



Western Cape Government • Wes-Kaapse Regering • URhulumente weNtshona Koloni

PROVINCE OF THE WESTERN CAPE

PROVINSIE WES-KAAP

# Provincial Gazette Extraordinary

7341

Friday, 12 December 2014

# Buitengewone Provinsiale Koerant

7341

Vrydag, 12 Desember 2014

Registered at the Post Office as a Newspaper

## CONTENTS

(\*Reprints are obtainable at Room M21, Provincial Legislature Building, 7 Wale Street, Cape Town 8001.)

No.

Page

### PROVINCIAL NOTICE

348 Western Cape Racing and Betting Rules of the Board: Made by the Western Cape Gambling and Racing Board in terms of section 82 of the Western Cape Gambling and Racing Act 1996 (Act 4 of 1996), as amended ('the Act'). .....	2
---	---

**PROVINCIAL NOTICE**

The following Provincial Notice is published for general information.

ADV. B. GERBER,  
DIRECTOR-GENERAL

Provincial Building,  
Wale Street  
Cape Town.

---

P.N. 348/2014

**PROVINSIALE KENNISGEWING**

Die volgende Provinsiale Kennisgewing word vir algemene inligting gepubliseer.

ADV. B. GERBER,  
DIREKTEUR-GENERAAL

Provinsiale-gebou,  
Waalstraat  
Kaapstad.

---

12 December 2014

# **RACING & BETTING RULES OF THE BOARD**

*(Last amended 12 December 2014)*

**WESTERN CAPE RACING AND BETTING RULES OF THE BOARD**  
**Made by the Western Cape Gambling and Racing Board in terms of section 82**  
**of the Western Cape Gambling and Racing Act 1996 (Act 4 of 1996), as**  
**amended ("the Act").**

**ARRANGEMENT OF RULES**

**PART I**

1. **Definitions**

**Part II**

**General Provisions**

2. Rules made available
3. Computerised record keeping systems
4. Recording of verbal bets
5. Recognition of representative bodies or associations
6. Persons to accept or process bets
7. Acceptance of bets
8. Cut-off time to accept and process bets
9. Bets finally determined
10. Payments of bets
11. Collection of winning bets
12. Limits and other conditions
13. Responsible Gambling Programme
14. Records made available
15. Records to be made available on cessation of operations, revocation or expiry of licence

**Part III**

**Recording of bets on licensed premises by the holder of a bookmakers licence**

16. General provisions
17. Computerised backups
18. Printouts
19. Tickets
20. Power or System failure

**PART IV**

**Recording of bets on licensed premises by the holder of a totalisator licence**

21. General provisions
22. Computerised backups
23. Tickets
24. Commingling initiatives
25. Aggregate Takeout
26. Levy returns

**PART V**  
**Wagering Record-Keeping Software**

27. Approval of betting devices and software programmes
28. Minimum standards for betting devices and computer software programmes
29. Change control management and upgrade
30. Time of computerised record-keeping systems

**PART VI**  
**Books, accounts and records**

31. Register
32. Ticket books
33. Field books
34. Recording of take-back bets
35. Accounts receivable and payable ledger
36. Manual book entries

**PART VII**  
**Licensing**

37. Website and mobile applications used for purposes of betting
38. Provision for designated gambling areas on licensed premises
39. Establishment of new bookmaker or totalisator premises
40. Licence to be prominently displayed

**PART VIII**

41. Calculation of Sport taxes

**PART IX [PART VIII]**  
**Offences**

42. Fines & penalties
43. Date of commencement

**PART X [PART IX]**

- Annexure A1: Registers
- Annexure A2: Ticket book Register
- Annexure B: Tickets
- Annexure C: Field book
- Annexure D: Accounts receivable and payable ledger
- Annexure E1: Change Control Management Guide
- Annexure E2: Change request application form

## **Part I**

### **1. Definitions**

In these rules, unless inconsistent with the context, the words and expressions used have the meanings assigned to them in the Western Cape Gambling and Racing Act, 1996 (Act 4 of 1996) (“the Act”), and –

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

“**commingling**” means the amalgamation of defined betting pools between an Operator and another operator licensed in another South African provincial or foreign jurisdiction and the declaration of a common dividend between that Operator and such other operator;

“**computerised record-keeping system**” means a computerised wagering system referred to in rule 18;

“**designated gaming areas**” means an area within licensed premises where any betting is available to be conducted”;

“**fixed odds bet**” means a bet on one or more contingencies in respect of which the odds are agreed at the time the bet is placed;

“**hardware upgrade**” means –

- (a) in relation to a server, a version or level change to any hardware that maintains the server serial number or the addition of new hardware to such server, or
- (b) the implementation of an enhanced hardware function;

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

“**licensed premises**” means any premises licensed in terms of the Act;

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

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

“**open bet**” means

- (a) a bet, other than a totalisator bet, taken by a bookmaker on one or more contingencies, in which no fixed-odds are agreed at the time the bet is placed; or
- (b) a bet in respect of which the payout is determined after the outcome of the contingency on which such a bet is struck became known, with reference to dividends generated by a totalisator;

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

**“Regulations”** means the Western Cape Gambling and Racing Regulations made in terms of section 81 of the Act, as amended from time to time;

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

**“take-back bet”** means any bet taken by a licensed bookmaker with any other licensed bookmaker or licensed totalisator carrying on business within the Republic of South Africa, where such bet is solely for the *bona fide* purpose of covering the whole or any portion of its commitment in respect of any bet or bets laid or to be laid by him or her, provided that any such bet or bets are taken on the outcome of the same event or contingency, and for the purposes of this definition “bookmaker’s commitment” means the amount which such licensed bookmaker will have to pay out or which it anticipates to pay out in respect of such bet or bets, irrespective of the stakes held by it in respect of such bet or bets;

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

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

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

## **Part II**

### **General provisions**

#### **2. Rules made available**

- (1) Every holder of a bookmaker or totalisator operator licence shall make available to a player where its licensed premises provides physical access to the public for betting purposes, upon request, any rules approved in terms of section 63 or made in terms of section 82 of the Act relevant to its business operation.
- (2) Every holder of a bookmaker or totalisator operator licence shall, in a prominent position, display a notice advising players of the availability of the rules contemplated in sub-rule (1) and any amendments thereto.
- (3) Every licence holder contemplated in this Rule shall not conduct betting otherwise than in accordance with the rules contemplated in sub-rule (1).

#### **3. Computerised record keeping systems**

- (1) Subject to the provisions of Rule 20, no manual record-keeping system shall be permitted for the processing of betting transactions on a licensed bookmaker premises.
- (2) The holder of a bookmaker licence must make use of a computerised record-keeping system as provided for in Rule 16 for the processing of betting transactions.

#### **4. Recording of verbal bets**

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

#### **5. Recognition of representative bodies or associations**

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

- (2) The effect of the recognition of a body or association in terms of sub-rule (1) shall be that, subject to compliance with the Act, such body or association shall be –
- (a) consulted in respect of:
    - (i) any proposed change in its status as a body or association recognised by the Board;
    - (ii) proposed amendments to the Act affecting the class or category of licence holder which it represents, and
    - (iii) applications for licensing submitted by persons seeking to be issued licences in the class or category which it represents; provided that the body or association shall not be entitled to any confidential information submitted by such applicants, and
  - (b) notified in respect of:
    - (i) any proposed hearing, enquiry or similar disciplinary procedure to be conducted in respect of any of its members, provided that the member concerned shall be entitled to elect whether to enlist the assistance of the body or association for the purposes of the hearing, enquiry or disciplinary procedure, and
    - (ii) the outcome of any hearing, enquiry or disciplinary procedure referred to in paragraph (b)(i).
- (3) The effect of recognising a body or association in terms of sub-rule (1) shall not limit the rights and privileges of licensed operators that are not members of such body or association as it relates to sub-rule 2 above.

