premises at which gambling activities are available -
 - (a) must include a statement, in the prescribed manner and form as set out in the National Responsible Gambling Programme, warning against the dangers of addictive and compulsive gambling; and
 - (b) must not include any element that directly, or indirectly, promotes or encourages the removal of a person from the register of excluded persons.
- (3) A person must not advertise or promote any gambling or related activity as being available to the public free of charge or at a discounted rate contrary to this Act, as an inducement for gambling.

- (4) The Minister may by regulation in accordance with section 87 of the National Gambling Act exempt any specific type of advertising or advertising media from the application of this section if the Minister is satisfied that the advertising is not targeted to the general public.

1.16 Management of Complaints or Disputes

1.16.1 Record of Complaints or Disputes

- (1) A licensee's procedures pertaining to patron disputes or complaints must include the recording, resolving and referral of patron disputes or complaints in accordance with the Rules.
- (2) A licensee must maintain a Dispute/Complaints Register which must have numbered pages and must reflect the following information:
- (a) Name of the complainant;
 - (b) Date and time of the dispute/complaint;
 - (c) Nature of the dispute/complaint;
 - (d) Measures or steps taken to resolve the dispute/complaint;
 - (e) Details regarding the resolution or referral of the dispute to the Board, as the case may be; and
 - (f) The signature of the complainant as well as the designated employee allocated to this function in the licensee's approved ICS.

1.16.2 Lodging of Gaming Disputes to the Board

- (1) Any patron or licensee who wishes to submit a gaming dispute to the Board must:
- (a) Do so in writing addressed to the Chief Executive Officer of the Board within sixty (60) days from the date upon which the dispute arose, by means of the completion of the prescribed form as contained in Schedule 2 to the Rules; and
 - (b) At the same time furnish full particulars of such dispute, and where applicable, substantiating documentation to support the dispute.
- (2) The relevant parties may be required to attend a hearing of the Board regarding the dispute, where, at the conclusion of the hearing, the Board will adjudicate upon the dispute.

1.17 Administration and Accounting Systems

1.17.1 Accounting and Verification of Taxes and Levies Systems

A licensee's controls or procedures for the purposes of verifying taxes and levies must include the following:

- (1) Development, implementation and review of financial controls.
- (2) Reconciliation of gambling revenue on a monthly basis.
- (3) Preparation and control of financial records and data.
- (4) Storage of financial records.
- (5) Verification of the integrity and validity of all financial information.
- (6) Preparation of all financial reports.

1.17.2 Claims for Refund of Overpaid Gaming Tax

A licensee must lodge a written claim to the office of the CEO of the Board, using the prescribed form as contained in Schedule 2 to the Rules, motivating the claim for the refund.

1.17.3 Patron Cash or Cash Equivalent Deposits

A licensee's procedures to ensure proper accounting for patron's deposits must include the following:

- (1) The maintenance of a detailed record for each patron, including the date of all funds deposited and withdrawn, and a running balance.
- (2) The maintenance of a current running balance of the total of all patrons' deposits which are in the Cashier's Cage or secure cash storage area inventory.
- (3) The reconciliation, on at least a daily basis, of the total current running balances, with the individual deposits and withdrawals.
- (4) The receipt or withdrawal of a patron's deposit must be recorded by means of a pre-numbered document consisting of at least two parts, which must contain the following:
 - (a) Identical pre-printed number on all copies;
 - (b) Patron's name and signature;
 - (c) Date of receipt or withdrawal of the deposit;
 - (d) Amount of the deposit or withdrawal;
 - (e) Nature of the deposit or withdrawal; and
 - (f) Signature of the Cashier receiving or disbursing the deposit.

1.17.4 Retention of Unclaimed Money or Instruments of Value

The procedures for the retention of unclaimed money or instruments of value must include, at a minimum, the following:

- (1) The money or instrument of value must be placed in a separate fund in line with the

objectives of the Board in terms of Section 6 of the Act, for a period of twelve (12) months, and such funds must be moved from the licensee's general ledger after such period.

- (2) In the event that a patron claims the money or value instrument within the twelve (12) month period, the licensee must repay the patron within sixty (60) days and such repayment recorded.
- (3) The licensee must determine the manner in which the money must be disposed of.
- (4) No payment of money or prizes won by a minor may be issued and the process for dealing with aforementioned must be in accordance with paragraph (1) above.

1.18 Gaming Machines and Gaming Equipment

1.18.1 Registration of Gaming Machines and Gaming Equipment

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the registration of any gaming equipment or machine in accordance with Section 59 of the Act, using the form prescribed in Schedule 2 to these Rules.

1.18.2 Deregistration of Gaming Machines and Gaming Equipment

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of deregistration of any gaming equipment or machine using the form prescribed in Schedule 2 to these Rules.

1.18.3 Alterations or Modification of Gaming Machines and Gaming Equipment

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of any alteration or modification of gaming machines and gaming equipment, using the form prescribed in Schedule 2 to these Rules.

1.18.4 Distribution Records of Gaming Machines and Gaming Equipment

A licensee's ICS in respect of distribution records of gaming machines and gaming equipment must include, but not be limited to, the following:

- (1) A record of the following information must be maintained:
 - (a) The name, registered address, and physical address of the purchaser or person to whom the shipment is being made, if either is currently licensed by the Board;
 - (b) 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;
 - (c) The destination, including the port of exit if the destination is outside South Africa;

- (d) The number of gaming machines or pieces of equipment to be shipped;
 - (e) The model number, game type, software registration number(s) of each game, and the year that each machine was manufactured;
 - (f) The denomination of each gaming machine;
 - (g) The serial number of each gaming machine;
 - (h) The expected date and time of shipment;
 - (i) The method of shipment and name and address of carrier;
 - (j) The seal number or numbers of the container or containers, in which the gaming machines or equipment are being shipped; and
- (2) A certified copy of a valid licence or, in respect of countries where licenses are not required, a sworn statement to that effect, together with supporting documentation; including a sworn statement by the purchaser that the gaming machine or equipment will be used only for lawful purposes, must be maintained on record.

1.18.5 Sale, Transfer, or Destruction of Gaming Machines and Gaming Equipment

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of the sale, transfer or destruction of gaming machines and/or gaming equipment using the form prescribed in Schedule 2 to these Rules.

1.19 Amusement Machines

Any person applying to the Board for the registration of an amusement machine; for authority to keep and make amusement machines available; and for the amendment of registration or transfer of authority to keep and make amusement machines available, must follow the application procedure as prescribed in paragraph 1.3 above using the form prescribed in Schedule 2 to these Rules.

PART 2 CASINO

In addition to the general minimum standards detailed in Part 1 above, casino licensees must ensure the inclusion of the standards and procedures contained herein, in their internal control standards for consideration and approval by the Board.

2. CASINO OPERATIONS

2.1 Application for Licence

A person who wishes to operate as a casino licensee must apply to the Board in the manner prescribed in paragraph 1.3 above using the form prescribed in Schedule 2 to these Rules.

2.2 Organisational Structure

Unless otherwise approved by the Board, every casino licensee's organisational structure and jobs' compendium must include certain mandatory functions that are responsible for the following:

2.2.1 Surveillance

- (1) The Surveillance function must be supervised by a manager, as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible for the following:
 - (a) The clandestine surveillance of the operation and conduct of table games;
 - (b) The clandestine surveillance of the operation of gaming machines and currency acceptors;
 - (c) The clandestine surveillance of the operation of the cashier's cage, satellite cages and secure cash storage areas;
 - (d) The visual recording by means of data storage of the activities in the hard and soft count rooms;
 - (e) The detection of cheating, theft, embezzlement and other illegal activities in the casino, count rooms, cashier booths, cashier's cage and other locations within the casino;
 - (f) The detection of the presence, in the casino, of any person who is required to be excluded, or who may be excluded or refused entry, or of any person who is prohibited from entering a casino.
 - (g) Timely notification must be made to the appropriate supervisors and the Board of the detection, as well as video or audio recording of any person who is required to be excluded, or who may be excluded or refused entry, or who is prohibited from entering a casino;
 - (h) The visual recording by means of data storage of any activities which are deemed to be illegal or unusual;
 - (i) Providing timely notification to the appropriate supervisors and the Board of

the detection and video or audio recording of any person who is engaging in or attempting to engage in, or who is reasonably suspected of engaging in, cheating, theft, embezzlement, or any other illegal activity, including those activities prohibited by the Act, the Regulations or the Rules; and

- (j) The recording, in an incidents' log, of all illegal, unusual and operational activities monitored by the Surveillance function.
- (2) The manager of this function must report directly to a member of executive management who does not participate in the conduct of the daily operations of the casino, and who is at least at the level of Managing Director: provided that the Board may approve different reporting lines if the casino licensee can demonstrate that there are no incompatible functions.

2.2.2 Compliance

- (1) The Compliance function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible for, at a minimum, the following:
- (a) To ensure compliance with all legislative requirements, licence conditions and the Board Rules.
 - (b) To co-ordinate operations with the Board in respect of projects where Board approvals and certifications are required.
 - (c) To act as custodian over unit internal control manuals and operating methods.
 - (d) Coordinating all amendments of approvals processed by the Board.
 - (e) Oversee both internal and external audit disciplines.
 - (f) Provide legal services to the General Manager.

2.2.3 Security

- (1) The Security function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board and such function will be responsible for the overall security of the casino including, but not limited to, the following:
- (a) The enforcement of applicable legislation;
 - (b) The physical safety of patrons in the casino;
 - (c) The physical safety of personnel employed by the casino;
 - (d) The physical safeguarding of assets transported to and from the casino floor and of the count rooms, gaming machine booths and cashier's cage;
 - (e) The protection of the property of the casino;
 - (f) The detention of any person engaging in, or suspected of having engaged in, any illegal activities and the notification of the South African Police Service

and the Board of such detention;

- (g) The maintenance of a secure incident record book or electronic occurrence book with a non-erasable audit trail, which contains the following information:
 - (i) The occurrence number, which must be sequentially assigned;
 - (ii) The date, time, and nature of the incident;
 - (i) Person/s involved in the incident; and
 - (iv) The security personnel assigned to the incident.
- (h) The identification and removal of any person who is required to be excluded, or who may be excluded or refused entry, or of any person who is prohibited from entering a casino; and
- (i) The performance of all duties and responsibilities in accordance with the licensee's ICS approved by the Board.

2.2.4 Gaming

- (1) The Gaming function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board and such function will be responsible, but not limited to, the following:
 - (a) Operation and maintenance of gaming machines and/or tables operations approved and authorised by the Board; but excluding the count process, computer applications and data files which are considered to be incompatible functions.
- (2) Every casino licensee must employ the personnel listed herein, regardless of the position titles assigned to such personnel by the casino licensee in its approved jobs' compendium.
- (3) The functions described in these standards must be performed only by persons holding the appropriate registration required by the casino licensee's approved jobs' compendium to perform such functions; or by persons holding the appropriate registration required by the casino licensee's approved jobs' compendium to supervise persons performing such functions.
- (4) A casino licensee may utilise personnel in addition to those contemplated herein, subject to approval by the Board and the Rules must apply *mutatis mutandis*.
- (5) In order to ensure proper conduct and effective control and supervision of gaming in a casino, a licensee may apply to the Board for the utilisation of additional personnel.

2.2.4.1 Table Games

The personnel used to operate the table games in a casino in accordance with the casino licensee's approved ICS, must include:

- (1) Dealers who must be the persons assigned to each table game to directly operate and conduct the game.
- (2) A supervisor/inspector who must be the first-level supervisor responsible for the direct supervision of the operation and conduct of table games, where the number of table games for which he or she is responsible may not exceed two (2) simultaneous table games, unless otherwise authorised by the Board.
- (3) A manager/supervisor who must be the supervisor assigned to each shift and be responsible for the supervision of table games conducted in the casino and, in the absence of the manager/assistant manager, (detailed below) he or she must have the authority of such manager.
- (4) A manager who must be the management employee responsible for the supervision and management of table games and the casino's daily activities, and who must ensure that the tables operate in accordance with the policies and practices established by the Board of Directors of the casino licensee, in compliance with the Act, Regulations and these Rules.

2.2.4.2 Gaming Machines

The personnel used to operate the gaming machines in a casino in accordance with the casino licensee's approved ICS, must include:

- (1) Technicians who must be the persons responsible for the repair and maintenance of gaming machines and who must report directly to the manager as prescribed in the licensee's jobs' compendium approved by the Board.
- (2) Attendants who must be the persons responsible for the operation of gaming machines and must report directly to the manager/supervisor as prescribed in the licensee's jobs' compendium as approved by the Board.
- (3) Supervisors who must be the first-level supervisors responsible for the direct supervision of the operation of gaming machines.
- (4) A manager who must be the second-level supervisor responsible for the overall supervision of the gaming machine operation for each shift and must report directly to the manager/supervisor as prescribed in the licensee's jobs' compendium approved by the Board.
- (5) A manager who must be the management employee responsible for the supervision and management of the overall operation of the gaming machines.
- (6) Technicians must operate independently of attendants and supervisors within the Gaming function.

2.2.5 Electronic Data-Processing / Information Technology

- (1) The Electronic Data Processing/Information Technology function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible, but not limited to, the following:
 - (a) The quality, reliability and accuracy of all computer systems used by the

casino licensee in conducting casino operations, including the specifications of appropriate computer software and hardware.

- (b) Procedures for the security, physical integrity, audit and maintenance of:
 - (i) Access codes and other data-related security controls used to ensure limited access to computers and the system-wide reliability of data;
 - (ii) Computer tapes, disks or other electronic storage media containing data relevant to the casino operation; and
 - (iii) Computer hardware, communications equipment and software used in the conduct of the casino operation.
- (2) In addition to the above, this function will be responsible for programme changes for systems that have been custom-developed as follows:
 - (a) Requests for new programmes or programme changes must be reviewed by the designated supervisor or member of personnel identified in the licensee's approved jobs' compendium;
 - (b) Approval to commence work on the programme must be documented and retained;
 - (c) Maintenance of a written implementation plan for new and modified programmes and must include, but not be limited to, the following:-
 - (i) The date the programme is to be placed into service;
 - (ii) Where applicable, the nature of the change;
 - (iii) A description of procedures required in order to bring the new or modified programme into service; and
 - (iv) An indication as to the identity of the person performing all such procedures.
 - (d) New and modified programmes must be tested prior to implementation, and documentation in support of this must be maintained; and
 - (e) A record of the final programme or programme changes, including evidence of user acceptance, date in service, programmer, and reason for changes, must be maintained.
- (3) Computer security logs, if generated by the system, must be reviewed by the Electronic Data Processing/IT supervisory personnel for any evidence of:
 - (a) Multiple attempts to log-on;
 - (b) Any changes to live data files; or
 - (c) Any other extraordinary transactions.
- (4) The EDP/IT function must be separate from the gaming areas.
- (5) The EDP/IT personnel must require authorised access to -

- (a) Computers and terminals located in gaming areas;
- (b) Source documents; and
- (c) Live data files, excluding test data.

2.2.6 Cash Desk / Cashier's Cage

- (1) A cash desk/cashier's cage must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board and which function will be responsible for the control and supervision of the cash desk/cashier's cage and cage employees, including 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 cashier's desk/cage;
 - (b) The exchange, redemption and consolidation of patron credit instruments;
 - (c) The receipt, distribution and redemption of gaming chips, tokens and plaques; and
 - (d) Other functions normally associated with the operation of a cashier's cage/cash desk and cashier booths.
- (2) The cashier's cage/cash desk must be independent of the count in respect of revenues from table games and gaming machines.