#### 6. **Persons to accept or process bets**

- (1) Over and above the requirements in Section 56 of the Act, that outlines the positions and functions for which a key employee licence is required, each branch / outlet will have at least one key employee licensed for such premises.
- (2) The licensed key employee shall be present at all times during which bets are accepted or processed on totalisator- and bookmaker premises.
- (3) Where the holder of a totalisator or bookmaker licence offers betting on more than one licensed premises, and all betting transactions conducted by the licence holder are centrally monitored and controlled on one licensed premises (“the central premises”), then a key employee is not required to be present during all hours of operation, provided that-
  - (a) licensed key employee shall be required to be present and to exercise control and authority over the activities performed in terms of the licence on the central premises only, provided further that no betting shall be offered on premises other than the central premises when such central premises are closed for business or on any such premises when no key employee is present on the central premises.
- (4) The operator will keep and maintain a register for people employed at each branch in accordance with Section 57B of the Act.



- (5) Where bets are accepted or processed on a 24-hour basis on licensed premises by means of computer software which the Board has determined to operate independently and requires no supervision and minimal maintenance, the presence of a licensed key employee on such licensed premises shall be required only during the normal hours of business of the licence holder offering such betting,  
provided that-
  - (a) telephone number and email address to log queries is available.

## 7. **Acceptance of bets**

Upon acceptance of a bet the holder of a bookmaker or totalisator operator licence shall;

- (1) issue a ticket to a player in exchange for cash; or
- (2) After the placing of a bet through a telephone, the operator shall orally confirm what he/she has keyed in and obtain authority from the customer to transmit the bet to the system.
- (3) When a bet is placed online the system shall notify the player that the bet has been accepted, processed and record the terms of the bet in the respective player accounts.

## 8. **Cut-off time to accept and process bets**

- (1) A bookmaker shall, subject to the provisions of the relevant legislation, close all betting on an event or a component within an event on which the bet is sought to be placed within thirty seconds after the event or component of the event has officially started, provided that where the event or component of the event is expected to last less than thirty seconds, betting shall be closed at the commencement of the event or the component of the event. This rule does not apply to in-running sports betting. Provided that the cut-off time shall not apply in respect of take-back or non-cash related bets entered into between licensed bookmakers,
- (2) In the event that a bookmaker makes use of an independent service provider to execute such a command or instruction on its behalf, the onus shall remain on the relevant licence holder to ensure that the provisions of sub-rule (1) are complied with.
- (3) Any bets accepted or processed in breach of sub-rule (1) and (2) shall be deemed void for the purpose of these Rules.
- (4) All bets placed or accepted by a licence holder shall be recorded in the operating system by close of business daily.

9. **Bets finally determined**

- (1) Any bet shall be deemed to be determined when the outcome of the event or contingency to which such bet relates has become known.
- (2) Bets accepted or laid after the outcome of the event or contingency has been determined, will be void.

10. **Payments of bets**

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

11. **Collection of winning bets**

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

12. **Limits and other conditions**

- (1) In respect of open bets, the holder of a bookmaker licence shall clearly display all limits and conditions pertaining to betting units, on a notice board in or on the licensed premises where it's licensed premises provides physical access to the public for betting purposes and for online customers by means of a link on the website, provided that any limit set in respect of payment of a winning bet –
  - (a) shall specify the maximum amount payable in relation to a single unit, being a R1,00 unit, of any winning combination or bet type;
  - (b) shall not stipulate that any such maximum amount payable will be payable per ticket issued, and
  - (c) shall be deemed to specify the maximum amount payable in relation to a single (R1,00) unit of the applicable winning combination or bet type in all cases where the information appearing on the notice board contemplated in this rule is unclear.
- (2) In respect of fixed odds bets, the holder of a bookmaker licence shall clearly display all limits and conditions on a notice board in or on the licensed premises where it's licensed premises provides physical access to the public for betting purposes and for online customers by means of a link on the website, provided that any limit set in respect of payment of a winning bet –
  - (a) shall specify the maximum amount payable in relation to an accumulation of bets per day relating to any winning combination or bet type; and
  - (b) shall not stipulate that any such maximum amount payable will be payable per ticket issued.
- (3) The holder of a bookmaker licence shall submit proposed limits and conditions pertaining to sub-rules (1) & (2) above to the Board for approval prior to the implementation or any amendment thereof.

- (4) The holder of a bookmaker licence shall prior to conducting any betting transactions via telephone, cellular phone or any other electronic media with a player:
  - (a) furnish such player with a copy of the applicable limits;
  - (b) ensure that the signature of the player is appended to such copy and to retain such copy on its licensed premises until the account is permanently closed or any extended period as the Board may specify.

### 13. **Responsible Gambling Programme**

In addition to Rule 3.4 of the General Rules of the Board, the holder of a bookmaker or totalisator operator licence as well as its respective key employees shall identify and manage problem gambling by

- (1) opening, and thereafter maintaining a register as per Annexure C.2 of all players identified as, or reasonably suspected to be problem or compulsive gamblers;
- (2) advising and referring players contemplated in sub-paragraph (1) above to contact the Problem Gambling Counselling Line at 0800 006 008 or WHATSAPP HELP to 076 675 0710;
- (3) attending, within 12 months of being issued a new key employee licence, a training course in the identification and management of problem or compulsive gamblers presented by South African Responsible Gambling Trust; and
- (4) reporting to the Board by no later than the end of the month immediately following a quarter the amount of referrals in respect of sub-paragraph (2) and (3) made during the preceding quarter in the format prescribed by the Board.

### 14. **Records made available**

- (1) All registers, ledgers, books and records, or mechanical, electronic or computerised devices and software kept in or on the licensed premises of a bookmaker or totalisator, which are used, or are capable of being used for the purpose of betting operations, shall be made available to the Board on request.
- (2) The holder of an operator licence must submit to the Board copies of its audited annual financial statements and any reports communicating the results of an independent audit, including management letters, within one hundred and twenty days, or any extended period approved by the Board, following the last day of the licensed operator's financial year as contemplated in Regulation 43(3).
- (3) The holder of an operator licence must submit to the Board a betting tax return in the manner and format which the Board will determine from time to time as contemplated in Regulation 44.