2.2.7 Internal Audit

- (1) A separate function whose primary responsibility will be to perform internal audit work must be maintained by every casino licensee.
- (2) The Internal Audit function must be supervised as prescribed in the licensee's jobs' compendium approved by the Board and such function will be responsible, at a minimum, for the following:
 - (a) The review and evaluation of the adequacy of internal controls and their compliance with the minimum internal control standards stipulated in the Act, Regulations and these Rules;
 - (b) The reporting to the licensee's Board of Directors, a committee thereof, the executive management, or any reporting structure approved by the Board, of all incidents of non-compliance with the minimum internal control standards stipulated in the Act, Regulations and these Rules;
 - (c) The reporting to the licensee's Board of Directors, or a committee thereof, the executive management, and the Board, of any material weaknesses in the system of internal control;
 - (d) The recommendation to the management of the licensee's business procedures aimed at eliminating any material weaknesses in the system of internal control;

- (e) The preparation and maintenance of reports which contain the information required in terms of this standard;
 - (f) The preparation of documentation in support of all internal audit work performed, in line with internal auditing standards;
 - (g) The submission of Internal Audit reports to the Board within three (3) months of the final report having been issued; and
 - (h) The reporting of progress of the resolutions of audit findings and exceptions raised resulting from internal audit work and the submission thereof to the Board every three (3) months.
- (3) The following activities must be observed and examined by Internal Audit for purposes of ensuring compliance with the Board's Minimum Internal Control Standards and Procedures, and they must be reviewed at least every six (6) months:
- (a) Table Games:
 - (i) Fill and credit procedures;
 - (ii) Soft drop and/or count procedures and the subsequent transfer of funds;
 - (iii) Random testing of count room currency, counters, location and control over sensitive keys; and
 - (iv) Tracing of source documents to summarised documentation and accounting records, and reconciliation to restricted copies.
 - (b) Gaming Machines:
 - (i) Jackpot payout and gaming machine fill procedures;
 - (ii) Gaming machine drop and/or count and subsequent transfer of funds;
 - (iii) Random testing of weigh scale and weigh-scale interface (where licensees are still using coins and/or tokens);
 - (iv) Random testing of count room currency counters, and gaming machine drop cabinet access;
 - (v) Tracing of source documents to summarised documentation and accounting records;
 - (vi) Reconciliation to restricted copies, location and control over sensitive keys; and
 - (vii) Compliance with approved gaming software duplication procedures.
 - (c) Cashier's Cage/Cash Desk:
 - (i) All cashier's cages/cash desk, credit and collection procedures;
 - (ii) The reconciliation of trial balances to physical instruments on a sample basis;
 - (iii) cashier's cage/cash desk and designated secure storage area accountability and reconciliation to the general ledger.
 - (d) Electronic Data Processing:
 - (i) Review for compliance with electronic data-processing rules and the

relevant prescribed minimum standards relating thereto.

- (e) Reconciliation of gross revenue from the accounting records to Board tax returns; and
- (f) Review of all casino-related balance sheet accounts at least every six (6) months.

2.2.8 Accounts

- (1) The Accounts function must be supervised by the manager as prescribed in the licensee's jobs' compendium approved by the Board and must be responsible for the control and supervision of the cash desk/cashier's cage, satellite cages, cashier booths including, but not limited to, the following:
 - (a) Accounting controls;
 - (b) The day to day accounting functions with regard to the operation of the Gaming function and the cash desk/cashier's cage;
 - (c) The preparation and control of records and data;
 - (d) The control of stored data, the supply of unused forms, and the accounting for and comparing of forms used in operating the casino;
 - (e) The preparation of all financial and management reports;
 - (f) On a daily basis, the checking, verification and attesting to the accuracy of both the hard and soft counts for casino and gaming machines;
 - (g) The control over controlled or secured stationery, ensuring that:
 - (i) Any stationery requiring strict security controls by virtue of it representing a value in a casino, is purchased from a supplier who has been approved by the Board and granted a certificate of suitability; and
 - (ii) Secured stationery is checked on a daily basis for completeness, that all copies are present, that no unauthorised alterations have been made, and that the stationery is being used in numerical sequence.
 - (h) The cash desk/cashier's cage or secure cash storage area must be audited on a monthly basis, and all variances reported to the employee prescribed in the licensee's jobs' compendium approved by the Board.
- (2) A designated employee within the Accounts function must be responsible for:
 - (a) Ensuring that access to the casino management system is only given to authorised personnel; and
 - (b) Authorising all journal entries and ensuring that revenues, expenses, assets and liabilities are reconciled to the general ledger on a monthly basis.
- (3) The Accounts function must be separate from the Gaming function.

2.3 Cash Desk Procedures

A licensee's ICS in respect of cash desk funds procedures and controls must include the following:

- (1) Cashier floats must be returned to the secure storage area if there are no employees assuming duty.
- (2) A designated supervisor must verify the count and the accounting documentation must be signed by the designated supervisor and the employee leaving duty.
- (3) Cashier booth accounting documentation must be forwarded at the end of the shift, or at the end of the gaming day, directly to the Accounts function for verification purposes, or placed in a secured location which is accessible to members of the accounts personnel only.
- (4) The wrapping of loose coinage from cashier booths and cage cashiers must be performed at a time or location which does not interfere with the hard count or wrap process, or the accounting of that process.
- (5) A record must be maintained which provides evidence of the transfers of any value from the cashier booths to any other location where cash transactions are performed between casino employees.
- (6) The cask desk/cage cashier and the recipient cashier must sign the transfer documentation.
- (7) Cashier booths which are active during a shift, must be reconciled by the employees leaving duty and assuming duty using appropriate accounting documentation, which must be signed by all employees performing the count.

2.4 Electronic Data Processing ("EDP") / Information Technology

A licensee's ICS must include the restriction and control of access to computers, hardware, software and data, and must include, but not be limited to, the following:

2.4.1 General EDP / IT Controls

- (1) Every user must have his/her own individual password which must be encrypted by means of a minimum 128-bit encryption key, and be changed at least once a month with each change being documented.
- (2) A user must use a different password every month over a twelve (12) month period.
- (3) The computer system must deny a user access after three attempts to log-on.
- (4) Adequate backup and recovery procedures must be applied and, where applicable, must include the following:
 - (a) Daily backup of data files;
 - (b) Backup of all programmes;
 - (c) Secure off-site storage of all backup data files and programmes, or other

adequate protection;

- (d) Recovery procedures tested at least quarterly; and
- (e) Maintenance of adequate system documentation including, but not limited to, descriptions of both hardware and software and operator manuals.

2.4.2 Modems

Whenever remote dial-up to any gaming equipment is permitted for purposes of software support or verification, the licensee must maintain an access log, which includes the following information:

- (1) The name of employee authorising modem access;
- (2) The name of the authorised programmer or manufacturer representative;
- (3) The reason for modem access;
- (4) A description of the work performed; and
- (5) The date, time and duration of the access.

2.4.3 Electronic Storage Media

- (1) Documents may be scanned or directly stored to electronic storage media, subject to the following conditions:
 - (a) The electronic storage media must contain the exact duplicate of the original document;
 - (b) All documents stored on electronic storage media must be maintained with a detailed index containing the name of the casino department and date for a period of five (5) years, and such index must be available upon request by the Board;
 - (c) Hardware must be provided in order to perform auditing procedures upon the request of the Board; and
 - (d) The existence of controls to ensure the accurate reproduction of records up to and including the printing of stored documents used for auditing purposes.
- (2) Whenever source documents and summary reports are stored on rewriteable electronic storage media, the electronic storage media may not be relied upon for the performance of any audit procedures, and the original documents and summary reports must be retained for a period of five (5) years.

2.4.4 Personnel Access to Computerised Gaming Machine Systems

- (1) A personnel access list must be maintained in respect of all computerised gaming machine systems, which includes the following information:
 - (a) The employee's name;

- (b) The employee's identification number or other equivalent number; and
 - (c) A list of functions the employee is entitled to perform or some other equivalent means of identifying such functions.
- (2) An audit trail must be maintained of all changes made to any individual's access to the system, and must contain the following information:
- (a) The name of the employee who performed the change;
 - (b) The name of the employee whose access was changed;
 - (c) A description of the access which was added or deleted;
 - (d) The date and time of the change;
 - (e) A computer-generated sequential number; and
 - (f) Any amendment to access rights resulting from a system upgrade.

2.4.5 Duplication of Programme Storage Media

Every licensee must develop internal control systems and procedures for performing duplication of programme storage media.

2.4.6 Table Games Computer-Generated Documentation

The computer-generated documentation used to record table games' transactions must include the following:

- (1) System exception information, including appropriate system parameter information, corrections and voids.
- (2) A personnel access listing, including:
 - (a) The employee's name;
 - (b) The employee's identification number; and
 - (c) A list of the functions the employee performs or an equivalent means of identifying such functions.

2.5 Key Control Standards

The internal control systems and procedures in respect of the control of keys must include, but not be limited to, the following:

2.5.1 Controlled Keys

The following keys are regarded as controlled keys:

- (a) Drop box release keys;

- (b) Drop box storage rack keys;
- (c) Drop box contents keys;
- (d) Gaming machine drop and cabinet keys;
- (e) Count room keys (soft, hard and currency acceptor count rooms);
- (f) Currency acceptor canister storage rack keys;
- (g) Currency acceptor canister release keys;
- (h) Currency acceptor contents keys;
- (i) Cashless server key;
- (j) Keys for storage area for dice, cards and roulette balls;
- (k) All duplicates of the keys listed in paragraphs (a) to (j), inclusive.

2.5.2 Key Control Logs

- (1) Key control logs must be maintained for keys listed in 2.5.1 above.
- (2) All key control logs must contain, at a minimum, the following information for each of the keys mentioned in paragraph 2.5.1 above:
 - (a) Date and time the keys are obtained;
 - (b) Legible signature, printed name and company identification number of the custodian releasing the keys;
 - (c) Legible signature, printed name and company identification number of the person obtaining the keys;
 - (i) In the event that a key is required outside of approved clearance times, the reasons for the use and removal of the key; and
 - (ii) Date and time the keys are returned to the custodian;
 - (d) Legible signature, printed name and company identification number of the person returning the keys; and
 - (e) Legible signature, printed name and company identification number of the custodian receiving the keys.
- (3) Key control logs must be periodically forwarded to the Internal Audit function for scrutiny and retention.
- (4) All entries in the keys control logs must be in indelible ink or some other form of permanent record.

2.5.3 Key Control Standards

2.5.3.1 Tables: Drop Box Release Keys

- (1) Drop box release keys must be maintained by a function independent of the Gaming

function (tables) and must require persons from at least two separate departments to act as custodians and to access the keys.

- (2) Persons authorised to remove table games' drop boxes from the tables must be precluded from having access to drop box contents keys.

2.5.3.2 Tables: Drop Box Storage Rack Keys

- (1) An authorised member of the security personnel must control drop box storage rack keys each time drop boxes are removed from or placed in the storage racks.
- (2) Such person/s is precluded from maintaining custody of or having access to drop box release keys, with the exception of the count team in cases where the boxes are reset during the count.

2.5.3.3 Tables: Drop Box Contents Keys

- (1) The physical custody and access controls must be such that the drop box content keys necessary for accessing stored full drop box contents require the involvement of persons from at least three separate functions, one of which must be security personnel.
- (2) Controls must be implemented that provide for the surveillance personnel to be notified immediately each time the drop box release keys are accessed.
- (3) Surveillance personnel must verify that persons obtaining the keys are authorised to do so and that at least three people from different functions are present.
- (4) Access to the drop box content keys at other than scheduled count times, must require:
 - (a) The involvement of at least three persons from separate functions, one of which must be security personnel;
 - (b) The authorisation of casino management personnel;
 - (c) The documentation of the reason for the unscheduled access;
 - (d) The signature of all participants and observers; and
 - (e) Where the unscheduled access to drop box contents keys is authorised in terms of this rule, surveillance personnel must observe and record the movement of such keys for the entire duration that the keys are unsecured.

2.5.3.4 Gaming Machine: Coin Drop Cabinets

- (1) The keys necessary to access gaming machine coin drop cabinets must be safeguarded in a manner that requires at least three individuals, one of whom must be a member of security personnel, to access the drop cabinet area.
- (2) Security personnel, other than the key custodian and at least one other employee who is independent from the key custodian, must be required to accompany the keys necessary to access gaming machine coin drop cabinets while they are being

checked, and must observe each time, gaming machine drop cabinets are accessed.

- (3) Surveillance personnel must be notified and must observe and record the drop process throughout the period that the keys are being checked.

2.5.3.5 Gaming Machine: Currency Acceptor Canister Keys

- (1) Only employees authorised to remove the currency acceptor canisters, one of whom must be a member of the security personnel, must be permitted access to the currency acceptor canister keys.
- (2) In cases where it is necessary to remove the currency acceptor canisters other than at scheduled drop times, the surveillance personnel must be notified and must observe and record the entire process.
- (3) A member of the security personnel and at least two other employees must be present for the entire duration that the keys are checked.
- (4) The currency acceptor canister keys must be separately stored from the currency acceptor contents keys, and employees performing the removal of currency acceptor canisters must be precluded from having access to the currency acceptor contents keys.
- (5) At least three members of the count team must be present each time the currency acceptor canister storage rack or trolley keys are issued for count purposes and, at all other times, a member of the security personnel and at least two other authorised persons are required to accompany such keys and observe each time full canisters are placed in the storage racks.
- (6) Currency acceptor canister contents' keys must be safeguarded in a manner which requires at least three individuals from three separate functions, one of whom must be security personnel, to access the contents.
- (7) In cases where it is necessary to remove the currency acceptor canister other than at scheduled drop times, surveillance personnel must be notified and must observe and record the entire process.
- (8) A member of management and security personnel and at least one other employee from a separate function must be present for the entire duration that the keys are removed from the key safe.
- (9) At least three count team members are required to be present at the time currency acceptor count room keys.

2.5.3.6 Count Room Keys

- (1) At least two personnel, one of whom must be a member of the security personnel and one of whom must be the count supervisor, are required to be present when the count room keys and other keys necessary to conduct counts, are issued.
- (2) The keys to the soft count room must be:

- (a) Controlled by the designated function or any of his/her delegates as contained in the ICS approved by the Board; and
- (b) Signed in and out by the authorised signatories as contained in the licensee's ICS as approved by the Board.

2.5.3.7 Duplicate Keys

- (1) All duplicate keys must be maintained in a manner which provides for the same degree of control as is required for the keys in use.
- (2) The storage location of duplicate keys must be subject to twenty-four (24) hour surveillance, and recording and controls must be implemented so that surveillance personnel are immediately notified each time duplicate keys are accessed.
- (3) Detailed records must be maintained for each key that is issued, duplicated or destroyed, and must indicate:
 - (a) The type of key;
 - (b) The number of keys issued, made or destroyed;
 - (c) The date on which the keys are issued, made or destroyed;
 - (d) The reason for the issue, manufacture or destruction of the keys; and
 - (e) The full names, designations and signatures of all persons involved in the issuing, duplication or destruction of the keys.
- (4) Representatives from at least two separate functions, one of which must be security personnel, are required to authorise and verify the issuance, duplication and destruction process.

2.6 TABLES

2.6.1 Table Games

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its casino table games, table game equipment or table games' Rules, or any amendments thereto, using the form prescribed in Schedule 2 to these Rules.

2.6.2 General Table Games Internal Control Systems and Procedures

The licensee's ICS for table games must include the following:

- (1) Controls relating to the day-to-day operation of the casino tables, including table opening and closing times.
- (2) Table limits.
- (3) Order of payouts.
- (4) Call Bets procedures.

- (5) Emergency clearance of tables' procedures.
- (6) Established limitations in respect of signing authority for the licensee's Gaming function.

2.6.3 Accounting and Auditing of Table Games

The licensee's ICS for the accounting and auditing of table games must include the following:

- (1) A reconciliation must be prepared for at least the day, week and month-to-date, and must contain sufficient information to prepare the gaming tax returns, including:
 - (a) Drop per table;
 - (b) Win per table; and
 - (c) Total gross gaming revenue.
- (2) If a table game includes the capability to determine drop by means of bill-in or coin-drop meters, currency acceptor or computerised record, or by any other means, the rand amount of the drop recorded by such means, must be reconciled to the actual drop on a daily basis.
- (3) Designated employees must review exception reports for all computerised table games' systems daily for propriety of transactions and unusual occurrences.
- (4) Audit processes undertaken and procedures used for auditing table games must be documented.

2.6.4 Fill and Credit Transactions

A licensee's ICS in respect of Fill and Credit transactions must include the following:

- (1) Fill and credit slips must be in at least three parts, 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.
- (2) In the case of a computerised system, the computer must assign each fill and credit slip a unique identification number that will not be duplicated and will allow for the subsequent accounting of all slips issued.
- (3) Issued and un-issued fill and credit slips must be safeguarded and adequate procedures must be employed in their distribution, use and control.
- (4) In the case of a manual control system, the Accounts function or another function independent of fill and credit transactions, must be responsible for the issue and control of fill and credit slips.
- (5) Cash desk or table games employees must not be permitted access to the locked box or restricted copies of fill or credit slips.
- (6) Where a computerised system is used, employees that participate in fill and credit

transactions must not be permitted access to data files and must be denied the ability to delete or alter such information.

- (7) When a fill or credit slip is voided after being processed, the words "VOID" must be clearly marked across the face of all copies, which must then be countersigned. All available parts must thereafter be submitted to the Accounts function for audit purposes.
- (8) Where a computerised system is used, at least two employees from separate functions must be required to enter authorising identification numbers in order to void a fill or credit slip, and complete chronological records of the transactions and the authorisations must be retained in the computer system and printed on an exception report.

2.6.4.1 Table Fill Transactions

- (1) Fill transactions must be authorised by a designated senior employee by completing a fill slip request prior to the issue of fill slips and the transfer of chips, tokens or other monetary equivalents from the cage/cash desk to the table.
- (2) A fill slip request must be used to document the authorisation contemplated in paragraph (1) above and such request must be at least a two-part document and must include the following:
 - (a) Table number;
 - (b) Date and time;
 - (c) The amount of fill requested, by denomination; and
 - (d) The endorsement of the signatures of the supervisor authorising the fill and the cashier preparing the fill.
- (3) One part of the fill slip request must remain at the tables for subsequent comparison to the fill slip, and the other part must be taken to the cashier's cage by a member of the security personnel, for use by the cashier in the preparation of a fill slip.
- (4) Where a computerised system is used, the supervisor must provide the required information to the tables' personnel as prescribed in the licensee's approved jobs' compendium, who then enter the information into the computer system in order that a copy of the fill slip request is printed automatically in the cashier's cage.
- (5) One part of the fill slip must be transported to the tables with the fill and after the appropriate signatures are obtained, deposited into the table drop box.
- (6) One part of the fill slip must be retained in the cashier's cage for reconciliation of the cashier float.
- (7) In the case of a manual system, one part of the fill slip must be retained and secured, or in the case of a computerised system, a permanent record in the computer data files.
- (8) The table number, date, time and amount of the fill, by denomination and total, must be recorded on all copies of the fill slip.

- (9) All fills must be removed from the cashier's cage/cash desk by security personnel.
- (10) In order to verify that the fill has been counted and that the value thereof reconciles with the amount recorded on the fill slip, each fill slip must be signed by:
 - (a) The cashier who prepared the fill slip and issued the chips, plaques or tokens;
 - (b) The security personnel who conveyed the chips, plaques or tokens from the cage to the gaming table;
 - (c) The dealer who received the chips, plaques or tokens at the gaming table; and
 - (d) The supervisor who supervised the fill transaction.
- (11) Fills must be broken down and verified by the dealer in full view of the public and surveillance personnel.
- (12) Fill slips and request for fill slips must be placed in the drop box by the dealer only.

2.6.4.2 Table Credit Transactions

- (1) When table credits are transacted, a credit slip request must be prepared in order to transfer chips or other monetary equivalents from the tables to the cashier's area.
- (2) A credit slip request must be at least a two-part document and must include the table number, the date, time and amount of the credit, by denomination, and be endorsed with the full names and signature of the supervisor authorising the credit and the cashier preparing the credit slip.
- (3) One part of the credit slip request must be placed on the table in full view of the public and surveillance personnel and must be verified for correct entries, and the total amount of chips, plaques, or other monetary equivalents removed from the table must be documented.
- (4) One part of the credit slip request must be handed to the security personnel for conveyance with the chips, plaques, or other monetary equivalents to the cage, and must be used by the cashier to prepare the credit slip.
- (5) Where a computerised system is used, the supervisor responsible for the table operations must provide the required information to the tables' personnel as prescribed in the licensee's approved jobs' compendium, and must then enter the information into the computer system in order that a copy of the credit slip request may be printed in the cash desk/cage.
- (6) One part of the credit slip must be retained in the cash desk/cage for reconciliation of the cashier float, after the required signatures have been obtained.
- (7) One part of the credit slip must be handed to the tables by the security personnel who conveyed the chips or plaques from the table game to the cash desk/cage and once the appropriate full names and signatures are obtained, must be returned to the table game and deposited in the table drop box.

- (8) One part of the credit slip must, in the case of a manual system, be retained and secured or, in the case of a computerised system, a permanent record in the computer data files.
- (9) The table number, date, shift, time and amount of the credit, by denomination and total, must be recorded on all copies of the credit slip.
- (10) Chips or plaques must be removed from the table tray by the dealer only and must be broken down and verified against the request for credit in full view of the public and a member of the security and the surveillance personnel, prior to the said chips or plaques being placed in racks for transfer to the cash desk/cage.
- (11) Chips or plaques must not be removed from the table game until a request for credit in the equivalent amount has been placed on the table.
- (12) All chips or plaques removed from the table must be conveyed from the table to the cashier's desk/cage, or vice versa, by security personnel, as determined in the licensee's approved jobs' compendium.
- (13) In order to verify that the chips or plaques have been counted and that the value thereof reconciles with the amount recorded on the credit slip, credit slips must be signed by:
 - (a) The cashier who received the items which were transferred from the tables and who prepared the credit slip;
 - (b) The security personnel who carried the items which were transferred from the table to the cashier's desk/cage, and thereafter returned to the tables with the credit slip;
 - (c) The dealer who had custody of the chips or plaques prior to transfer thereof to the cash desk/cage; and
 - (d) The responsible supervisor who supervised the credit transaction.
- (14) The credit slip and the request for credit must be placed in the drop box by the dealer only.
- (15) Chips or plaques must be deposited on, or removed from table games only when the appropriate fill or credit slip is tendered and fills between two tables are strictly prohibited.

2.6.5 Count Room

- (1) The count room must:
 - (a) Be of a brick or concrete construction and both the ceiling and the floor be solidly constructed;
 - (b) Have no external windows;
 - (c) Have an emergency battery-lighting system which must be automatically activated in the event of a power failure and must have sufficient power to last until such time as backup power has been activated;

- (d) Be equipped with a panic alarm system which is:
 - (i) Connected to the surveillance office and with an easily accessible panic button or switch; and
 - (ii) Tested before the start of the count each day;
 - (e) Be equipped with an internal telephone.
- (2) The door to the count room must be:
 - (a) Locked or bolted from the inside while the soft count is taking place; and
 - (b) Fitted with a one-way spy hole.
 - (3) The lighting in the count room must be arranged so that there is no reflection from the count table onto the closed-circuit television cameras in the room.
 - (4) The surface of the count table must be of clear, toughened glass or a transparent, scratch-resistant alternative and there must be no shelves or objects upon, above or below the table, that would obstruct the view of the count supervisor or the closed-circuit television cameras.
 - (5) There must be a clear partition on the count table, so that the cash and chips which have not been counted will be separated from the cash and chips which have been counted.
 - (6) The count room must contain a safe or a lockable metal shelving system to secure uncounted cash in the event that the count is not completed on that business day.
 - (7) The count room must house a closed-circuit television system to allow for the entire process to be monitored and recorded.
 - (8) There must be a device within the count room capable of detecting any movement within the room once the drop boxes have been locked in the room.
 - (9) An alarm device must be installed on the count room door which is activated once the drop boxes have been locked in the room.

2.6.6 Soft Count Procedure

A licensee's ICS in respect of the soft count must include, but not be limited to the following:

- (1) The soft count must not be performed at the same time and at the same location as the count of other revenue functions.
- (2) The count personnel must be independent of the gaming personnel and must have no involvement in the subsequent accounting of the soft drop proceeds.
- (3) There will be at least three (3) persons, one of whom must be the count supervisor, present during the count.
- (4) Only English must be spoken in the count room.

- (5) The Security and Surveillance functions must be notified of the intention of any person to enter the count room prior to such person entering the count room.
- (6) The count process and any sound during such process must be monitored and recorded by the surveillance system.
- (7) Access to the count room during the count is restricted to members of the drop and count teams.
- (8) Access to stored drop boxes, whether full or empty, must be restricted to members of the drop and count teams only.
- (9) The count room door must only be opened during a count upon request of an authorised person after the count table has been cleared of all chips and cash.
- (10) At no time during the count must more than one person at a time leave the count room until all monies have been counted, verified and accepted into the cage or vault, except as provided in the casino licensee's ICS.
- (11) Count team members must be routinely rotated in such a way that the same three individuals are not grouped together in the count for more than four (4) days in any week.
- (12) The keys to the drop boxes as well as the drop box storage facility must be signed out from the security personnel, as authorised in the licensee's ICS approved by the Board.
- (13) Locked drop boxes must be removed from tables by security personnel, or a clearance team that is independent from the tables operation, under the supervision and attendance of a senior gaming staff member.
- (14) The drop boxes must be transferred to a secure storage area, which may be located in the count room.
- (15) The removal and transportation of the drop boxes must be monitored and recorded by surveillance personnel on the casino's closed-circuit television system.
- (16) All drop boxes must be cleared from the tables, regardless of whether the tables were opened or not.
- (17) The drop boxes removed must be placed in a trolley for transportation purposes and the drop boxes and trolley must remain in full view of the closed-circuit television cameras at all times.
- (18) All drop boxes removed from the table must be secured in the secure storage area.
- (19) Drop boxes must be individually emptied and counted and no more than one box may be open at any one time.
- (20) The count documentation of each box must be recorded in indelible ink or other permanent form of recording.
- (21) If currency counters are utilised and the count room table is used only to empty boxes and sort or stack contents, a count team member must, at all times, observe the loading and unloading of all currency at the currency counter, including rejected

currency.

- (22) Drop boxes, when empty, must be shown to the other members of the count team who are observing the count, and to the closed-circuit television camera.
- (23) Cash desk/cashier's cage and drop box copies of the fill or credit slips must be matched or otherwise reconciled by the count team or Accounts function to verify that the total rand amounts for the gaming day are identical.
- (24) Requests for fills and credits must be matched to the fill or credit slips by the count team in the event that this function is not performed by accounts personnel.
- (25) Fills and credits must be traced to, or recorded on, the count sheet or verified against electronic transaction reports, and must be examined for correctness by the count team, in the event that this function is not performed by accounts personnel.
- (26) Copies of the markers removed from the drop boxes must be:
 - (a) Traced to or recorded on the count sheet by the count team; and
 - (b) Totalled and traced to the totals documented by the computerised system.
- (27) The opening or closing table sheet and marker inventory forms, where applicable must be:
 - (a) Examined and traced to or recorded on the count sheet; or
 - (b) Where a computerised system is used, accounts personnel may trace the opening or closing table and marker inventory forms, where applicable, to the count sheet: Provided that any discrepancies must be investigated and the findings of the said investigation must be documented and made available for inspection by the Board.
- (28) Corrections to information originally recorded by the count team on soft count documentation must be made by crossing out the error, entering the correct figure and thereafter obtaining the initials of at least two members of the count team to verify the change on the count sheet.
- (29) The total count recorded on the count sheet must 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 that particular count.
- (30) All members of the count team must attest by signature to the accuracy of the table games count.
- (31) All monies and monetary equivalents that were counted must be turned over to the cash desk/cashier's cage/secure cash storage area, or on-site cash bureau facility, who must be independent of the count team and must certify by signature to the accuracy of the monies delivered and received.
- (32) Where the soft count takes place on the day after the business day, the drop boxes will be locked into a safe or a lockable area within the count room and the process will be monitored and recorded by means of the closed-circuit television system.
- (33) Observers and supervisors needed for the purpose of resolving problems,

maintenance personnel and personnel required to collect the empty drop boxes for purposes of putting them on the tables, may enter the count room only if properly authorised.

- (34) The count sheet, with all supporting documents, must be promptly delivered to the Accounts function by the count team supervisor at the conclusion of the count, or the documentation may be placed in a locked container to which only accounting personnel can gain access until retrieved by accounts personnel.
- (35) The involvement of at least two individuals independent of the cash desk/cashier's cage, one of whom must be security personnel, must be required to access empty drop boxes.

2.7 CASINO GAMING MACHINES AND GAMING EQUIPMENT

2.7.1 Gaming Machine and Gaming Equipment Standards

- (1) All gaming machines must contain the following functioning meters:
 - (a) A coin-in meter;
 - (b) A coin-out meter;
 - (c) A drop or cash box meter;
 - (d) A jackpot and credit win or hand pay meter;
 - (e) Number of games played; and
 - (f) Cashless system meters.
- (2) All gaming machines with currency acceptors must contain functioning bill-in meters which must record the rand amounts or number of bills accepted, by denomination.

2.7.2 EPROM or Gaming Software Control

A licensee's ICS in respect of EPROMs or gaming software must include the following:

- (1) Verification on receipt of EPROMs or gaming software from the manufacturer, the master programme number, par percentage, and pay table, against the manufacturer's specification sheet and the Board's LOC number by the manager and supervisors as prescribed in the licensee's approved jobs' compendium, whereafter the EPROM or gaming software register must be signed by all parties present.
- (2) Registered copies of all percentage, game or personality EPROMs or gaming software, must be kept under the dual control of two employees, one of whom must be security personnel.
- (3) Maintenance of a register for all EPROMs or gaming software, which must include the following information:
 - (a) EPROM or gaming software number;
 - (b) Board's LOC;

- (c) Details of the manufacturer;
 - (d) Date of the par verification and the signatures of all persons present at such verification;
 - (e) The reason for the removal of the EPROM or gaming software from the secured area, and the signatures of the individuals performing such removal;
 - (f) The date of destruction of the EPROM or gaming software, the reasons therefore, and the signatures of the individuals performing such destruction; and
 - (g) The testing device signature number.
- (4) Procedures for the electronic storage and copying of EPROMs or gaming software and the sealing of such into the machines.
 - (5) Procedures for the control of competition and promotional EPROMs or gaming software.