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

- (1) Where the licensed activities authorised by the holder of a bookmaker licence, bookmaker premises, totalisator operator or totalisator premises licence are obliged to cease, as a result of –
  - (a) a successful application to the Board to cease operations;

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

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

- (2) Notwithstanding any cessation of licensed operations contemplated in this Rule, a licence holder contemplated in sub-rule (1) shall be liable for-
  - (a) all outstanding licence fees;
  - (b) taxes and levies;
  - (c) fines, penalties and interest; and
  - (d) other gambling obligations
- (3) Monies revealed by the close-down audit to be due and payable or identified during such audit, as the case may be. An operator shall not cease to operate any business in respect of any part of his / her premises or any part of the development thereon, to which the licence relates, without the prior written consent of the Board.
- (4) A licence holder intending to cease operation shall:
  - (a) inform customers one month prior to its intended cessation by placing a notice on the licensed premises and/or website;
  - (b) in the event of account holders, written communication shall be forwarded to all account holders one month prior to its intended cessation;
  - (c) Not accept any bets or issue tickets in the computerized system, on any future events and/or contingencies, which occurs after the cessation date; and
  - (d) Settle all bets accepted and processed by the computerized system until the date of cessation

### **Part III**

#### **Recording of bets on licensed premises by the holder of a bookmaker licence**

##### **16. General provisions**

- (1) Subject to the provisions of Rule 20, the holder of a bookmaker licence shall only use a computerised record-keeping system approved by the Board and any upgrades, amendments or improvements thereto approved by the Board, for the purpose of recording betting transactions.
- (2) The utilisation and operation of an approved computerised record-keeping system as contemplated in sub-paragraph (1), must be performed as prescribed in Rule 32, Rule 33, Rule 34 and Rule 35 to the extent that the requirements and obligations contained therein are or are reasonably considered to be within the licensed operator's control.
- (3) The computerised record-keeping system, approved by the Board shall be operated on the operator's licensed premises. In the event that a third party hosts the server the Board must be informed in writing.

##### **17. Computerised backups**

- (1) Subject to the provisions of Rule 17(3), the holder of a bookmaker licence shall make a daily backup and where betting is offered at multiple licensed premises a consolidated backup is required in duplicate of all operational data contained in its approved wagering record keeping system pertaining to all contingencies on which betting of any nature is offered, on compact disc or such other medium as may be required or approved by the Board.
- (2) The holder of a bookmaker licence shall ensure that the computerised backups contemplated in sub-rule (1) are compiled in such a manner that –
  - (a) all events and/or contingencies on which betting was offered shall be closed and recorded as such after the results of the event and/or contingency had been made known and the backup shall reflect the closed state of the event;
  - (b) all events and/or contingencies on which betting was offered shall contain complete and accurate records of all results for all the different bet types on which betting was offered by the holder of a bookmaker licence, and
  - (c) the correct names, as advertised, of each venue in respect of which betting was offered shall be recorded.
  - (d) accounts receivable and payable of betting clients or players must be maintained as prescribed in Rule 35; and
  - (e) accounts receivable and payable of betting must only contain betting transactions between a client or player concerned and the operator of a bookmaker licence.
  - (f) accounts receivable and payable of betting transactions between operators of a bookmaker licence may only relate to betting transactions directly related to the two entities concerned which may not include betting transactions in relation to a third party.

- (3) One copy of the backups contemplated in this Rule shall be retained in a secure place of storage on the licensed premises, or on such other premises as may be approved by the Board, for a period of five (5) years from the date of creation thereof, or such further period, pending any investigation, as the Board may require, and a second such copy shall be submitted to the Board once a month, before the 15<sup>th</sup> day of the month, in respect of the transactions concluded during the preceding month, provided that it is not required from a bookmaker to submit a duplicate backup copy to the Board where the holder of a bookmaker licence provides the facility for an officer of the Board to remotely connect to its wagering record keeping system for the purposes of accessing the database in order to execute audits.
- (4) The holder of a bookmaker licence shall record within the computerised backups the personal details of all players and holders of a bookmaker licence with whom the bookmaker has laid bets on account, credit or take-back bets, containing, at a minimum –
  - (a) in the case of a legal person:
    - (i) the name of the entity;
    - (ii) the registration number of the entity;
    - (iii) the registered trading address of the entity;
    - (iv) the telephone number at which the entity can be reached; and
    - (v) the code or abbreviation used for the identification of such entity by the bookmaker (where applicable); and
    - (vi) the account number used in respect of such entity, and
  - (b) in the case of a natural person:
    - (i) the name and surname of the person;
    - (ii) a copy of the personal identification document, drivers licence or passport clearly indicated as verified to be a true copy of original;
    - (iii) for non-face to face verification a certified copy of the personal identification document, drivers licence or passport of the person;
    - (iv) the residential address (not older than 3 three months at the time of the application) of the person substantiated by supporting documentation];
    - (v) the telephone number at which the person can be reached;
    - (vi) the code or abbreviation used for the identification of such person by the bookmaker (where applicable), and
    - (vii) the account number used in respect of such person.
- (5) Restoring or replacing a database is prohibited without the approval from the Board in the prescribed format.
- (6) A bookmaker shall ensure that every duplicate backup disc or such other medium as may be required submitted to the Board and retained by the licence holder in terms of this rule clearly specifies in printed text on the exterior thereof:
  - (a) the name of the licence holder to which the disc or such other medium as may be required relates;
  - (b) the name of the licensed premises to which the disc or such other medium as may be required relates provided that where the holder of a bookmaker licence offers betting on more than one licensed premises, and all betting

transactions conducted are centrally monitored and controlled on one licensed premises (“the central premises”), then the name of the licensed “central” premises shall be appended to the disc or such other medium as may be required, and

- (c) the calendar month and year to which the disc or such other medium as may be required relates.

**18. Printouts**

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

**19. Tickets**

At a minimum, any ticket issued to a player shall contain -

- (1) the ticket number;
- (2) the type of event or contingency;
- (3) the date of the event or contingency;
- (4) the date and time (hh:mm:ss) the ticket was issued;
- (5) the name or identifying number of the event or contingency;
- (6) the venue of the event or contingency;
- (7) the subject in respect of which the bet is laid;
- (8) the player’s stake;
- (9) the bookmaker’s commitment;
- (10) the bet type;
- (11) the name of the holder of a bookmaker licence, and
- (12) the address of the licensed premises (cash bets)
- (13) A statement that limits may be applicable and are accessible at the premises or on the website for online operators(cash bets)
- (14) “in-running betting” must be indicated where applicable

**20. Power or system failure**

- (1) In the event of a power failure or system failure, a manual system of wagering record keeping may be implemented by the holder of a bookmaker licence to process bets; provided that-
  - (a) the licence holder shall inform the Board in writing of the power or system failure within 24 hours;
  - (b) the licence holder notes, in a register kept for such purpose-
    - (i) the exact date and time of the failure;
    - (ii) the nature of the failure, and
    - (iii) the duration of the failure, specifying the exact date and time that reconnection to the system is established;
  - (c) all bets laid or taken by the licence holder during the failure shall simultaneously be manually recorded in a numbered ticket book contemplated in Rule 32, a fieldbook as contemplated in Rule 33, subject to the provisions of Rule 31 pertaining to registers; and
  - (d) upon reconnection to the power or system, all transactions manually recorded in the ticket book pursuant to paragraph (c) shall be recreated on the computerised wagering system and cross-referenced with the corresponding numbers in the ticket book.

- (2) Notwithstanding the provisions of sub-rule (1), the Board may, in respect of power or system failures generally, require, or on written application by a licensed bookmaker, approve-
- (a) the use of a master-slave system, which shall operate in such a manner that the master and slave components of the system have identical capabilities and may operate independently of one another without in any way compromising any of the system requirements laid down by the Board, or
  - (b) the use of an acceptable alternative source of electrical power generation on the licensed premises.