2.7.3 Machine Payouts

2.7.3.1 Theoretical and Actual Hold

A licensee's ICS in respect of theoretical and actual hold, in accordance with the Rules, must include the following:

- (1) Record keeping of all gaming machines.
- (2) Setting of parameters which will be used to review all meter readings to assess reasonableness.
- (3) Procedures in respect of theoretical hold changes to gaming machines.
- (4) Management of gaming machine statistical reporting.
- (5) Procedures in respect of those gaming machines or groups of identical machines, excluding multi-game machines, where differences in theoretical payback percentage exceed a four percent (4%) spread between the minimum and maximum theoretical payback must be performed as follows:
 - (a) On a six-monthly basis, the meters that contain the number of plays by wager must be recorded; and
 - (b) On an annual basis, the adjusted theoretical hold percentage based on the distribution of plays by wager type, must be calculated, and the revised percentage added to the gaming machine statistical report.
- (6) For multi-game machines the following must be performed:
 - (a) At least quarterly, the recording of total coin-in meter;
 - (b) At least quarterly, the recording of coin-in meters for each game contained in the machine; and

- (c) Annual adjustment of the theoretical hold percentage to a weighted average based upon the ratio of coin-in for each game.
- (7) Maintenance of records for each machine reflecting the following:
- (a) The date the machine was placed into service;
 - (b) The date the machine was removed from operation;
 - (c) The date the machine was placed back into operation; and
 - (d) Any changes in the machine numbers and designations.
- (8) Where manual meter readings are taken, the recording of the meter reading information for all gaming machine meters, by a designated employee.
- (9) Where a computerised system is used, the meter reading information of the meters may be downloaded by the system at the time that the machine is cleared.
- (10) Where a computerised system is used, tolerance levels may be pre-set in the system to highlight these exceptions.
- (11) Upon receipt of the meter-reading summary, accounts personnel must review all meter readings for reasonableness, using pre-established and documented parameters, which must be contained in the licensee's approved ICS.
- (12) Prior to final preparation of statistical reports, meter readings that do not appear reasonable must be reviewed with gaming personnel and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected.
- (13) All follow-ups performed on unreasonable meter readings must be documented and retained with the report for a period of five (5) years.
- (14) A report must be produced at least monthly, showing month-to-date, year-to-date and, where practical, life-to-date of actual hold percentage computations for individual machines, compared to each machine's theoretical hold percentage.
- (15) Where promotional payouts and awards are included as a factor in preparing gaming machine statistical reports, it must be done in a manner that prevents the distortion of the actual hold percentage of the relevant machines.
- (16) A report must be produced monthly, showing year-to-date combined gaming machine performance, by denomination, and must include the following for each denomination:
- (a) The floor par, where floor par is the sum of the theoretical hold percentages of all machines within a denomination weighted against coin/bill-in contribution;
 - (b) The combined actual hold percentage;
 - (c) The percentage variance between the floor par and the combined actual hold percentage; and

- (d) The projected rand variance that is the coin/bill-in multiplied by the percentage variance.
- (17) Gaming machine statistical reports must be reviewed on a monthly basis by the management of the licensee's Gaming function.
- (18) Large variances between theoretical hold and actual hold must be promptly investigated and resolved by management, and the findings of such investigation documented and reported to the Board within fourteen (14) days of the completion of the investigation.
- (19) Maintenance of the computerised gaming machine accounting and monitoring system data files must be performed by Electronic Data Processing / IT personnel.
- (20) Updates to the computerised gaming machine accounting and monitoring system to reflect additions, deletions or movements of gaming machines, must be made at the time of the change, so as to ensure that reports reflect accurate information.

2.7.3.2 Changes to Payout Percentages of Gaming Machines and Gaming Equipment

- (1) Where changes to payout percentages are required, the following standards will apply: provided that a change may not occur more than once every three (3) months and the change may only take place during a time that the machine is not being offered for play:
 - (a) In the case of single game chip sets, the theoretical return to player in any game must not be capable of being changed without changing the chip set in the machine, and whenever such a change is made, the following must be recorded:
 - (i) The name of the person making the change;
 - (ii) The closing reading of the soft meters of the machine; and
 - (iii) Details of the change, such as, but not limited to, the chip's identification and testing device numbers.
 - (b) In the case of multi-game chip sets where a gaming machine contains a chip set with more than one game name, return to player, or bet size combination on the installed chip, such chip sets must be approved by the Board;
 - (c) In the case of multi-game chip sets where a gaming machine contains a chip set with more than one game, return to player or bet size combination, the set of games to be made available to the player may be varied via the monitoring and control system and, in such event, the following must be recorded by the monitoring and control system:
 - (i) The name of the person making the change; and
 - (ii) The closing reading of the soft meters of the game(s) being replaced.
- (3) A licensee must apply to the Board for approval of any changes to payout percentages of gaming machines by means of the completion and submission of the prescribed form (Alterations and/or Modifications) as contained in Schedule 2 to the Rules.

2.7.3.3 Supplementary/Promotional Payouts and Awards

- (1) A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of supplementary/promotional payouts and awards using the form prescribed in Schedule 2 to these Rules.
- (2) A licensee's ICS in respect of supplementary payouts and verification of same must include the following:
 - (a) All payouts and awards procedures, including verification controls.
 - (b) The form or documentation completed in respect of promotional payouts and awards must include the following information:
 - (i) The date and time;
 - (ii) The machine number and denomination;
 - (iii) The rand amount of payout, or description and value of the prize awarded if not cash;
 - (iv) The type of promotion, such as double jackpots or four-of-a-kind bonuses; and
 - (v) The signature of a supervisor from the Gaming function and at least one other employee authorising and completing the transaction.

2.7.4 Hand Payouts, Gaming Machine Hopper Fills, Short Pays and Accumulated Credit Payouts

A licensee's ICS in respect of hand payouts, gaming machine hopper fills, short pays and accumulated credit payouts must include the following:

- (1) Hand payouts, gaming machine hopper fills, short pays, and accumulated credit payouts procedures and verification procedures, which must include:
 - (a) For all hand payouts and gaming machine fills, the payout form or documentation must be at least three parts, or single sheet if it is computer-generated, and must include the following information:
 - (i) The date and time;
 - (ii) The machine number;
 - (iii) The rand amount of the cash payout, both alpha and numeric or the description and value of the prize awarded, if not cash;
 - (iv) In the case of handwritten payouts, the game outcome for jackpot and progressive payouts only, including reel symbols, card values and suits;
 - (v) The type of payout, including progressive, jackpot, credit win, short pay, special pay or hopper fill (where licensees still use coins);

- (vi) The signatures of all employees verifying and witnessing the jackpot payout or gaming machine hopper fill;
 - (vii) The signature of the customer; and
 - (viii) The same pre-printed or concurrently printed sequential number on all copies of the form.
- (b) For hopper fills, the payout form documentation must be at least three part or single sheet if it is computer-generated, and must include the information contemplated in paragraph (1) (a) above.
 - (c) For machine short pays and payouts required for accumulated credits, the payout form must be the same form as described in paragraph (1) (a) above, and must include the following information:
 - (i) The date and time;
 - (ii) The machine number;
 - (iii) The rand amount of payout, both alpha and numeric; and
 - (iv) Signatures verifying and witnessing the payout.
 - (d) For short pays, the value paid must also be recorded on the machine entry log contained in the machine.
 - (e) The person authorising and making the payout must sign the machine entry log.
- (2) Controls in respect of signature verifications.
 - (3) Password and physical controls in respect of all payouts, including controls for verification by supervisors of all corrections made to jackpot payouts information and gaming machine hopper fills (where licensees still use coins or tokens).
 - (4) Computer systems used to record gaming machine transactions must be capable of generating adequate documentation of all information recorded on the source documents and transaction detail, including jackpot payout slips and gaming machine hopper fill slips.
 - (5) Access to the computer-generated documentation contemplated in paragraph (4) above, must be restricted to authorised personnel who have no incompatible functions.
 - (6) The computer-generated documentation contemplated in paragraph (4) above must include the following information:
 - (a) System exception information, including appropriate system parameter information, corrections and voids; and
 - (b) A personnel access listing which must include the following:
 - (i) The employee's name;

- (ii) The employee's identification number; and
 - (iii) A list of the functions the employee may perform.
- (7) Restricted copies of forms used to record jackpot payout and gaming machine hopper fills must be:
 - (a) Treated as secured and controlled stationery;
 - (b) Completed in triplicate with the same pre-printed number appearing on all copies of the form; and
 - (c) Accounted for by accounts personnel, who must investigate and provide a report, to be retained for Board inspection for a period of five (5) years in respect of all missing or altered forms.
- (8) In the case of a computerised system, the restricted copy must be in the form of restricted computer storage media, which must be verified by the Accounts function against the documents issued on the casino floor.

2.7.5 Coin and Token Clearance

A licensee's ICS in respect of coin and token clearance procedures (where applicable) must include the following standards:

- (1) A minimum of three (3) employees, at least one of whom must be a member of the Security function and one of whom must be the count supervisor, must be involved in the removal of the gaming machine drop.
- (2) If more than one clearance team is used, security personnel must be assigned to each clearance team for the duration of the clearance process.
- (3) Proper security must be provided at all times over the contents removed from the gaming machine drop cabinets, prior to the contents being transported to, and secured within, the hard count room.
- (4) If more than one trip is required to remove the gaming machine drop from all of the machines, the filled carts or coins must be locked and secured immediately in the count room, or in another equivalent manner.
- (5) The Surveillance function must monitor and record the entire gaming machine clearance process, so as to ensure that all coins and tokens are adequately safeguarded during the clearance process.

2.7.6 Currency Acceptor Clearance and Counts

A licensee's ICS in respect of currency acceptor clearance and counts must include the following standards:

- (1) The currency acceptor canister must be removed by an employee independent of the Gaming function, placed in locked trolleys, transported directly to the count room, or other similarly restricted location, and locked in a secure manner until the count takes place.

- (2) The removal and transportation of currency acceptor canisters must be performed by a minimum of three (3) employees, one of whom must be from the security personnel.
- (3) The currency acceptor count must be performed in the count room.
- (4) The currency acceptor count must be performed by at least three (3) employees as prescribed in the licensee's approved jobs' compendium.
- (5) The currency acceptor count team must be independent of the transactions being reviewed and counted.
- (6) Currency acceptor canisters must be individually emptied and counted in such a manner as to prevent the mingling of funds between canisters until the count of each canister has been permanently recorded.
- (7) The count of each canister must be recorded in indelible ink or some other permanent form of recording.
- (8) Where currency sorters and counters are utilised and the count room table is used only to empty canisters and sort or stack contents, a count team member and surveillance personnel must be able to monitor the loading and unloading of all currency at the currency counter, including rejected currency.
- (9) Currency canisters, when empty, must be shown to another member of the count team and to a surveillance camera, to verify that all the contents have been removed.
- (10) The notes counted must be reconciled with the machine meter reading on a daily basis.
- (11) Corrections to information originally recorded by the count team on currency acceptor count documentation must 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 must be reconciled with 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 accounts personnel, as determined in the licensee's jobs' compendium approved by the Board, must attest, by means of signature, to the accuracy of the currency acceptor canister count.
- (14) Once all currency acceptor canisters have been counted and the totals reconciled by the count team, all monies must be turned over to the cash desk/cashier's cage or secure cash storage area, which must be independent of the count team, or on-site cash bureau facility.
- (15) The cash desk/cashier's cage representative must certify, by signature on the count sheet, the accuracy of the currency delivered and received and upon signing the count sheet the cash desk/cashier's cage must become responsible and accountable for the currency count proceeds.

- (16) Access to stored full currency acceptor canisters must be restricted to authorised members of the clearance and count teams only.
- (17) Access to the count room must be restricted to members of the count team, authorised observers and supervisors responsible for resolving problems, and authorised maintenance personnel.
- (18) All persons other than the authorised count team members must be accompanied by security personnel at all times they are present in the count room.
- (19) The count sheet, with all supporting documents:
 - (a) Must be delivered to the Accounts function by a count team member or security personnel; or
 - (b) May be adequately secured by means of a locked container to which only accounts personnel can gain access until it is retrieved by the Accounts function.
- (20) Controls and procedures for the investigating and reporting of all variances between the notes counted and the machine meter reading.

2.7.7 Gaming Machine Hopper Contents

A licensee's ICS in respect of gaming machine hopper contents must include the following:

- (1) Controls in respect of securing of gaming machine drop and hopper contents:
 - (a) When machines are temporarily removed from the floor, where licensees make use of coins and/or tokens, gaming machine drop and hopper contents, they must be secured to avoid misappropriation of stored funds.
 - (b) Security personnel must be present when machine contents are secured to ensure that such contents are adequately safeguarded.
- (2) When machines are permanently removed from the floor, the hopper contents must be added to the gaming machine drop by at least two (2) employees in the presence of security personnel.
- (3) A closing fill must be made out to the equivalent value of the opening fill, and the closing fill documentation must be passed to the Accounts function.
- (4) The Accounts function must pass the closing fill documentation to the count personnel.

2.7.8 Emergency Clearances of Notes or Coins for Gaming Machines

Every licensee's ICS for the emergency clearance of notes or coins from gaming machines procedure must include the following:

- (1) The Board must be notified in writing of the reasons for the emergency clearance within one (1) working day.

- (2) Details of the employees who participated in the emergency clearance and the supervisor/manager who authorised such clearance, must be included in such notification.

2.7.9 Weigh Scale

A licensee's ICS in respect of weigh scale calibration must include the following standards:

- (1) The weigh scale calibration module must be secured by means of a pre-numbered seal, lock and key, or by some other means, so as to prevent unauthorised access thereto by count personnel.
- (2) Security personnel must be present whenever the calibration module is accessed for repair or re-calibration, and personnel responsible for the Surveillance function, as prescribed in the licensee's approved jobs' compendium must be notified prior to any person accessing the said module.
- (3) Each time the calibration module is accessed, a log must be completed that includes the following:
 - (a) Date and time;
 - (b) Nature of the repair; and
 - (c) Signatures of all persons observing the process.
- (4) The log contemplated in paragraph (3) above must be retained for Board inspection for a period of five (5) years.
- (5) Prior to the gaming machine count beginning, a minimum of two (2) employees, at least one (1) of whom must be security personnel and one of whom must be the supervisor responsible for the count, must verify the accuracy of the weigh scale and weigh scale interface with varying weighs, or with varying amounts of previously counted coins for each denomination.
- (6) The results of the tests contemplated in paragraph(5) above must be documented by the employees performing the tests, who must sign and date the form containing the results of the tests and must be retained for Board inspection for a period of five (5) years.
- (7) If a weigh scale interface is used, access thereto must be adequately restricted so as to prevent unauthorised access thereto by count personnel, by means of passwords or keys, or other means.
- (8) If the weigh scale has a zero adjustment mechanism, it must be physically limited to minor adjustments, or physically situated so that any unnecessary adjustments to it during the weigh process will be observed by other count team members and personnel from the Surveillance function.
- (9) The weigh scale and weigh scale interface, where applicable, must be tested by the Internal Audit function on a quarterly basis, with the test results being documented and retained for Board inspection for a period of five (5) years.

2.7.10 Gaming Machine Hard Count and Wrapping of Coins

The licensee's ICS in respect of gaming machine hard count and wrapping must include the following:

- (1) The weigh or count process must be performed by a minimum of three (3) employees, at least one (1) of whom must be a supervisor responsible for the count.
- (2) At no time during the weigh or count process must there be fewer than three (3) count team members in the count room.
- (3) The Surveillance function must be notified prior to the commencement of the weigh or count process and must observe and record the weigh and wrap of the gaming machine drop.
- (4) Prior to the gaming machine count beginning, the accuracy of the weigh scale and weigh scale interface must be verified by personnel as prescribed in the licensee's approved jobs' compendium.
- (5) The functions performed during the counting of the gaming machine drop must include:
 - (a) A count team Supervisory and Recording function, which must involve the recording of the gaming machine count or the entering of the appropriate information, into a computerised system and overall control of the weigh or count and wrap process; and
 - (b) A Manual Labour function which must involve the assistance of a count team member in the weigh or count process in a non-supervisory capacity.
- (6) The amount of the gaming machine drop proceeds from each machine must be recorded in indelible ink on a gaming machine weigh or count document by the recorder, or be mechanically printed by the weigh scale.
- (7) Where a weigh scale interface is used, the gaming machine weigh or count figures must be transferred and recorded via a direct line or computer storage medium.
- (8) The weigh tape and the gaming machine count document, attesting to the accuracy of the weigh or count, must be signed by the count team supervisor or recorder, and at least one other count team member.
- (9) All other persons who participate in the weigh, count and wrap process must sign the gaming machine count document or summary report so as to attest to their presence and participation in the weigh, count and wrap process.
- (10) The gaming machine document or summary report must also be signed by a member of the Accounts function so as to attest to the accuracy thereof.
- (11) Coins and tokens must be wrapped and reconciled in a manner which precludes the mingling of the current count with coin and tokens from the preceding or following count.
- (12) The total coins counted per machine must be reconciled with the meter readings obtained from the machine.