## **Part IV**

### **Recording of bets on licensed premises by the holder of a totalisator licence**

#### **21. General Provisions**

A totalisator operator shall use only such computerised record-keeping system and upgrades, amendments or improvements thereto as have been approved by the Board for the purpose of recording betting transactions.

#### **22. Computerised back-ups**

- (1) A totalisator operator shall make a daily backup or a single consolidated backup where betting is offered at multiple licensed premises of all operational data contained in its approved wagering record keeping system pertaining to all contingencies on which betting is offered, on compact disc, tape, or such other medium as may be prescribed by the Board, which shall be retained in a secure place of storage on the licensed premises, or on such other premises as may be approved by the Board, for a period of five (5) years from the date of creation thereof, or such further period, pending any investigation, as the Board may require.
- (2) A totalisator shall, once quarterly, before the 15<sup>th</sup> day of the subsequent month, in respect of the transactions concluded during the preceding quarter, provide the information contemplated in sub paragraph (1) to the Board in the format prescribed, provided that that it is not required from a totalisator to submit a duplicate backup copy to the Board where the holder of a totalisator licence provides the facility for an officer of the Board to remotely connect to its wagering record keeping system for the purposes of accessing the database in order execute audits.
- (3) A totalisator operator shall record the personal details of all players with whom it has laid bets on account or credit containing, at a minimum –
  - (a) in the case of a legal person:
    - (i) the name of the entity;
    - (ii) the registration number of the entity;
    - (iii) the registered trading address of the entity;
    - (iv) the telephone number at which the entity can be reached; and
    - (v) the code or abbreviation used for the identification of such entity by the totalisator (where applicable); and
    - (vi) the account number used in respect of such entity;
  - (b) in the case of a natural person:
    - (i) the name and surname of the person;
    - (ii) a copy of the personal identification document , drivers licence or passport of the person clearly indicated as verified to be a true copy of original;
    - (iii) for non-face to face verification a certified copy of the personal identification document, drivers licence or passport of the person;
    - (iv) the residential address (not older than 3 three months at the time of the application) of such person substantiated by supporting documentation;

- (v) the telephone number at which such person can be reached;
  - (vi) the code or abbreviation used for the identification of such person by the totalisator (where applicable); and
  - (vii) the account number used in respect of such person.
- (4) Restoring a database is prohibited without the approval from the Office of the Board in the prescribed format.
- (5) A totalisator operator shall ensure that every duplicate backup disc or tape submitted to the Board and retained by the licence holder in terms of this rule clearly specifies in printed text on the exterior thereof:
- (a) the name of the licence holder to which the disc or tape relates; and
  - (b) the name of the licensed premises to which the disc or tape relates;
  - (c) the calendar month and year to which the disc or tape relates.

### 23. Tickets

Any ticket issued by a totalisator operator to a player shall contain, at a minimum -

- (1) the ticket number;
- (2) the bet type;
- (3) the date of the event or contingency;
- (4) the time the ticket was issued;
- (5) the name or identifying number of the event or contingency;
- (6) the venue of the event or contingency;
- (7) the subject in respect of which the bet is laid;
- (8) the player's stake;
- (9) the code number of the licensed totalisator operator, and
- (10) the code number of the totalisator terminal at which the ticket was issued.

### 24. Commingling Initiatives

- (1) A copy of the commingling agreement with an operator must be submitted to the Board before the implementation thereof by the holder of a totalisator operator licence.
- (2) Every application for the approval of a commingling agreement with a foreign totalisator operator must disclose the take-out rates in respect of each bet type to be made available, and include calculations from which it may reasonably be concluded that the implementation of the agreement will not lead to a contravention of regulation 52(2) of the Regulations.
- (3) In respect of commingling agreements with foreign operators –
  - (a) unless otherwise stipulated or required by the Board, the Rules in respect of totalisator betting of the host operator in respect of the event and/or contingency in question (“the Host Rules”) will apply;

- (b) the Host Rules must be submitted to the Board before the implementation of the agreement;
  - (c) on all occasions that betting is conducted pursuant to such an agreement, the licence holder must have a copy of the Host Rules available for perusal by the public;
  - (d) a notice, in the form required by the Board must be given to the public, of such deviations between the Host Rules and the legislation, regulations, rules, policies and/or general practice in force in the Western Cape as the Board or its Office may require; and
  - (e) sufficient written confirmation that approval has been obtained from the South African Reserve Bank which must be submitted to the Board.
- (4) Players betting on commingled events and/or contingencies shall be pertinently notified of the exchange rate operative in respect of such betting transactions, as well as the fact that such rate is fixed on the morning of the event and/or contingencies and will not be affected by any exchange rate fluctuations which might occur during the course of the day in question.

## 25. **Aggregate Takeout**

- (1) Subject to the provisions of regulation 52(2) of the Regulations, a totalisator operator shall, by no later than the end of the month immediately following a quarter, submit to the Board in the format required by it, all average return to player percentages in respect of transactions concluded during the preceding quarter on all events and/or contingencies to which any commingling agreement with a foreign totalisator operator relates.
- (2) All average return to player percentages referred to in subrule (1) shall be calculated per day over a three-month period.

## 26. **Levy returns**

- (1) In addition to the quarterly levy return contemplated in regulation 73(1) of the Regulations, a totalisator operator shall, by no later than the end of each month, submit to the Board in the format required a supplementary levy return in respect of the transactions concluded during the preceding month, which shall reflect, or include, as the case may be -
  - (a) the amount expended by the totalisator operator on stakes and capital investment respectively and the nature thereof from resources other than the levy paid over by the Board;
  - (b) the amount expended by the totalisator operator on stakes and capital investment respectively and the nature thereof from the levy received paid over by Board;
  - (c) the total levy received, the amount applied during the month and the amount retained by the totalisator operator with respect to the levy paid over by the Board;
  - (d) totals as contemplated in sub-paragraphs 26(1)(a)-(b) for the corresponding period in the previous year; and
  - (e) a detailed account statement of the levy account reflecting all transactions for the month in respect of which the return is submitted.

- (2) A separate ledger or control account must be opened and maintained by the totalisator operator in respect of levies paid over to it by the Board, recording and balancing all deposits and receipts by the totalisator operator on a monthly basis.
- (3) Every utilisation of any portion of the levy amount, whether for stakes or capital expenditure, must be clearly allocated to the applicable expense or investment account and properly referenced.
- (4) The expenditure accounted for in terms of this Rule must differentiate between—
  - (a) capital expenditure, being an upgrade or an expansion,
  - (b) a new development, or
  - (c) an expense.
- (5) Expenditure of a capital nature shall be expenditure which:
  - (a) entails a modification of an item to materially extend its useful life, including a noteworthy increase in its capacity;
  - (b) involves the upgrading of items to achieve a substantial improvement in the quality of output;
  - (c) entails the adoption of new processes enabling a substantial reduction in previously assessed operating costs; and
  - (d) comprises new developments.
- (6) Each expenditure of levy funds by a totalisator operator must be properly authorised by its management and supporting source documentation retained in respect thereof.

## **Part V**

### **Wagering Record-keeping software**

#### **27. Approval of betting devices and computer software programmes**

- (1) A manufacturer or distributor shall not distribute betting devices or computer software programmes and, subject to Rule 32, any upgrades, amendments or improvements thereto in the Province and the holder of a bookmaker or totalisator operator licence shall not acquire, utilise or expose such for betting unless the betting device or computer software programme and upgrades, amendments or improvements thereto has been certified in the manner contemplated in Rule 28 and approved by the Board.
- (2) An application for approval of new betting devices and computer software programmes shall include a complete, comprehensive, and technically accurate description and explanation, in both technical and lay language, of the manner in which the betting device or computer software operates.
- (3) Sub-rule 1 shall constitute an offence by the manufacturer and distributor concerned, which conduct shall be penalized separately for purposes of rule 42.