- (13) Procedures for the investigation and reporting of variances between the total coins counted per machine and the meter readings thereof.
- (14) The results of any such investigations undertaken into variances must be documented and retained for the Board's inspection for a period of five (5) years.
- (15) A minimum of three (3) employees must be present throughout the process of wrapping the gaming machine drop proceeds, and the said employees must remain responsible for all the proceeds until the funds are handed over to the designated employee responsible for the secure storage area.
- (16) The Accounts function must verify the accuracy of the reconciliation and wrapped gaming machine counts.
- (17) Transfers of values out of the count room during the gaming count and wrap process must be recorded on a separate pre-numbered, multi-part form, which is used solely for the recording of gaming machine count transfers, and must be subsequently reconciled by the accounts personnel so as to ensure the accuracy of the reconciled and wrapped gaming machine drop.
- (18) Transfers of values out of the count room during the gaming count and wrap process is prohibited.
- (19) The transfers as contemplated in paragraph (17) above, must be counted and signed for by at least two (2) members of the count team, a member of accounts personnel who is responsible for authorising a transfer of such nature as determined in the licensee's jobs' compendium as approved by the Board, and the employee receiving the said transfer.
- (20) Upon completion of the wrapping of the gaming machine drop proceeds:
 - (a) The count team supervisor, one other member of the count or wrap team, the accepting secure storage area cashier, and a member of the Accounts function must count the final wrapped, bagged or racked gaming machine drop, independent of each other; and
 - (b) The counts contemplated in paragraph (a) must be independently recorded in a summary report which must note any discrepancies which may exist between the counts, whether a re-count was performed, and any differences which were reconciled and which must be forwarded to the Accounts functions for scrutiny and retention purposes.
- (21) At the conclusion of the reconciliation, the count team supervisor, one other count team member, the cash desk/cage employee, and an accounts employee must sign the summary report attesting to its accuracy and accountability for the gaming machine drop proceeds, which must thereafter be transferred to the cash desk or cashier's cage.
- (22) The total of the wrapped, bagged or racked coins and tokens, exclusive of proper transfers, must be transported to the cage or secure storage area, after the reconciliation of the weigh or count to the wrap.
- (23) Investigation and reporting procedures in respect of variances between the weigh or count, and the wrap.

- (24) The results of investigations in respect of variances between the weigh or count, and the wrap, must be documented and retained for Board inspection for a period of five (5) years.
- (25) All gaming machine count and wrap documentation, including any applicable computer storage media, must be immediately delivered to the Accounts function by the count team or security personnel: provided that the count documentation may be secured by means of a locked container.
- (26) Corrections made on gaming machine count documentation must be made by crossing out the error, entering the correct figure, and obtaining the initials of the count team supervisor and at least one other count team member.
- (27) Where a weigh scale interface is used, corrections to gaming machine count data must be done by:
 - (a) Crossing out the error on the gaming machine document, entering the correct figure and then obtaining the initials of at least two count team employees. Thereafter an employee independent of the Gaming Machine function and count team, must enter the corrected figure into the computer system prior to the generation of related gaming machine reports; or
 - (b) Correcting the error in the computer system and entering the passwords of the count team supervisor and at least one other count team member during the count process. Thereafter, an exception report must be generated by the computer system, wherein the gaming machine number, the error, the correction, and the count team employees attesting to the correction, are identified.

2.7.11 Wide Area Progressive System Gaming Machines or Inter-Casino Linked Progressives

- (1) A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of a wide area or inter-casino linked progressives, using the form prescribed in Schedule 2 to the Rules.
- (2) A licensee's ICS in respect of wide area progressive system gaming machines or inter-casino linked progressives, must include the following standards:
 - (a) Procedures for wide area progressive gaming machines or inter-casino linked progressives in respect of the following:
 - (i) The reconciliation of meters and jackpot payouts;
 - (ii) The collection or drop of gaming machine funds;
 - (iii) Jackpot verification and payment and billing thereof to casinos on a pro-rata basis; and
 - (iv) System maintenance and system accuracy.
 - (b) Any wide area progressive system via gaming machines or inter-casino linked progressives must be adequately restricted to prevent unauthorised access thereto.

- (c) The restriction contemplated in (b) above may be achieved by changing passwords at least monthly, restricting access to the EPROMs or gaming software, and restricting physical access to computer hardware.

2.7.12 Accounting and Auditing of Gaming Machines

A licensee's ICS for the accounting and auditing of gaming machines must include the following:

- (1) Review by accounting or auditing personnel of exception reports for all computerised gaming machine systems for propriety of transactions and unusual occurrences.
- (2) The recording and retention of all gaming machine auditing procedures and any follow-ups performed.
- (3) The recording and retention of all follow-ups performed and the results of any investigation of unresolved variances.
- (4) Where a computerised gaming machine accounting and monitoring system is used, the random verification of the system's accuracy of transmitted and received data from the gaming machines, and the accuracy of the meter readings as recorded in the gaming machine statistical report.
- (5) Reconciliation of gross gaming revenue on tax returns with the win in the gaming machine analysis report.
- (6) Quarterly random verification by accounting or auditing personnel of EPROM or gaming software changes reflected in the gaming machine analysis reports.

2.8 CHIPS, GAMING PLAQUES, TOKENS, INTEGRATED CIRCUIT CARDS (SMART CARDS) AND OTHER FACE VALUE INSTRUMENTS

2.8.1 Approval of Chips, Plaques, Tokens, Integrated Circuit Cards and Other Face Value Instruments

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of chips, plaques, tokens, integrated circuit cards and other face value instruments, using the form prescribed in Schedule 2 to the Rules.

2.8.2 Approval of Promotional or Tournament Chips, Plaques or Tokens

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of promotional or tournament chips, plaques or tokens, using the form prescribed in Schedule 2 to the Rules.

2.8.3 Approval of Transportation Containers for Movement of Chips

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its transportation containers for the movement of chips, using the form prescribed in Schedule 2 to the Rules.

2.8.4 Control of Chips, Gaming Plaques and Gaming Machine Tokens

A licensee's ICS relating to the issue, exchange, use and removal of chips, gaming plaques and gaming machine tokens must include both the requirements of the Regulations and must include, but not be limited to, the following:

- (1) Chips, gaming plaques and gaming machine tokens must only be issued at the cashier's desk/cashier's cage or at tables, and must be redeemed at the cashier's cage: provided that chips may be exchanged by a patron at the gaming machine booths for currency or coins, or for gaming machine tokens to be used for play on gaming machines in the casino concerned.
- (2) A casino licensee must, upon presentation of any chip, plaque or token by a patron, exchange the chip, plaque or token for the equivalent amount in cash or a cheque, or a combination of cash and a cheque, which must be dated the same date on which the chips or plaques are exchanged.
- (3) Whenever there is reason to suspect that the casino is taking on counterfeit chips, or whenever any impropriety or defect in the utilisation of the primary set of chips makes removal of the primary set necessary, or whenever the Board so directs, the reserve set must be placed into active play.
- (4) Whenever the primary set of chips is removed from active play, such removal must be reported to the Board within (2) days, providing reasons for such occurrence.
- (5) The system of accounting in respect of gaming chips and plaques should include the value of the primary and reserve sets of chips on the licensed premises at all times.
- (6) Systems of exchange and issue of chips, plaques or tokens on licensed premises, or between one licensee and another licensee.

2.8.5 Integrated Circuit Cards ("smart cards")

A licensee's ICS pertaining to integrated circuit cards must include the following:

- (1) Ordering, receiving and issuing of smart cards and associated devices;
- (2) Access control and storage of temporary smart cards;
- (3) Lost, found, stolen or missing smart cards; and
- (4) Destruction of damaged or redundant smart cards.

2.9 DICE

2.9.1 Approval of Dice

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of dice, using the form prescribed in Schedule 2 to the Rules.

2.9.2 Approval of Transportation Containers for Movement of Dice

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its transportation containers for the movement of dice, using the form prescribed in Schedule 2 to the Rules.

2.9.3 Receipt of Dice from Manufacturer or Supplier

A licensee's ICS in respect of dice received must include the following:

- (1) On receipt of dice from the manufacturer or supplier thereof, the boxes must be opened and the contents inspected by designated personnel.
- (2) Appropriate annotations must be made in the inventory register contemplated in the Rules for this purpose.
- (3) Any defects with the dice or any discrepancy between the manufacturer or supplier's invoice or other document accompanying the dice, and the actual dice received, must be reported to the Board and recorded in the inventory register.
- (4) Any defective dice must be placed in a sealed bag or container and a label must be attached identifying the following:
 - (a) The detail of the defect;
 - (b) The date and time;
 - (c) The manufacturer or supplier's invoice number; and
 - (d) The names and signatures of the persons inspecting the dice.
- (5) The sealed envelope bag or container containing the defective dice must be removed to the surveillance offices, where the surveillance personnel authorised to receive the dice, must sign for the receipt of the dice and retain such in the secure storage area used for this purpose, for a period of twelve (12) months, or such longer period as the Board may require. The dice must thereafter be destroyed in accordance with the destruction or disposal procedure as approved by the Board.
- (6) Any dice received in accordance with the rule, and which are not defective or are not intended for immediate use at a gaming table in the licensee's casino, must be recorded in the inventory register as reserve dice, and must be stored in a secured storage area used for this purpose.
- (7) Keys for the secure storage area must be controlled as specified in the licensee's ICS for the control of keys.

2.9.4 Inventory Register and Movement of Dice

A licensee's ICS in respect of the inventory register and the movement of dice must include, but not be limited to, the following:

- (1) An inventory register must be kept for all approved dice for purposes of recording the following information:

- (a) The quantity of dice taken into stock on receipt thereof from the manufacturer or supplier;
 - (b) The date and time on which the dice were received and taken into stock;
 - (c) The names and signatures of the employees who opened and inspected such dice;
 - (d) Any defects or discrepancies and the reporting thereof to the Board;
 - (e) The quantity of defective dice retained by the Surveillance function for destruction;
 - (f) The quantity of dice put into immediate use at a gaming table, and the date thereof;
 - (g) The quantity of dice placed in, removed from, and returned to, the reserve inventory;
 - (h) Daily, monthly and annual inventories of dice; and
 - (i) Any other information the Board considers necessary.
- (2) Procedures in respect of daily inventory to be taken of dice distributed to gaming tables, dice destroyed, dice in reserve, and dice returned to the designated secure storage area from gaming tables, and for details thereof to be recorded in the inventory register.
- (3) Procedures in respect of quarterly inventory to be taken of all dice in reserve and in use and the recording of results in the inventory register, and the reporting of any discrepancies to the Board.
- (4) Controls in respect of the secure storage of all dice in the possession of the licensee during non-gaming hours.
- (5) Controls in respect of the removal or return of dice must include the following:
- (a) Whenever dice are required at a table game in the casino, or are returned therefrom:
 - (i) The dice must either be removed from or returned to the secure storage area for this purpose, in the presence of designated surveillance and gaming personnel.
 - (ii) The dice so removed or returned must be recorded in the inventory register by the persons referred to in paragraph (i) above, who must date and sign the inventory register and note the time of such annotation.
 - (b) Prior to commencement of gaming each day, the persons referred to in (i) above, who are in possession of the keys to the secure storage area must remove the appropriate number of dice for that gaming day from the designated secure storage area, and then place them in a separate envelope bag or container appropriately marked for each gaming table.
- (6) Control procedures in respect of the inspection of dice to ensure that dice comply with SANS 1718 specifications (where applicable) must include the inspection of dice

with a micrometre or any other approved instrument which performs the same function.

- (7) Control procedures in respect of the movement of dice, which must include:
 - (a) The use of a transparent envelope bag or container that is fitted with a secure seal; and
 - (b) The method of sealing.

2.9.5 Defective Dice or Dice which have been Tampered With

A licensee's ICS in respect of defective dice or dice which have been tampered with, must include, but not be limited to, the following:

- (1) Internal control procedures to ensure that dice are not tampered with.
- (2) Procedures in respect of the removal of any dice where there is any indication of tampering or other defects, which will affect the integrity or fairness of the game, or at the request of the Board or an inspector of the Board, and the reporting of any evidence of tampering or other defect to the Board.
- (3) Procedures in respect of the inspection of dice for evidence of tampering, or other defect, and the reporting thereof to the Board.
- (4) Procedures to deal with defective dice, or dice which show evidence of having been tampered with, which must include placement of such dice in a designated secure storage area for a minimum period of twelve (12) months, or such longer period as the Board may require, for purposes of investigating the circumstances under which the dice became defective or were tampered with.

2.9.6 Disposal and Destruction of Dice

A licensee's ICS in respect of disposal and destruction of dice must include, but not be limited to the following:

- (1) Control procedures detailing the following:
 - (a) The method to be used for the disposal and destruction of dice;
 - (b) The secure location where such procedure will take place; and
 - (c) The personnel responsible for undertaking such destruction and disposal.
- (2) Procedures in respect of maintenance of destruction/disposal records to include the following:
 - (a) The number of dice destroyed on obtaining required approval from the Board;
 - (b) The date on which the defective dice, or dice which has been tampered with, was found;
 - (c) The date, place and method of destruction or other form of disposal;

- (d) The names of the persons carrying out the destruction or other form of disposal on behalf of the licensee; and
- (e) Such other information as the Board may require.

2.10 PLAYING CARDS

2.10.1 Approval of Playing Cards

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of playing cards' artwork designs and specifications using the form prescribed in Schedule 2 to the Rules.

2.10.2 Approval of Transportation Containers for Movement of Playing Cards

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its transportation containers for the movement of playing cards, using the form prescribed in Schedule 2 to the Rules.

2.10.3 Receipt of Cards from Manufacturer or Supplier

A licensee's ICS in respect of cards received must include the following:

- (1) On receipt of cards from the manufacturer or supplier thereof, the boxes must be opened and the contents inspected by designated personnel.
- (2) Appropriate annotations must be made in the inventory register contemplated in the Rules for this purpose.
- (3) Any defects with the cards, or any discrepancy between the manufacturer or supplier's invoice, or other document accompanying the cards and the actual cards received, must be reported to the Board and recorded in the inventory register.
- (4) Any decks of cards containing defective cards must be placed in a sealed bag or container and a label must be attached identifying the following:
 - (a) The detail of the defect;
 - (b) The date and time;
 - (c) The manufacturer or supplier's invoice number; and
 - (d) The names and signatures of the persons inspecting the cards.
- (5) The sealed envelope bag or container containing the defective decks of cards must be removed to the surveillance offices, where the surveillance personnel authorised to receive the cards, must sign for the receipt of the cards and retain such in the secure storage area used for this purpose, for a period of twelve (12) months, or such longer period as the Board may require. The cards must thereafter be destroyed in accordance with the destruction or disposal procedure as approved by the Board.
- (6) Any decks of cards that are not defective, and which are not intended for immediate use at a gaming table in the licensee's casino, must be recorded in the inventory register as reserve decks of cards, and removed to the bulk storage area approved

for this purpose by the Board, or to the secure storage area by surveillance and gaming personnel.

- (7) Any decks of cards that are not defective and intended for distribution to the gaming tables, must be recorded in the inventory register and removed to the primary storage area referred to in paragraph (9) below, by surveillance and gaming personnel.
- (8) The licensee must ensure that the reserve decks of cards are stored in a secure area as contained in the approved ICS.
- (9) Decks of cards must not be issued directly from the bulk storage area to gaming tables, but first issued to the primary storage area referred to in paragraph (10) below, from where they may be issued to gaming tables.
- (10) The primary storage area referred to in paragraph (7) above must be located in the surveillance area, and the location and security thereof must be approved by the Board.
- (11) Keys for the secure storage area must be controlled as specified in the licensee's ICS for the control of keys.

2.10.4 Inventory Register and Movement of Cards

A licensee's ICS in respect of the inventory register and the movement of cards must include, but not be limited to, the following:

- (1) An inventory register must be kept for all approved cards for purposes of recording the following information:
 - (a) The quantity of decks of cards taken into stock on receipt thereof from the manufacturer or supplier;
 - (b) The date and time on which the cards were received and taken into stock;
 - (c) The names and signatures of the employees who opened and inspected such cards;
 - (d) Any defects or discrepancies and the reporting thereof to the Board;
 - (e) The quantity of defective decks of cards retained by the Surveillance function for destruction;
 - (f) The quantity of reserve decks of cards placed in and removed from the bulk storage area;
 - (g) The quantity of decks of cards placed in, removed from, and returned to the primary storage area;
 - (h) Daily, monthly and annual inventories of decks of cards; and
 - (i) Any other information the Board considers necessary.
- (2) Procedures in respect of daily inventory to be taken of decks of cards distributed to gaming tables, decks of cards destroyed, decks of cards in reserve in the bulk storage area or primary storage area, and decks of cards returned to the primary storage

area from gaming tables, and for details thereof to be recorded in the inventory register.