#### **28. Minimum standards for betting devices and computer software programmes**

- (1) No betting device or computer software programme shall be approved by the Board unless it has been tested and certified as meeting the requirements of SANS 1718, Part IV, as amended, with reference to local legislation.
- (2) A licensed manufacturer shall at all times ensure that a betting device or computer software programme as contemplated in sub-paragraph (1) above shall accurately calculate betting transactions in accordance with these Rules and relevant norms and standards. It shall be the responsibility of the licensed manufacturer to investigate and rectify at its own cost any non-compliance identified with these Rules and the relevant norms and standards subsequent to the approval of the wagering software, upgrade or amendment thereto.
- (3) All costs involved in the testing, certification and approval of betting devices and computer software programmes shall be borne by the licensed manufacturer submitting the betting devices or computer software programmes for certification and approval.
- (4) The Board's approval of a betting device or computer software program shall not constitute a guarantee of its performance nor its safety.
- (5) The betting device(s) or software system(s) approved by the Board is for mere record-keeping purposes and does not usurp the functions of the Board in terms of auditing licensed operators' financial information for tax purposes.
- (6) The Board is not bound to incorrect calculations generated by an error or malperformance in the software approved by the Board. The Chief Executive Officer assumes the primary role of administering that the correct taxes are

paid in accordance with the applicable provisions in the Act, Regulations and the Racing and Betting Rules of the Board.

**29. Change Control Management**

- (1) All software media submitted to the Board shall be clearly labeled, and shall contain sufficient information to identify the version and modification level.
- (2) The identifying information utilised shall strictly follow the manufacturer's identification system, as detailed in its software configuration control procedures.
- (3) Each software revision must be drafted in accordance with the criteria set forth in Annexure E.1 and submitted on the prescribed form as per Annexure E.2 and be implemented accordingly.
- (4) The manufacturer shall ensure that new versions of software submitted are cross-referenced back to previous certified releases, adhere to the conditions set forth therein where approval is granted and shall make use of Annexure E.2 for this purpose.
- (5) The Board may from time to time issue guidance notes with respect to the interpretation and completion of Annexures E.1 and E.2 as the need arises.

**30. Time of computerised record-keeping systems**

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

## **PART VI**

### **Books, accounts and records**

#### **31. Register**

- (1) A register shall be used to keep a record of all Ticket books, Field books and Statement of Account books as well as notes in relation to manual back-up transactions by the holder of a bookmaker licence.
- (2) The name of the holder of a bookmaker licence and, where the register pertains to individual licensed premises, the physical street address of that licensed premises shall be recorded on the front cover of each register.
- (3) A register shall consist of consecutively pre-numbered pages permanently bound together.
- (4) The register shall contain the following columns for entering information pertaining to ticket books (Annexure A.1):
  - (a) the number of the ticket book;
  - (b) the number of the first ticket in the ticket book;
  - (c) the number of the last ticket in the ticket book;
  - (d) the date when the first ticket in the ticket book was issued;
  - (e) the date when the last ticket in the ticket book was issued; and
  - (f) an indication whether the ticket book was used -
    - (i) for betting on horseracing, or
    - (ii) for betting on other events or contingencies,provided that any multiple bet of which a bet on horseracing forms any part shall be deemed in its entirety to be a bet on horseracing.
- (5) The register shall be used as follows for making ticket book entries:
  - (a) When ticket books are received from printers or stationers, every ticket book number and the numbers of the first and last tickets in each book shall be entered in numerical order in the register.
  - (b) When a ticket book is taken into use, the date on which the first ticket was issued shall be entered in the register.
  - (c) Tickets shall be issued strictly on a numerical basis, so that no ticket books shall contain any blank spaces preceding the last entry therein.
  - (d) When a ticket book is full, the date on which the last ticket was issued shall be entered in the register.
- (6) The register shall contain the following columns for entering information pertaining to field books (Annexure A.1):
  - (a) the field book number;
  - (b) the number of pages in each field book;
  - (c) the date of the first entry in each field book; and
  - (d) the date of the last entry in each field book.

- (7) The register shall be used as follows for field book entries:
- (a) All such field books shall, on receipt from the printers or stationers, be entered in the register.
  - (b) When any such field book is taken into use, the date of the first entry therein shall be entered in the register.
  - (c) When any field book is full, the date of the last entry therein shall be entered in the register.
- (8) All ticket books and field books entered in the register shall be available on the licensed premises, or such other premises as may be approved by the Board, for a minimum period of five (5) years from the date of the last entry therein, or such other period, pending any investigation, as the Board may require.

### 32. Ticket books

- (1) The ticket books (Annexure A.2) shall be in the following format:
- (a) In respect of an off-course holder of a bookmaker licence -
    - (i) the name of the bookmaker and the physical address of the licensed premises shall be preprinted on the front cover of each book;
    - (ii) ticket books shall be serially numbered starting with the ticket book with the lowest ticket number;
    - (iii) a ticket book shall consist of consecutively numbered tickets permanently bound together, at least in duplicate;
    - (iv) the number printed on the original ticket shall in like manner be printed on the copies thereof;
    - (v) the name of the bookmaker and the physical address of the licensed premises shall be printed on the original ticket;
    - (vi) the original ticket and the copies thereof shall contain spaces for the insertion of the event or contingency venue, the event or contingency number or name, the event or contingency date and, in the case of account, credit or take-back bets, the name of the player or bookmaker respectively;
    - (vii) no copy or copies of any ticket shall be perforated or weakened in any manner;
    - (viii) the original ticket and the copies thereof shall contain spaces for the insertion of the subject or subjects of the bet, the stake, the bet type, the bookmaker's commitment and any other particulars relevant to the bet; and
    - (ix) the original ticket shall be perforated in such manner as to allow easy detachment.
  - (b) In respect of an on-course holder of a bookmaker licence -
    - (i) Ticket books shall be serially numbered, starting with the ticket book with the lowest ticket number, and shall consist of consecutively numbered tickets permanently bound together;
    - (ii) the name of the bookmaker and the physical address of the licensed premises shall be printed on each ticket;