- (3) Procedures in respect of inventory to be taken at least quarterly of all decks of cards in reserve in the bulk storage area, decks of cards in primary storage and in use; recording of results in the inventory register; and reporting of any discrepancies to the Board.
- (4) Controls in respect of the secure storage of all cards in the possession of the licensee during non-gaming hours.
- (5) Controls in respect of the removal or return of cards must include the following:
 - (a) Whenever cards are required at a table game in the casino, or are returned therefrom:
 - (i) The cards must either be removed from or returned to the primary storage area, in the presence of surveillance and gaming personnel; and
 - (ii) The cards so removed or returned must be recorded in the inventory register by the persons referred to in paragraph (i) above, who must date and sign the inventory register and note the time of such annotation.
 - (b) Prior to commencement of gaming each day, the designated surveillance personnel who are in possession of the keys to the primary storage area, must remove the appropriate number of decks of cards for that gaming day from the primary storage area, and must place:
 - (i) The decks of cards required by each table in a separate envelope bag or container appropriately marked for each gaming table; and
 - (ii) The replacement decks of cards required by each table in a separate envelope or bag appropriately marked for each table.
- (5) Control procedures in respect of the movement of cards, which must include:
 - (a) The use of a transparent envelope bag or container that is fitted with a secure seal; and
 - (b) The method of sealing.

2.10.5 Distribution and Verification of Cards

Control procedures in respect of the distribution and verification of the decks of cards must include the following:

- (1) That the designated surveillance personnel shall distribute decks of cards to the designated gaming manager or supervisor, for verification of issuance of playing cards for daily gaming.
- (2) That such verification includes the checking of each envelope or container to determine if all decks of cards are present and are of the same colour.

- (3) That the designated employee must place the replacement decks of cards in a locked compartment of the tables stand, the keys to which must be kept in the possession of the designated employee and whenever it is necessary to use the replacement cards at the gaming table, the provisions of paragraph 2.9.3(6) must apply.

2.10.6 Card Inspection by Dealer

Control procedures in respect of the checking of cards must include the following:

- (1) That prior to being used at a gaming table, each deck of cards must be examined by the dealer in the presence of a supervisor, which examination shall require the dealer to:
 - (i) Sort each deck of cards into sequence and into suit to ensure that all cards are in the deck; and
 - (ii) Examine the back of each card to ensure that it is not scratched or marked in any way.
- (2) If, after checking the cards, the dealer finds that a card is unsuitable for use, the designated manager or supervisor must bring a substitute card from the replacement deck.
- (3) Unsuitable cards must be placed in a sealed envelope or container, with a label identifying the table number, and recording the date, time and signatures of the dealer and the supervisor assigned to that table. The designated employee must retain the envelope or container in a secure place within the tables until collection at the end of the gaming day by surveillance personnel.

2.10.7 Collection of Cards

- (1) At the end of each gaming day, or at least once a day, the cards must be collected from the gaming tables.
- (2) The cards collection procedure must include the following controls:
 - (a) The designated supervisor must:
 - (i) Collect all used cards, which must be placed in a sealed envelope bag or container with a label identifying the table number, date, time and signatures of the dealer and floor person assigned to the table;
 - (ii) Place any unused sealed decks of cards in a separate sealed envelope bag or container with a label identifying the table number, date, time and signatures of the dealer and floor person assigned to the table;
 - (iii) Place any unused cards in a replacement deck, the seal to which has been broken for purposes of substituting an unsuitable card in the manner contemplated in paragraph 2.10.8(2) in a separate sealed envelope bag or container with a label identifying the table number, date, time and signatures of the dealer and floor person assigned to the table; and

- (iv) Retain the envelope bags or containers in a secure place within the tables area, until collection thereof at the end of the gaming day by surveillance personnel.
- (b) Designated surveillance personnel must collect and sign for all envelopes or containers containing the cards contemplated in paragraph (a) and must return the envelope bags or containers to the surveillance offices.

2.10.8 Defective Cards or Cards which have been Tampered With

A licensee's ICS in respect of cards damaged during play, or cards which have been tampered with, must include the following:

- (1) Processes at the end of each gaming day, or at such other times as may be necessary, where the designated manager/supervisor must visually inspect each deck of cards distributed to the gaming tables, for evidence of tampering or other defect, and any evidence of tampering or other defect must be reported to the Board within three (3) days of detection.
- (2) Processes where any cards which, at any time during gaming hours, are found to have:
 - (a) Become damaged during the course of play;
 - (b) Been tampered with; or
 - (c) Have other defects that will affect the integrity or fairness of the game,must be removed by the dealer, who must request the tables manager/supervisor to bring a substitute card from the replacement cards where the provisions of paragraph 2.10.6 (3) must apply.
- (3) Processes where any cards that have become damaged, or are found to have been tampered with, must be placed in a sealed envelope bag or container, with a label identifying the table number, date, time and signatures of the dealer and floor person assigned to the table;
- (4) Processes where the designated manager or supervisor must retain the envelopes or containers in a secure place within the tables' area, until collection at the end of the gaming day by designated surveillance personnel.
- (5) Processes where designated surveillance personnel authorised to receive the cards must sign for the receipt of the cards, and retain them in the secure storage area for a period of twelve (12) months, or such longer period as the Board may require for purposes of investigating the circumstances under which the cards became defective or were tampered with.

2.10.9 Disposal or Destruction of Cards

A licensee's ICS in respect of disposal or destruction of cards must include the following:

- (1) Processes where on receipt of the envelope bags or containers of used cards and

opened decks of replacement cards to the surveillance personnel, the cards must be inspected for tampering, marks, alterations, missing or additional cards, or anything that may indicate unfair play.

- (2) The inspections contemplated in paragraph (1) must, at the minimum, include the sorting of cards sequentially by suit; inspection of the packs with ultraviolet light; inspection of the sides of the cards for crimps, bends, cuts and shavings; and inspection of the front and the back of all plastic cards for consistent shading and colouring.
- (3) Processes where any 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, must be reported to the Board within twenty four (24) hours.
- (4) On conclusion of the inspection, all cards must be destroyed forthwith: provided that any cards which may be used as evidence in any hearing or dispute must be placed in an envelope bag or container with a label identifying the findings of the inspection and the table number at which the cards were used, the identity of the dealer and floor person assigned to the table, the date, time and signature of the surveillance personnel who inspected the card. The cards must be retained by the surveillance personnel until such time as the Board authorises their destruction.
- (5) Cards must be destroyed by shredding, or such other method in a secure location, which must be approved by the Board.

2.11 ROULETTE WHEELS AND BALLS

2.11.1 Roulette Wheels

A licensee's ICS in respect of roulette wheels must include, but not be limited to, the following:

- (1) Maintenance procedures in respect of roulette wheels, including that during maintenance, security seals must not be tampered with or broken and the bowl and cylinder numbers must correspond.
- (2) Procedures in respect of the removal of defective roulette wheels from the gaming floor.
- (3) During non-operating hours, or while the roulette table is closed, a transparent security plate must be fitted over the bowl and the turret of the roulette wheel to prevent any tampering.
- (4) The number of the seal, or the keys of the locks used for the purpose contemplated in paragraph (3) above, must be recorded in a log book and verified by designated security and gaming (tables) personnel.
- (5) Spare roulette wheels must be stored in a secure area as approved for this purpose by the Board.
- (6) New wheels must be levelled and tested before play commences on that table.

2.11.2 Roulette Balls

All required internal control standards and procedures pertaining to the control, storage, movement, transportation, exchange or removal of playing cards will apply *mutatis mutandis* to roulette balls.

2.12 SURVEILLANCE SYSTEMS

2.12.1 General Standards of Surveillance Systems

- (1) High-resolution monitors with audio-transmitting capabilities must be used in the surveillance room.
- (2) All controls on the monitors must be within easy reach of the operators.
- (3) Each monitor must be capable of displaying any selected view or multiple view.
- (4) The number of cameras and the intensity of the camera coverage must be taken into account when determining the number of monitors to be accommodated in the surveillance room: Provided that the surveillance system includes a minimum of one (1) monitor for every twenty-five (25) cameras in the gaming machine area, and one (1) monitor for every fifteen (15) cameras for the gaming tables.
- (5) A ratio of one (1) surveillance personnel to eight (8) monitors must be maintained during casino operating hours, including any cash-up transaction or count area.
- (6) Cameras must be controlled from the surveillance room by means of a variable speed control unit.
- (7) High resolution colour cameras must be used to cover all table games, and each camera must have the capability of having its picture displayed on a monitor.
- (8) All visual data recorded must have the ability to be selected and controlled from the control unit in the surveillance room or any other designated control unit approved by the Board, and include date/time/information display.
- (9) For the purposes of paragraph (6) above:
 - (a) the words " control unit" is a device that has the capability to select any camera to any monitor in the surveillance system, control Pan Tilt and Zoom ("PTZ") cameras at a variable speed, and control all digital recorders in the surveillance system; and
 - (b) paragraph (a) above, "PTZ Camera" is a camera which possesses, as a minimum, the capability to rotate three-hundred-and-sixty degrees (360°), tilt one hundred-and-eighty degrees (180°) with the capability to orientate itself, and must have pre-set and zoom capabilities.

2.12.2 Surveillance System Plan

The Surveillance System Plan must include the following information:

- (1) Details of the camera view;

- (2) Identification of the gaming machines, gaming tables, cash transaction areas and other areas to be covered by the cameras as a narrative; and
- (3) A detailed inventory of the surveillance system, including the number of cameras, monitors, equipment specifications including cameras, and the detailed matrix plan.

2.12.3 Approval of Surveillance System Plan

- (1) A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its Surveillance System Plan, using the form prescribed in Schedule 2 to the Rules.
- (2) Such application must be submitted to the office of the Board thirty (30) days prior to the implementation thereof.

2.12.4 Surveillance Systems, Interfaces and Alarms

The surveillance system must be interfaced with gaming machines, weigh scales, coin and note counters in such a way that the information specified below in terms of the above transactions can be determined:

- (a) Gaming machine error codes and significant events;
- (b) Coin counters:
 - (i) Denomination;
 - (ii) Rand value of coins counted;
 - (ii) Area;
- (c) Weigh scale:
 - (i) Denomination;
 - (ii) Rand value of coins counted;
 - (iii) Area;
- (d) Note counter:
 - (i) Denomination;
 - (ii) Rand value of notes counted; and
 - (iii) Area.

2.12.5 Surveillance Systems for Gaming Machine Area

- (1) All cameras recording the gaming machine area in a casino must be positioned so that one camera is able to record, on a continuous basis, twelve (12) gaming machines, which includes the view of the machines' tower lights, drop boxes and bill validators.
- (2) All cameras recording the gaming machine area in a casino must be positioned so that opened machine doors do not obstruct the view to the inside of the machine cabinet.

2.12.6 Storage of Recordings

A licensee must develop procedures in respect of the labelling (where applicable) and storage of all recordings.

2.13 MONITORING AND CONTROL SYSTEMS

2.13.1 On-Line Central Monitoring and Control System

A licensee's computerised on-line Central Monitoring and Control System must meet the following standards in respect of its capabilities:

- (1) The logging, searching and reporting of gaming equipment events are to include the following:
 - (a) Cash box door open; and
 - (b) Cash box door close.
- (2) The collection of individual device financial data.
- (3) The collection of individual soft meter data at game level, which will include, at a minimum, the following:
 - (a) Cashless/in meter;
 - (b) Cashless/out meter;
 - (c) Coin drop meter to cash box;
 - (d) Hand-pay meter;
 - (e) Handle pull meter;
 - (f) Bill validator meters reflecting value of notes accepted by denomination; and
 - (g) Both cash and cashless meters including, but not limited to, (a) to (f) above.
- (4) The reconciliation of soft meter data against cash box hard count.
- (5) The details of the systems security.
- (6) The collection of soft meter data must be performed via a secure link to the machine software.
- (7) The logging of all manual inputs to the monitoring control system, including the person performing and authorising the input.
- (8) Sufficient capacity for processing, memory, communication interfaces, and hard disk storage, to efficiently monitor, log and control all gaming devices as prescribed above.
- (9) Any other requirements as specified by the Board.

2.13.2 Approval of Monitoring Control System Hardware and Software Configuration

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its Monitoring Control System Hardware and Software Configuration including any changes thereto, using the form prescribed in Schedule 2 to the Rules.

2.13.3 Meter Wrap Handling and Meter Width

A licensee's operational procedures in respect of meter wrap handling and meter width must include the following standards:

- (1) Details of the width of the meters and the expected rate of meter counts.
- (2) The width and rates must be sufficient to cater for resulting meter wrap events, such as detecting and correctly handling meter wraps, in order to preserve the true total statistics.

2.13.4 Password Protection

A licensee's password protection controls in respect of the monitoring control system must include the following:

- (1) Access controls to ensure the security of the monitoring control system.
- (2) All computer programmes and important data files may only be accessed by entry of a password, which must be known only to authorised personnel.
- (3) The Board requires that passwords and PINs be encrypted by means of at least, a one-hundred-and-twenty-eight (128) bit encryption key.
- (4) A computer programme must be available that will list all registered users on the system, including their privilege level, on both the operating system or systems, and the monitoring control system.

2.13.5 Access to Monitoring Control System by the Board

A licensee's access controls in respect of the monitoring control system must include the following:

- (1) Comprehensive search mechanisms for the purpose of examination of events and statistical data. Such search mechanisms should cater for a variety of "keys" for the search, including the following:
 - (a) Date;
 - (b) Time;
 - (c) Event number;
 - (d) Machine/terminal number; and
 - (e) Combinations thereof.
- (2) Ability for officers of the Board to log onto the computer system to execute external audit and interrogation programmes by means of "Read Only" access to all data.

2.13.6 Link to Board's Computing Facilities

The operator of the monitoring control system must provide and maintain such electronic access or link to its central computing facilities as the Board may require from time to time, which must include the following:

- (1) All necessary equipment (e.g. lightning protection, computer terminals, Telkom, Network Termination Units, routers, and modems).
- (2) The necessary software and relevant training to enable the Board to link and log on to the monitoring control system.
- (3) A link for either logging on to the monitoring control system interactively, or downloading data at a frequency as specified by the Board.
- (4) Communications and systems security in accordance with the relevant IT standards for server rooms.

2.13.7 Facilities for Inspectors

A licensee must ensure that, at a minimum, the following facilities within the monitoring control system are provided for Board Inspectors:

- (1) The ability to determine operational software version levels and record operational hardware.
- (2) The ability to verify that gaming machine and other equipment is on-line.

PART 3
LIMITED PAYOUT MACHINES

In addition to the general minimum standards detailed in Part 1 above, route operators and independent site operators must ensure the inclusion of the standards and procedures contained herein, in their internal control standards for consideration and approval by the Board.

3.1 Application for Licence

An applicant who wishes to operate as a route operator, independent site operator, Type "A" or Type "B" operator must follow the application procedure as prescribed in paragraph 1.3 above, using the form prescribed in Schedule 2 to the Rules.

3.2 Advertising for Type "B" Sites

A route operator or independent site operator licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its advertising, using the form prescribed in Schedule 2 to the Rules.

3.3 Organisational Structure / Jobs' Compendium

Unless otherwise approved by the Board, every licensee's organisational structure and jobs' compendium must include certain mandatory functions that are responsible for the following:

3.3.1 Technical

The Technical function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible for the following:

- (1) The installation and maintenance of LPMs and SDLs.
- (2) Performing such other functions as prescribed by these Rules and the route operator or independent site operator's ICS.

3.3.2 Administration

The Administration function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible for the following:

- (1) Ensuring that gambling-related financial information, including the compilation of monthly tax returns, is accurate and reliable.
- (2) Performing such other functions as prescribed by these rules and the route operator or independent site operator's ICS.

3.3.3 Compliance

The Compliance function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible for the following:

- (1) Monitoring, auditing and reporting on compliance with the Act, Regulations, Rules and the route operator or independent site operator's ICS.
- (2) Performing such other functions as prescribed by these rules and the route operator or independent site operator's ICS.