- (iii) each ticket shall contain spaces for the insertion of the event or contingency venue, the event or contingency number and the event or contingency date and, in the case of an account, credit or take-back bet, the name of the player or bookmaker respectively, and
  - (iv) each ticket shall contain spaces for the insertion of the name or names, or the number or numbers of the subject or subjects of the bet, the stake, the bet type, the bookmaker's commitment and any other particulars relevant to the bet.
- (2) Each ticket of each ticket book shall be used in numerical sequence, commencing from the lowest ticket number in such book.
- (3) When laying any bet on a licensed premises, the holder of a bookmaker licence which lays such bet shall –
  - (a) in respect of a fixed odds bet –
    - (i) simultaneously record the date of the bet, the event or contingency venue, the event or contingency number, the name or number of the subject or subjects of the bet, the player's stake, the bet type, the bookmaker's commitment and any relevant details pertaining to the bet on the next unused ticket in the ticket book;
    - (ii) in the case of a take-back bet, simultaneously record on the ticket the name of the bookmaker with which the bet was placed;
    - (iii) in the case of an account or credit bet, record on the ticket the name of the player with whom or bookmaker with which the bet was laid;
    - (iv) issue the original ticket to the punter who placed the bet, unless the bet was placed by telephone, in which case the original ticket shall remain in the ticket book, and
    - (v) enter the particulars of such bet in the relevant field book as hereinafter prescribed; and
  - (b) in respect of an open bet –
    - (i) simultaneously record the date of the bet, the event or contingency venue, the event or contingency number, the name or names or the number or numbers of the subject or subjects of the bet, the player's stake, the bet type and any relevant details pertaining to the bet on the next unused ticket in the ticket book;
    - (ii) in the case of a take-back bet, simultaneously record on the ticket the name of the bookmaker with which the bet was placed;
    - (iii) in the case of an account or credit bet, record on the ticket the name of the player with whom or bookmaker with which the bet was laid;
    - (iv) issue the original ticket to the player who placed the bet, unless the bet was placed by telephone, in which case the original ticket shall remain in the ticket book; and
    - (v) enter each bet on a page designated for open bets in the relevant field book.

- (4) At the end of the day the holder of a bookmaker licence shall clearly mark all winning bets as “(W)” and indicate the progressive takeout on the tickets issued in respect of all winning bets.
- (5) In the case of a bet laid off-course, which has been cancelled, the holder of a bookmaker licence shall clearly mark the ticket in question as cancelled and attach the original ticket and all copies thereof to the corresponding ticket book copy.
- (6) In the case of a winning bet laid on-course, the holder of a bookmaker licence shall –
  - (a) collect all original winning tickets upon payout;
  - (b) sort winning tickets together into numerical sequence; and
  - (c) attach the winning tickets to the copy of the page of the fieldbook, referred to in Annexure C.1, on which such winning bet was recorded.

### 33. Field books

- (1) Field books (Annexure C.1) shall be in the following format:
  - (a) field books shall be serially numbered; and
  - (b) a field book shall consist of consecutively numbered pages permanently bound together, at least in duplicate; and
  - (c) no original page of the fieldbook shall be perforated or weakened in any manner; and
  - (d) the copies of the original pages of the fieldbook shall be perforated in such manner as to allow easy detachment; and
  - (e) the name of the holder of a bookmaker licence and the physical address of the licensed premises shall be recorded on the front cover of each field book.
  - (f) A field book shall contain spaces on every page thereof for the insertion of the following:
    - (i) the event or contingency venue;
    - (ii) the event or contingency name or number; and
    - (iii) the event or contingency date.
- (2) Separate field books may be used for –
  - (a) horseracing;
  - (b) other sporting events; and
  - (c) other events or contingencies,

provided that any multiple bet of which a bet on horseracing forms any part shall be deemed in its entirety to be a bet on horseracing.
- (3) Every holder of a bookmaker licence shall, in the manner hereinafter prescribed, enter into the field book the particulars of –
  - (a) all bets laid on the licensed premises on a particular day; and
  - (b) all take-back bets placed by the bookmaker in order to cover a commitment reflected in such book, as finally determined upon that day.

- (4) No page of the field book shall relate to more than one event or contingency; provided that any page may be horizontally subdivided to form two or more shorter pages, the one below the other, each of which shall be clearly demarcated and shall relate to a separate event or contingency.
- (5) (a) No column on any page of a field book shall, in respect of fixed odds bets, relate to more than one subject; provided that any column may be horizontally subdivided to form two or more shorter columns, the one below the other, each of which shall be clearly demarcated and shall be a separate column.
- (b) The name of any subject taking part in an event or a contingency in respect of which fixed odds bets have been laid on the licensed premises shall be entered at the top of a column before any entry is made therein.
- (c) Each column referred to in paragraph (a) shall be divided vertically into no fewer than five sub columns.
- (6) The following entries shall be made in a field book:
- (a) in respect of all fixed odds bets –
- (i) the name or number which identifies the event or contingency concerned;
  - (ii) the venue at which and the date on which such event or contingency takes place;
  - (iii) at the head of each separate column referred to in subrule (5)(a), the name or names of the subject or subjects taking part in such event or contingency in respect of which fixed odds bets were laid or placed by the bookmaker concerned; and
  - (iv) in the sub-columns referred to in subrule (5)(c), the following particulars, from left to right and on the same horizontal line, pertaining to each such bet in the following sequence:
    - (aa) the progressive take-out in respect of the subject concerned;
    - (bb) the bookmaker's commitment in respect of each individual bet;
    - (cc) the player's stake in respect of each individual bet;
    - (dd) the progressive total of players' stakes in respect of the subject concerned; and
    - (ee) the number of the ticket issued in terms of rule 32 (3)(a)(iii);
  - (v) the winning take-out, the winning stake and the total stake in respect of all bets for each event or contingency, next to the last subject; and
  - (vi) once the outcome of the race, event or contingency is known, a mark "(W)", identifying a winning bet, and
- (b) in respect of all open bets –
- (i) the place at which and the date on which the outcome of the bet or bets concerned is finally determined;
  - (ii) the total payout, total winning stake and total stake in respect of all bets for each day;

- (iii) in the sub-columns referred to in sub-rule (5)(c), the following particulars, each from left to right and on the same horizontal line, pertaining to each such bet in the following sequence:
  - (aa) the progressive takeout in respect of each bet;
  - (bb) the bookmaker's commitment in respect of each bet;
  - (cc) the player's stake in respect of each bet;
  - (dd) the progressive total of players' stakes in respect of each bet, and
  - (ee) the number of the ticket issued in terms of rule 32(3)(a)(iii), and
- (c) in respect of take-back bets, the records prescribed by rule 34; provided that where any such bet is won by the bookmaker concerned, it shall not be necessary to complete sub-columns (aa) and (bb) contemplated in subparagraph (b)(iii).

#### 34. Recording of take-back bets

- (1) Every holder of a bookmaker licence which places a take-back bet on any subject in order to cover the commitment or expected commitment reflected in –
  - (a) a field book in respect of such subject, shall record such bet, where such commitment exists or is anticipated in respect of fixed odds bets, by entering the following from left to right and on the same horizontal line in the sub-columns referred to in rule 33(5)(c), of the column in respect of such subject:
    - (i) a figure arrived at by deducting from the progressive take-out in respect of such subject at the time of taking such bet:
      - (aa) the sum of the commitment of the bookmaker laying such bet and the amount staked by the bookmaker placing such bet; or
      - (bb) the amount paid by the holder of a totalisator operator licence,  
as the case may be;
    - (ii) the commitment of the bookmaker laying such bet, or a figure arrived at by deducting from the amount paid by the holder of a totalisator operator licence the amount staked by the licensed bookmaker placing such bet, as the case may be, which figure shall be clearly highlighted or circled;
    - (iii) the amount staked by the bookmaker placing such bet, which figure shall be clearly highlighted or circled;
    - (iv) a figure arrived at by deducting from the progressive total of players' stakes on such subject the amount staked by the bookmaker placing such bet; and
    - (v) the number of the ticket where such bet is a totalisator bet, and
  - (b) a field book in respect of such subject, shall record such bet, where such commitment exists or is anticipated in respect of open bets, by entering the following from left to right and on the same horizontal line in the columns, referred to in rule 33(5)(c), of the page of such book relating to open bets:

- (i) a figure arrived at by deducting the following from the progressive takeout in respect of open bets:
  - (aa) the payout by the bookmaker laying such bet; or
  - (bb) the amount paid by the holder of a totalisator operator licence,  
as the case may be;
- (ii) the payout by the bookmaker laying such bet, or a figure arrived at by deducting from the amount paid by the holder of a totalisator operator licence the amount staked by the bookmaker placing such bet, as the case may be, which payout or figure shall be circled in ink;
- (iii) the amount staked by the bookmaker placing such bet, which amount shall be clearly highlighted or circled;
- (iv) a figure arrived at by deducting from the progressive total of players' stakes on such open bets the amount staked by the bookmaker placing such bets; and
- (iv) the number of the betting ticket where such bet is a totalisator bet;

provided that where any such bet is lost by the bookmaker placing it, it shall not be necessary to make the entries contemplated in subparagraphs (i) and (ii).