3.4 Registered Employees

Registered employees must be appointed on each LPM site and must during all operating hours:

- (a) Supervise gambling and gambling-related activities;
- (b) Ensure that all gambling and gambling-related activities are conducted in accordance with the Act and the route operator or independent site operator's ICS;
- (c) Ensure the proper functioning of LPMs, insofar as prescribed by the Act and the route operator or independent site operator's ICS; and
- (d) Attend to patron disputes.

3.5 Floor Plan

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its floor plan/or amendments thereto, using the form prescribed in Schedule 2 to the Rules.

3.6 Non-Operation of LPMs at a Licensed Site

The internal control standards in respect of the non-operation of LPMs at a licensed site must include the following:

- (1) The procedure of reporting to the Board of non-operation of all or part of its operation and deactivation of CEMs cards.
- (2) The submission of information to the Board if a licensed site is to cease all or part of its operations permanently in respect of the LPMs:
 - (a) Written reasons why operations are to cease, details of the municipal district, and the number of LPMs; and
 - (b) A written request to remove the LPMs from the licensed site.

3.7 Access to LPMs

A route operator and type "B" site operator's internal control standards in respect of access to LPMs must include, but not be limited to, the following:

- (1) Control measures to ensure that only authorised, registered employees of the route operator, registered employees on a LPM site, and a licensed manufacturer, may access an LPM, including the LPM logic area and SDL access.
- (2) The requirement of the insertion of the employee card of the registered employee of the relevant LPM site in the SKP each time a LPM is accessed.
- (3) The requirement that all doors of the LPMs and SDL are secured at all times.
- (4) The requirement of recording of relevant entries in the Machine Book each time a LPM is accessed.

3.8 Employee Cards

A route operator and type "B" site operator's internal control standards for the issuing, usage and control of employee cards must include, but not be limited to, the following:

- (1) Control procedures in respect of the issuing, activation and retrieval of employee cards, including password reset.
- (2) That employee cards are issued to and used only by that authorised registered employee.
- (3) That prior to accessing a LPM or SDL, a registered employee must insert his or her employee card in the SKP.
- (4) That employee cards are issued to registered employees at a LPM site and are valid only in respect of the specific LPM site.
- (5) That employee cards issued to registered employees of a route operator or independent site operator are valid only in respect of the specific LPM site linked to such operator.
- (6) That the employees insert passwords prior to performing any function or maintenance on a LPM or SDL.
- (7) That employee cards are not left unattended in the SKP when the registered employee is not physically on the site.
- (8) That an employee card immediately be deactivated in the event that it is lost or when the employee to whom it relates has resigned.

3.9 User Access Rights

A route operator and type "B" site operator's internal control standards relating to user access levels and rights assigned to persons authorised to access the CEMS must include that the following information be submitted to the CEMS operator, in writing, to allocate the employee's user rights in terms of the pre-approved user access rights matrix:

- (a) The applicant or employee's name and surname;
- (b) User access rights to be allocated;
- (c) Route operator or independent site operator name;
- (d) LPM site name, where applicable; and
- (e) Board licence or registration number.

3.10 Route and Independent Site LPM Records

The internal control standards in respect of the electronic, accurate and current database records in the route operator or independent site operator's inventory, must include the following:

- (1) That each LPM, reflect –
 - (a) The date on which the LPM cabinet and game software was received;
 - (b) The serial number assigned to that LPM cabinet by the manufacturer thereof;
 - (c) A unique asset number assigned to that LPM cabinet and game software, which must remain unchanged for the entire duration of the period during which such LPM is owned by or in possession of the LPM operator;
 - (d) The location to which the LPM has been assigned;
 - (e) The number assigned to the position of the LPM at the LPM site;
 - (f) The name of the licensed manufacturer of the LPM cabinet and game software;
 - (g) The LPM-certified model Board approval number;
 - (h) The LPM game software letter of certification number;
 - (i) The LPM game name;
 - (j) The LPM theoretical and actual RTP percentages;
 - (k) The LPM denomination;
 - (l) The method and date of disposal of the LPM cabinet and game software;
 - (m) The total number of LPMs in use at the LPM site and in storage; and
 - (n) That each SDL, reflect –
 - (i) The date on which the SDL was received;
 - (ii) The serial number assigned to that SDL by the manufacturer thereof;
 - (ii) A unique asset number assigned to that SDL, which must remain unchanged for the entire duration of the period during which such SDL

is owned by, or in the possession of the route operator or independent site operator;

- (o) The site or location to which the SDL has been assigned; and
- (p) The SDL model number and Board letter of certification registration number.

3.11 Investigations

A route operator or type "B" site operator's internal control standards must include details of procedures in respect of the following investigations:

- (1) The recording and correction of RAM clears, meter wraps and LPM soft meter violations;
- (2) The detection, investigation and reporting of exceptions and unusual events, including –
 - (a) Significant events; and
 - (b) The integrity of CEMS and LPM meters;
- (3) The investigation and reporting of variances between estimated and actual LPM drop as well as clearance and count of LPM drop; and
- (4) The detection, investigation and reporting of LPM RTP percentages that are below 85%.

3.12 Administrative and Accounting Procedures

A route operator or type "B" site operator's internal control standards in respect of administrative and accounting procedures must include, but not be limited to, the following:

- (1) Procedures and controls to determine the liability for taxes and fees under the Act and incorporate the provisions specified in the Regulations pertaining to route operators and independent site operators.
- (p) Procedures for the calculation, compilation and verification of the Monthly Gaming Revenue Tax Return, including the verification and reconciliation of computerised reports used to calculate LPM gambling revenue, so as to ensure the integrity and accuracy and the collection thereof.

3.12.1 Journal Entries

The internal control standards in respect of journal entries must include the following:

- (1) That printouts are made prior to and subsequent to changes being effected thereto, in the event of incorrect information being reflected on the CEMS reflecting an audit trail of the amendments and the reason for such amendments by the designated function, as approved by the Board in the ICS.
- (2) That the route operator or independent site operator requests the CEMS operator, in writing, on the prescribed Journal Entry Register, to affect the necessary adjustments.

- (3) That all journal entries be authorised and signed off.

3.13 Internal Audits

The Internal Audit function must include the following:

- (1) The review, evaluation, and reporting on an annual basis, of the route operator or independent site operator's–
 - (a) Internal Control Standards in order to determine the effectiveness and adequacy thereof;
 - (b) Adherence to licence conditions;
 - (c) Compliance with the Act, Regulations and the licensee's ICS;
 - (d) Effectiveness and adequacy of the day-to-day gambling-related operations of the Technical, Administration and Compliance functions;
 - (e) Gambling-related taxes to confirm they are current and accurate; and
 - (f) Integrity, adequacy, accuracy and reliability of all gambling-related information and systems;
- (2) The annual compilation and review of an operational risk profile in respect of the mandatory functions; and
- (3) The annual determination whether the gambling and gambling-related financial and operating information is accurate, current, timeously generated, complete, valid and reliable, including the reconciliation of such information with tax returns submitted to the Board.

3.14 Audits

A route operator and type "B" site operator's internal control standards in respect of the performance of audits must include the following audits to:

- (1) Verify that only approved game and communication software is installed in LPMs;
- (2) Verify that only approved software is installed in SDLs;
- (3) Ensure that access to the CEMS has been allocated to authorised personnel only;
- (4) Assess procedural compliance at the LPM site with these Rules and the route operator or independent site operator ICS;
- (5) Verify that all employees performing gambling-related functions are correctly registered;
- (6) Review the RTP percentages which are below eighty-five percent (85%) over a continuous twelve (12) month period;

- (7) Ensure that journal entries have been performed correctly and with the necessary authorisation;
- (8) Check monitored key registers for accuracy;
- (9) Check controlled stationery registers for accuracy and stock levels; and
- (10) Verify the accuracy and integrity of information on the CEMS.

3.15 Reporting

A route operator or type "B" site operator's internal control standards in respect of reporting must include, but not be limited to, the monthly report required to be submitted to the Board in terms of the Rules and must contain the following information:

- (a) Any contraventions of the Act, Regulations, Board's Rules and the operator's ICS;
- (b) Any discrepancies detected during the prescribed audits and investigations;
- (c) Detail of all journal entries;
- (d) A summary of all patron disputes arising;
- (e) The detection of any cheating activities; and
- (f) Such other detail as may be required by the Board.

3.16 Key Control Standards

A route operator or type "B" site operator's internal control standards in respect of the control of keys must include, but not be limited to, the following:

3.16.1 Key Control

- (1) The method of completing entries in monitored key registers;
- (2) Details of designated personnel involved in monitored key transactions;
- (3) Procedures in respect of:
 - (a) Duplicate keys;
 - (b) Lost keys;
 - (c) Dual control of keys;
 - (d) Destruction of keys; and
 - (e) Reconciliation and auditing of monitored key registers.

3.16.2 Controlled Keys

The following keys are regarded as controlled keys:

- (a) LPM cabinet door keys;
- (b) Logic area door keys;
- (c) Such other keys that are required to be controlled in terms of the Act, Regulations, Rules and the licensee's ICS; and
- (d) Each duplicate key to the keys contemplated in paragraphs (a) to (c) above.

3.16.3 Key Control Logs

- (1) Key control logs must be maintained for keys listed in paragraph 3.16.2 above.
- (2) Key control logs must contain, at a minimum, the following information for each of the keys mentioned in paragraph 3.16.2 above:
 - (a) Type of key or combination of keys;
 - (b) Date and time issued;
 - (c) Details of relevant LPM site, where applicable;
 - (d) Signature and name or employee number of the employee issuing the keys;
 - (e) Signature and name or employee number of the employee receiving the keys;
 - (f) Date and time returned by the custodian of the controlled key;
 - (g) Number of keys made, duplicated or destroyed; and
 - (h) Signatures of all persons involved in the creation, duplication or destruction of such keys.

3.17 Controlled Stationery

The internal control standards in respect of controlled stationery must include the following:

- (1) That a Machine Book for each LPM site is maintained to document each time a LPM is accessed and reflects the following relevant events where required:
 - (a) Access;
 - (b) Malfunction; and
 - (e) RAM Clear.
- (2) That information required to be reflected on controlled stationery is recorded in indelible ink.
- (3) That corrections to information recorded on controlled stationery are made by drawing a single line through the error and entering the correct detail, whereupon at

least one employee involved in the transaction must append his or her initials alongside the changes, specifying his or her name or employee ID number.

3.18 LPM GAME RULES

3.18.1 Approval of LPM Game Rules

A licensed route operator or independent site operator must follow the application procedure as prescribed in paragraph 1.3 above for the approval of LPM game rules and any amendments thereto, using the form prescribed in Schedule 2 to the Rules.

3.18.2 Payouts

The internal control standards must include payout procedures, including manual payments and the recording thereof.

3.19 LIMITED PAYOUT MACHINES

3.19.1 LPM Requirements

Each LPM must electronically record, store and send to the CEMS significant event information in respect of the following:

- (a) Authorised and unauthorised LPM cabinet door, drop box door and bill canister;
- (b) Authorised and unauthorised access to the LPM logic area while power is off;
- (c) Authorised and unauthorised access to the SDL;
- (d) Communication failure to the CEMS, and
- (e) Software validation or signature failure.

3.19.2 Commissioning, Alteration and De-commissioning of LPMs and SDLs

The internal control standards in respect of the commissioning, alteration and de-commissioning of LPMs and SDLs must include the following:

- (1) Procedures of the tests that must be performed as contemplated in the Rules whenever SDLs and LPMs are moved or relocated from their initial locations to new locations at the site.
- (2) Procedures to ensure that the CEMS is immediately updated to reflect any commissioning, alteration or de-commissioning of LPMs at the time of such occurrence.
- (3) Procedures for the recording of the results of these tests, which include that such record be signed by a representative from the route operator or independent site operator's designated function, as approved in their ICS.

- (4) Control measures for the maintenance of significant events and meter test documentation, including system reports in respect of the tests contemplated in the Rules for a period of at least five (5) years, for Board inspection.
- (5) Completion of full data collection by the CEMS prior to de-commissioning a LPM.
- (6) That A LPM may not be exposed for play before the tests have been successfully completed and the information on the CEMS has been verified as being correct.

3.19.3 Malfunctions

The internal control standards in respect of malfunctions of the LPMs and CEMS must include, but not be limited to, the following:

- (1) Procedures in the event of a malfunction, which include that the LPM must be powered down immediately and disabled until repaired.
- (2) Procedures in the event of a communication malfunction occurring between the CEMS and the LPM which cannot be repaired immediately, and the reporting thereof to the Board in writing within five (5) days.
- (3) Procedures in the event that a malfunction is detected by the Board and the machine disabled until such time that the malfunction has been repaired.

3.19.4 Maintenance

The internal control standards in respect of maintenance must include, but not be limited to, the following:

- (1) Procedures in respect of maintenance of LPMs and SDLs at all LPM sites.
- (2) Procedures for the detection of LPM, SDL and CEMS malfunctions.

3.19.5 Ram Clear

Internal control standards in respect of LPM RAM clears must include, but not be limited to, the following:

- (1) Procedures that prior to and after performing a RAM clear on a LPM, the LPM technician records the LPM soft meter readings on the prescribed route operator or independent site operator's RAM Reset Document and that –
 - (a) This information is forwarded to the designated function as prescribed in the licensee's approved ICS, for recording purposes; or
 - (b) The LPM soft meters are archived on the CEMS.
- (2) Procedures where the LPM Technician or representative of the CEMS operator ensures that full data collection has been completed by the CEMS prior to performing a RAM clear on the gaming machine.

3.20 SURVEILLANCE SYSTEMS FOR TYPE “A” LPM SITES

3.20.1 General Standards of Surveillance System – Type A

- (1) The surveillance system must include a monitor, camera and server capable of recording the activities of the LPMs.
- (2) The surveillance system must record in colour and be capable of identifying all patrons and cash transactions.
- (3) The surveillance system and its equipment must be directly and securely wired in a way to prevent tampering therewith.

3.20.2 Surveillance System Plan – Type A

The surveillance system plan must include the following:

- (a) A gaming floor plan showing the placement of all surveillance equipment; and
- (b) Details of the camera view, if applicable.

3.20.3 Approval of Surveillance System Plan – Type A

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of the Surveillance System Plan or any amendments thereto, using the form prescribed in Schedule 2 to the Rules.

3.21 SURVEILLANCE SYSTEMS FOR INDEPENDENT SITE OPERATORS AND TYPE “B” LPM SITES

The internal control standards in respect of surveillance systems must include the following:

3.21.1 General Standards of Surveillance System – Type B

- (1) The surveillance system and its equipment must be directly and securely wired in a way to prevent tampering therewith.
- (2) The surveillance system must be connected to an auxiliary power source capable of providing uninterrupted power to the surveillance system in the event of a power loss and the power supply must provide sufficient lighting to operate the surveillance system at all times when LPMs are in operation.
- (3) A lightning protection unit must be fitted to safeguard the surveillance system against lightning.
- (4) In the event that cameras are used as part of the surveillance system:
 - (a) Each camera must have the capability of having its picture displayed on a monitor;
 - (b) All cameras forming part of the surveillance system must record in colour, unless otherwise approved by the Board;

- (c) Each camera in the surveillance system located in a public area must be placed behind a dome;
- (d) All image recordings must be made in real time and not in a time lapse recording mode; and
- (e) Surveillance system image recordings must be kept for seven (7) days.

3.21.2 Surveillance System Plan – Type B

The surveillance system plan must include the following:

- (a) A gambling floor plan that shows the placement of all surveillance equipment;
- (b) Details of camera views, if applicable;
- (c) Identification of the LPMs covered by the Surveillance System; and
- (d) A detailed inventory of the surveillance system, which must include the number of cameras, monitors and equipment specifications, if applicable.

3.21.3 Approval of Surveillance System Plan – Type B

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of the Surveillance System Plan, or any amendments thereto, using the form prescribed in Schedule 2 to the Rules.