- (2) When the holder of a bookmaker licence places a take-back bet in respect of an expected commitment and –
  - (i) the commitment does not materialise, the take-back bet shall be considered a bet and shall not be deductible for betting tax purposes; or
  - (ii) the commitment only materialises partially, the bookmaker shall only deduct so much of the take-back bet as pertains to the commitment in so far as it so materialises, the rest being considered a bet, which shall not be deductible for betting tax purposes.
- (3) The recording of a fixed odds bet in respect of two or more subjects taking part in the same event or contingency shall be deemed to be a bet on one subject and shall be recorded in a separate column in the field book in the same manner as fixed odds bets in respect of one subject; provided that a consolidated entry may be made in respect of two or more such bets.
- (4) Open bets laid or deemed to have been laid in or on licensed premises, which have been finally determined during any one week, shall be recorded in the field book as if they were open bets laid in respect of a single subject in a single event or contingency which took place during that week.
- (5) A licensed bookmaker shall, when making an entry representing a negative quantity in a field book in respect of –
  - (a) the take-out;
  - (b) the progressive total of players' stakes on a particular subject; or
  - (c) the progressive total of players' stakes on all subjects in an event or a contingency,

must circle such entry.

### 35. Accounts Receivable and Payable ledger

- (1) An Accounts Receivable and Payable ledger must contain an address book in the following format:
  - (a) An address book shall record the prescribed personal details of all players in respect of whom the bookmaker has laid or placed account or credit bets, and shall contain the following minimum information:
    - (i) In the case of a legal person:
      - (aa) the name of the entity;
      - (bb) the registration number of the entity;
      - (cc) the registered trading address of the entity;
      - (dd) the telephone number at which the entity can be reached; and
      - (ee) the code or abbreviation used for the identification of such entity by the bookmaker (where applicable); and
      - (ff) the account number used in respect of such entity;
    - (ii) In the case of a natural person:
      - (aa) the name and surname of the person;
      - (bb) a copy of the personal identification document, drivers licence or passport of the person;
      - (cc) the residential address of the person substantiated by supporting documentation;
      - (dd) the telephone number at which the person can be reached;
      - (ee) the code or abbreviation used for the identification of such person by the bookmaker (where applicable); and
      - (ff) the account number used in respect of such person.
  - (b) An address book shall have an alphabetical index.
  - (c) An address book shall be written up on the same day on which the bookmaker has laid or placed an account or credit bet with a player.
- (2) An Accounts Receivable and Payable ledger must contain player statements of all transactions (Annexure D) which shall be in the following format:
  - (a) The name of the holder of a bookmaker licence, the physical address of the licensed premises and the statement date shall be recorded on each statement.
  - (b) The statement shall reflect -
    - (i) the name of the player with whom bets were laid and/or placed;
    - (ii) the ticket number or transaction reference;
    - (iii) the amount won or lost;
    - (iv) the transaction date;
    - (v) details of the transaction with respect to journal entries; and
    - (vi) the amount payable to or due by the bookmaker.
  - (c) A statement shall reflect the transaction details of only one player and shall be in respect of a specified tax period.
  - (d) The net amount won or lost by the player in respect of a tax period shall be calculated at the bottom of the statement.

- (e) The statement of account shall be supplied to a player on request.
- (f) The Accounts Receivable and Payable ledger shall contain the following information:
  - (i) the net amount of all account or credit bets laid, calculated in respect of a tax week in respect of each individual player;
  - (ii) the total of all take-back bets placed by the bookmaker during the tax week specified in respect of each individual bookmaker with which such bets were laid;
  - (iii) all winning payouts or refunds to players;
  - (iv) all winning payouts received from bookmakers;
  - (v) all payments of accounts to or by players or bookmakers; and
  - (vi) any balance due to or due by a bookmaker.
- (g) accounts receivable and payable of betting must only contain betting transactions between a client or player concerned and the operator of a bookmaker licence.
- (h) accounts receivable and payable of betting transactions between operators of a bookmaker licence may only relate to betting transactions directly related to the two entities concerned which may not include betting transactions in relation to a third party.

**36. Manual book entries**

- (1) All entries in the prescribed registers, ledgers, books and records shall be in permanent ink and in legible handwriting.
- (2) The use of correcting fluid is not permitted, and any error made shall be rectified by drawing one horizontal line through the incorrect entry in such a manner that the original entry remains legible, and writing the correct word or number above it. The person effecting such a correction shall simultaneously place his or her signature and the date of the correction alongside such correction.

## **Part VII**

### **Licensing**

#### **37. Websites and mobile applications used for the purposes of betting**

- (1) The holder of a bookmaker or totalisator operator licence shall ensure that, where betting is conducted, promoted or advertised from a website, mobile applications or any device utilised for such purpose, the prior approval of the Board is obtained in respect of such website, mobile applications or device utilised for such purpose, which at a minimum, shall display on the home or login page links to-
  - (a) Contact details:
    - (i) In respect of the licensed operator:-
      - (aa) mobile, office and after-hours telephone numbers at which key employees may be contacted;
      - (bb) the postal address of the operator;
      - (cc) the e-mail address of the operator; and
      - (dd) the operator's fax numbers.
    - (ii) In respect of the Board:-
      - (aa) the telephone number at which the Board may be contacted;
      - (bb) the Board's fax number; and
      - (cc) the Board's postal address.
  - (b) Mandatory Tabs or notices in respect of a licensed operator where applicable:-
    - (i) as provided for in rules 12(1), 12(2), 24(3)(d) and 3.4 as provided for in the General Rules of the; and
    - (ii) such further Tabs or notices as the Board may from time to time prescribe.
  - (c) the home pages of the websites in respect of
    - (i) the Western Cape Gambling and Racing Board;
    - (ii) the National Responsible Gambling Programme;
    - (iii) the National Gambling Board, and
    - (iv) the Financial Intelligence Centre,
  - (d) the links to the following rules as approved by the Board -
    - (i) Racing and Betting Rules of the Board,
    - (ii) Bookmakers Operational Rules; and
    - (iii) Totalisator Operational Rules .
  - (e) "Terms & Conditions", which shall contain specific reference to, but not limited to:
    - (i) Financial Intelligence Centre Act requirements;
    - (ii) Procedures pertaining to the opening of accounts;
    - (iii) Procedures pertaining to the issuing of credit;
    - (iv) Dispute resolution procedure; and
    - (v) The manner in which payment/settling is processed.