3.21.4 Malfunctions of Surveillance System Equipment

The internal control standards in respect of malfunctions of surveillance system equipment must include, but not be limited to, the following:

- (1) Maintenance of a written log of any and all surveillance system equipment malfunctions by the independent site operator or site licensee.
- (2) Procedures in respect of the following:
 - (a) Reporting of malfunctions to the Board; and
 - (b) Undertaking of repairs, including that each malfunction to the approved surveillance system must be repaired within twenty-four (24) hours of the malfunction.

3.21.5 Storage and Record Keeping

The licensee's internal control standards must include procedures for storing and record keeping of image recordings, and any amendments to existing approved methods.

PART 4 BINGO

In addition to the general minimum standards detailed in Part 1 above, bingo licensees must ensure the inclusion of the standards and procedures contained herein, in their internal control standards for consideration and approval by the Board.

4.1 Application for Licence

Any person who wishes to operate bingo must follow the application procedure as prescribed in paragraph 1.3 above, using the form prescribed in Schedule 2 to the Rules.

4.2 Organisational Structure / Jobs' Compendium

Unless otherwise approved by the Board, every licensee's organisational structure and jobs' compendium must include certain mandatory functions that are responsible for the following:

4.2.1 Internal Audit

The Internal Audit function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible, without limitation, for the following:

- (1) The review and evaluation of the adequacy of the licensee's internal controls and their compliance with the minimum internal control standards provided for in the Act, Regulations and these Rules;
- (2) The reporting to the Board of Directors of the bingo licensee or a committee thereof, the executive management of the bingo licensee, or any structure approved by the Board, of all instances of non-compliance with the minimum internal control standards provided for in the Act, Regulations and these Rules;
- (3) The reporting to the Board of Directors of the bingo licensee, or a Committee thereof, executive management of the bingo licensee and the Board, of any material weaknesses in the system of internal control;
- (4) The recommendation to the management of the bingo licensee's business procedures aimed at eliminating any material weakness in the system of internal control; and
- (5) The preparation and maintenance of reports which contain the information required in terms of these prescribed functions.

4.2.2 Electronic Data Processing / Information Technology

The Electronic Data Processing /IT function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible, without limitation, for the following:

- (1) The quality, reliability and accuracy of all computer systems used by the bingo licensee;

- (2) Specifications of appropriate computer software, hardware; and
- (3) Procedures for security, physical integrity, audit and maintenance of:
 - (a) Access codes and other data-related security controls used to ensure appropriately limited access to computers and the reliability of data;
 - (b) Computer tapes, disks or other electronic storage media containing data relevant to bingo operations;
 - (c) Computer hardware, communications equipment and software used in the conduct of all bingo operations; and
 - (d) Adequate backup and recovery procedures.

4.2.3 Security

The Security function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible, without limitation, for the following:

- (1) The enforcement of applicable legislation;
- (2) The physical safety of patrons in the establishment;
- (3) The physical safety of personnel employed by the establishment;
- (4) The protection of patrons and the establishment's property from any illegal activity;
- (5) The identification and removal of any person who is required to be excluded, or who may be excluded or rejected, or of any person who is prohibited from entering a bingo hall; and
- (6) All other functions assigned to it by the bingo licensee and approved by the Board.

4.2.4 Bingo Operations

The Bingo Operations function must be supervised by a manager as prescribed in the licensee's jobs' compendium approved by the Board, and such function will be responsible, without limitation, for the following:

- (1) The operation of the game of bingo;
- (2) The management of the cash desk; and
- (3) The management of staff members, who must include, at a minimum, employees who require registration certificates approved by the Board.

4.2.5 Bingo Accounts or Treasury

Bingo Accounts or Treasury function, which must be independent of the Bingo Operations function, supervised by the manager as prescribed in the licensee's ICS approved by the Board and which must be responsible, without limitation, for the following:

- (1) The daily verification of the reconciliation by the cash desk, in accordance with the reconciliation procedures approved by the Board;
- (2) The control over unsold bingo cards as well as money at hand;
- (3) The management of controlled stationery;
- (4) The day-to-day accounting functions with regard to the operation of the Bingo Operations Department, including the cash desk; and
- (5) The monthly audit of the cash desk by a member of the Bingo Accounts personnel or by Internal Audit personnel, after which all variances must be reported to the head of the Bingo Accounts function. The manager, as designated in the licensee's approved ICS will authorise all journal entries and ensure that revenue, expenses, assets and liabilities are reconciled to the general ledger on a monthly basis.

4.3 Floor Plan

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its floor plan/or amendments thereto, using the form prescribed in Schedule 2 to the Rules.

4.4 Bingo Halls

Every bingo hall must contain, at a minimum, the following equipment:

- (1) A random number-selecting device, which must operate either electronically or by means of a ball-drawing apparatus;
- (2) A control desk, which must be elevated from the rest of the premises and be clearly visible to all players;
- (3) A public address system which must ensure clear audibility to all players, of all instructions and information from the control desk in relation to the conduct of the game;
- (4) One or more information panels or screens, which must be clearly visible to all players, on which must be displayed the following information:
 - (a) The face value of the card being played;
 - (b) All numbers drawn in the game currently being played;
 - (c) All prizes available in the game currently being played;
 - (d) The amount of the applicable jackpot as well as the maximum number of draws for the jackpot;

- (e) The number of draws made in the game currently being played; and
 - (f) The number of cards sold in respect of the game currently being played.
- (5) A closed-circuit television system, or other system approved by the Board, of which at least one of the monitors or other devices must be clearly visible from all positions which may be occupied by a player, on which the numbers being selected are clearly displayed.
- (6) A cash desk, or the control desk, in which a cashier, card controller or card seller must be stationed and in which the following must be kept:
- (a) All bingo cards removed from the storage area in order to be sold;
 - (b) All money paid by players for the purchase of bingo cards until removed to the secure storage area.
 - (c) Any other equipment needed by the cashiers to perform their functions; and
 - (d) Any other item(s) which the Board may require from time to time.
- (7) A computer system, approved by the Board, which must be used to record and store the game records, required in terms of Rule 20.6.
- (8) If the game is played using electronic cards, or similar approved devices, the following must be clearly visible to the player –
- (a) A clear digital representation of the electronic card or cards;
 - (b) The minimum stake per game;
 - (c) The amount of the applicable jackpot as well as the maximum amount of draws for the jackpot; and
 - d) All numbers, pictures and symbols drawn in the game currently being played.
- (9) Every bingo hall must in a visible position display a notice that advises patrons where the following information may be obtained:
- (a) Prices of the bingo cards;
 - (b) Number of cards making up the sets;
 - (c) Different types of prize-winning combinations and the proportionate share of each prize;
 - (d) Applicable gaming tax; and
 - (e) Rules of the game (which will be made available on request by the holder of that card).

4.5 Game Records

The licensee's internal control standards in respect of game records must include the following:

- (1) Procedures in respect of games record keeping.
- (2) Procedures in respect of malfunctions of computer system/electronic device used for recording games information.

4.5.1 Approval of Electronic Record-Keeping Systems

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its electronic record-keeping systems in respect of both bingo cards, and electronic cards or other devices, using the form prescribed in Schedule 2 to the Rules.

4.5.2 Games Record-Keeping System for Bingo Cards

At a minimum, the approved computer system must include the following:

- (1) A link to the control desk.
- (2) The capability of recording, simultaneously with the playing of each game, all information relevant to each game of bingo, including, but not limited to, the following:
 - (a) The date;
 - (b) The series and serial number of the first card sold;
 - (c) The series and serial number of the last card sold;
 - (d) The total number of cards sold;
 - (e) Details of unsold or damaged cards;
 - (f) The amount of the face-value of the cards;
 - (g) The amount accumulated in the jackpot, if any, after the sale of the cards;
 - (h) The time of commencement of number selection;
 - (i) The numbers selected up to each of the prizes awarded;
 - (j) The serial number of the card or cards winning each of the prizes;
 - (k) The net amount of the total of each prize;
 - (l) The total number of numbers selected; and
 - (m) Any incident which may have an effect on the result of the game.

4.5.3 Games Record-Keeping for Electronic Cards or Other Devices

At a minimum, the approved computer system must be capable of recording the following information:

- (a) The date;

- (b) The total amount of cash staked per player position, electronic card or device;
- (c) The total amount of prize money paid out per player position, electronic card or device;
- (d) The total amount of cash hold per player position, electronic card or device;
- (e) The percentage payout and hold per player position, electronic card or device;
- (f) The total amount of cash staked;
- (g) The total amount of prize money; and
- (h) Total amount of cash hold.

4.6 Administrative and Accounting Procedures

The licensee's internal control standards in respect of administrative and accounting must include, but not be limited to, the following:

- (1) Procedures and controls to determine the liability for taxes and fees under the Act and incorporate the provisions specified in the Regulations pertaining to bingo licensees.
- (2) Procedures for the calculation, compilation and verification of the Monthly Gaming Revenue Tax Return, including the verification and reconciliation of computerised reports used to calculate bingo gambling revenue, so as to ensure the integrity and accuracy and the collection thereof.

4.7 Internal Audit

The licensee's internal control standards in respect of Internal Audit must include an internal audit programme.

4.8 Receipt, Storage, Destruction and Access Control

The licensee's internal control standards in respect of the receipt, storage, destruction and access control of bingo Cards must include, but not be limited to, the following:

- (1) Control measures in respect of the receipt, storage and access to all bingo cards.
- (2) A disaster recovery plan in the event of any of the bingo cards being stolen or lost.
- (3) Control systems in respect of all keys for the bingo cards secure storage area.
- (4) Procedures in respect of the retention and destruction of all bingo cards.
- (5) Access controls for all bingo areas.

4.9 BINGO CARDS

4.9.1 Approval of Bingo Cards, Electronic Cards and Bingo Balls

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of bingo cards, electronic cards and bingo balls, using the form prescribed in Schedule 2 to the Rules.

4.9.2 Bingo Cards Standards

In addition to the requirements contained in the Rules, a bingo licensee's must ensure that the following information is printed on each card:

- (a) The numbers to be marked off by the players;
- (b) The set to which the card belongs;
- (c) Its unique serial number within the set; and
- (d) A design, logo or the name of the bingo hall at which the card is sold (printed on each card or on the front cover of a book of cards).

4.10 BINGO DEVICES

4.10.1 Random Number-Selecting Device

A licensee must ensure that when a ball-drawing apparatus is used as a random number-selecting device, the following requirements are met:

- (1) The number of balls used must equal the eligible game numbers on the tickets and the numbers reflected on the balls must be the same numbers reflected on the game tickets, the lowest of which must be number one and the highest of which must be equal to the highest number being played.
- (2) The balls used must be identical to one another in respect of all physical characteristics except for the colour and number painted on each ball.
- (3) No two balls must have the same number.
- (4) Each ball must be indelibly imprinted with its particular number in such a way, and in such combination of colours, to guarantee perfect visibility thereof on the closed circuit television monitors, if such ball is drawn by the ball-drawing apparatus.

4.10.2 Maintenance of Bingo Devices

The licensee's internal control standards in respect of bingo devices must include all maintenance procedures and the detection of malfunctions.

4.11 BINGO GAMES

4.11.1 Approval of Bingo Games, Games Rules, Prizes and Jackpots

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of bingo games, game rules, prizes and jackpots, and any amendments thereto, using the form prescribed in Schedule 2 to the Rules.

4.11.2 Simultaneous Bingo – Approval of Hardware and Software Configuration of Distribution Network

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of the hardware and software configuration of the distribution network used within the province for simultaneous bingo, and any upgrade or change thereto, using the form prescribed in Schedule 2 to the Rules.

4.11.3 Conducting the Game of Bingo

The licensee's internal control standards in respect of conducting the game of bingo must include, but not be limited to the following:

- (1) Details of the methods of conducting the various games of bingo (including simultaneous bingo) and the prizes to be won.
- (2) All control measures and procedures for the conducting of any bingo game, (including the use of electronic bingo cards and simultaneous games), from commencement to conclusion of the game, which must include the following:
 - (a) Process prior to commencement, including the sale of bingo cards and inspection of equipment prior to commencement of game;
 - (b) Procedures in respect of announcement and display of face value and unique serial number of first card to be sold prior to the sale of tickets;
 - (c) Procedures on commencement of clear announcing and displaying of all numbers, pictures or symbols selected during the game;
 - (d) Procedures in respect of game interruptions;
 - (e) Procedures in respect of prize claims and verification of winning cards, which include the following:
 - (i) That the first player or players to complete the combination necessary for a prize on the respective card and, where applicable, within the required number of draws, is entitled to the applicable prize, if he/she claims the prize within the time and in the manner provided for in the Rules;
 - (ii) That the game is interrupted when any player claims a prize and the card for which the prize is claimed is collected by the designated employee, who must check the card in order to verify whether the claim is legitimate;

- (iii) That if the check reveals that the relevant prize has been won, it will be announced through, or by means of, a public address system and/or displayed on monitors. If the check reveals otherwise, the game will continue until all available prizes have been won;
 - (iv) That once the existence of a prize-winning card has been verified and announced and/or displayed, that the caller shall enquire from the players whether there are any other winning cards, allowing a reasonable time before ordering the game to be resumed, or declaring it to have ended, as the case may be. That once the caller has declared the game to have ended all rights to claim any prize in respect of said game, shall be lost; except in the event when a dispute is lodged in accordance with patron disputes as contained in the general rules.
 - (v) That when the last available prize in a particular game has been claimed and positively verified, that the caller declares the game closed and all prizes paid to the winners before the commencement of the next game.
 - (f) Options available for players at completion of game;
- (3) Controls relating to the physical and logical security of the system where approved bingo games are being downloaded electronically or electronically housed in a system.

4.11.4 Cash Desk Procedures

The licensee's internal control standards in respect of cash desk procedures must include, but not be limited to, the following:

- (1) The daily reconciliation of the bingo cards received, sold and returned to the storage area;
- (2) Management of floats and money by the cash desk, Treasury or Accounts function; and
- (3) The monthly reconciliation and inventory of all bingo cards.

4.12 SURVEILLANCE SYSTEMS

The licensee's internal control standards in respect of surveillance systems must include, but not be limited to, the following:

4.12.1 Surveillance System Standards

- (1) As part of the surveillance system –
 - (a) Each camera must have the capability of having its picture displayed on a monitor;
 - (b) All cameras must record in colour, unless otherwise approved by the Board;

- (c) Each camera located in a public area must be placed behind a dome; and
 - (d) All image recordings must be made in real time.
- (2) The surveillance system and its equipment must be directly and securely installed in such a way so as to prevent tampering.
 - (3) The surveillance system must be connected to an auxiliary power source capable of providing uninterrupted power to the surveillance system in the event of a power loss.
 - (4) The power supply must provide sufficient lighting to operate the surveillance system at all times when bingo devices are in operation.

4.12.2 Surveillance System Plan

The surveillance system plan must include the following:

- (a) A gambling floor plan that shows the placement of all surveillance equipment;
- (b) Details of the camera views, if applicable;
- (c) The identification of all bingo devices covered by the surveillance system; and
- (d) A detailed inventory of the surveillance system, which must include number of cameras, monitors and equipment specifications, if applicable.

4.12.3 Approval of Surveillance System Plan

A licensee must follow the application procedure as prescribed in paragraph 1.3 above for the approval of its Surveillance System Plan, or any amendments thereto, using the form prescribed in Schedule 2 to the Rules.

4.12.4 Malfunctions of Surveillance System Equipment

The internal control standards in respect of malfunctions of surveillance system equipment must include, but not be limited to the following:

- (1) Procedures where a written log of any and all surveillance system equipment malfunctions is established and maintained by the bingo licensee.
- (2) Procedures in respect of the following:
 - (a) Reporting of malfunctions to the Board; and
 - (b) Undertaking of repairs, including that each malfunction to the approved surveillance system must be repaired within twenty-four (24) hours of the malfunction.

4.12.5 Storage and Record Keeping

The licensee's internal control standards must include procedures for storing and record keeping of image recordings, and any amendments to existing approved methods.