- (2) The following information must be prominently displayed with respect to Responsible Gambling on all pages of an operator's website at all times:
  - (a) the name of the licensed operator;
  - (b) the registration number of licensed operator;
  - (c) written confirmation that the operator is licensed by the Western Cape Gambling and Racing Board;
  - (d) a warning that no persons under 18 are legally permitted to gamble;
  - (e) the slogan: "Winners know when to stop" or such other slogan as may be in use by the National Responsible Gambling Programme, and
  - (f) a reference to the National Responsible Gambling Programme, and its counselling line (0800- 006 008).
- (3) Details of any advertising or promotions may be displayed on a website, mobile application or any device utilised for such purpose, provided that such advertising shall comply with Rule 3 of the General Rules and has been submitted to the Office of the Board for prior approval in terms of the Act.

**38. Provision for designated gambling areas on licensed premises**

- (1) Persons under the age of 18 years may be permitted on a licensed premises where a licence holder has provided for a designated gambling area approved by the Board.
- (2) A licensed operator shall where access to a licensed premises is granted in terms of sub-paragraph (1) above, ensure that persons under the age of 18 years are precluded from entering or otherwise gaining access to designated gambling areas.
- (3) The Office of the Board may upon application approve the utilisation of designated gambling areas on a licensed premises. Approval may be granted after inspection of the proposed designated areas which must comply with the minimum criteria and guidelines in respect of designated areas which the Board will issue from time to time.

**39. Establishment of new bookmaker or totalisator premises**

Applications for the grant of a premises licence shall be submitted under cover of the prescribed application form, and shall contain, together with such other information as the Board may require from time to time, the following attachments:

- (1) a signed copy of the lease agreement in respect of the premises;
- (2) in the case of leased premises, a letter from the landlord furnishing its express consent for the establishment of the business of a bookmaker or totalisator;
- (3) a noting sheet obtainable from the Surveyor-General's office, clearly indicating physical address and erf numbers in respect of the premises;

- (4) a floor plan of the premises, clearly indicating areas to be utilised for the purpose of betting or where applicable, designated gaming areas to be utilised for the purpose of betting;
- (5) a letter from the local municipality or sub-structure, confirming -
  - (a) its consent for the establishment of the business of a bookmaker or totalisator, and
  - (b) that the premises are correctly zoned in relation to its intended usage;
- (6) a detailed explanation of the intended operation of the business in relation to:
  - (a) proposed cash, credit or account facilities;
  - (b) the proposed number of terminals;
  - (c) additional businesses and/or services offered or to be offered on the premises, with specific reference to other gambling-related businesses already situated or intended to be located on the premises;
  - (d) where the sale of liquor is proposed in respect of the premises, an indication as to whether a licence has been applied for or issued by the appropriate authority;
  - (e) the date on which trading is proposed to commence, and
  - (f) whether the proposed operation will be linked to a Wide Area Network, and if so, full details in respect thereof.
- (7) In considering the establishment of new bookmaker or totalisator premises in terms of Section 35(3) of the Act, the Board will have specific regard to educational facilities, places of worship, taxi ranks, bus terminuses in lower income or poorer areas, pension payout points including mobile or non-permanent pension payout points and tenants or neighbours within a 100 meter radius of the premises.

40. **Licence to be prominently displayed**

The holder of an operator licence must display a licence issued in terms of the Act in a conspicuous place in or on the licensed premises as contemplated in Regulation 39.

**PART VIII****41. Calculation of Sport taxes**

Where betting taxes are calculated in relation to Gross Gaming Revenue as contemplated in Regulation 70 as regards to sports betting other than horseracing and where the Gross Gaming Revenue results in a loss for a particular tax period, the Gross Gaming Revenue loss may be carried forward to the next tax period for a maximum of four tax periods and set-off against any gross profits realised during the subsequent tax periods or as prescribed by the Chief Executive Officer from time to time.

**PART IX****42. Offences and penalties**

- (1) Failure to comply with any of the requirements of Rules 2 (1), 2(2), 7, 11(1), 13(4), 14(2), 17(6), 22(5) and 40 shall be punishable with a maximum fine of R2 500 or such penalty as the Board may impose, or both such fine and penalty.
- (2) Failure to comply with any of the requirements of Rules 6, 8, 10, 12(1), 12(2), 12(3), 12(4), 13(3), 14(1), 14(3), 17(3), 18, 19, 22(2), 23, 25(1), 30(1) and 37(1), shall be punishable with a maximum fine of R5 000 or such penalty as the Board may impose, or both such fine and penalty.
- (3) Failure to comply with any of the requirements of Rules 13(1), 13(2), 24(1), 24(3), 24(4), 26(1), 26(3), 26(4), and 26(6), shall be punishable with a maximum fine of R10 000 or such penalty as the Board may impose, or both such fine and penalty.
- (4) Failure to comply with any of the requirements of Rules 3(2), 4, 15(4), 17(1), 17(2), 20(1), 22(1), 26(2), 29(4), 31, 32, 33, 34, 35, 36, and 37(3) shall be punishable with a maximum fine of R25 000 or such penalty as the Board may impose, or both such fine and penalty.
- (5) Failure to comply with any of the requirements of Rules 17(4), 22(3), 37(2) and 38(2), shall be punishable with a maximum fine of R30 000 or such penalty as the Board may impose, or both such fine and penalty.
- (6) Failure to comply with any of the requirements of Rules 3(1), 15(1), 16, 21, 22(4), 27(1), and 27(3) shall be punishable with a maximum fine of R50 000 or such penalty as the Board may impose, or both such fine and penalty.
- (7) Failure to comply with any of the requirements of Rule 17(5), shall be punishable with a maximum fine of R100 000 or such penalty as the Board may impose, or both such fine and penalty.
- (8) Where these Rules make provision for the imposition of fines, the amount of such fines may be doubled in the event of a second or subsequent contravention by any licence holder.

**43. Date of commencement**

These rules shall come into operation on the date of publication thereof in the Government Gazette.

**PART IIIX**

Annexure A.1

**REGISTER** (Rule 34)

(For books other than ticket books)

BOOK NUMBER	NUMBER OF PAGES IN BOOK	DATE OF FIRST ENTRY IN BOOK	DATE OF LAST ENTRY IN BOOK
1	100	01/01/1995	04/03/1995
2	100	05/03/1995	07/06/1995
3	100	08/06/1995	02/10/1995
4	100	03/10/1995	03/01/1995
5	100	04/01/1995	02/06/1995
6	100	03/06/1996	
7	100		
8	100		
9	100		
10	100		
11	100		

Annexure A.2

**TICKET BOOK REGISTER** (Rule 35)

NUMBER OF TICKET BOOK	NUMBER OF FIRST TICKET	NUMBER OF LAST TICKET	DATE WHEN FIRST TICKET WAS ISSUED	DATE WHEN LAST TICKET WAS ISSUED	HORSE RACING/ OTHER [EVENTS OR] CONTINGENCIES
1	1	300	01/01/1995	14/01/1995	HORSE RACING
2	301	600	01/01/1995	12/01/1995	HORSE RACING
3	601	900	01/01/1995	03/02/1995	SPORTS BETTING
4	901	1200	12/01/1995	26/01/1995	HORSE RACING
5	1201	1500	15/01/1995	30/01/1995	HORSE RACING
6	1501	1800	26/01/1995	09/02/1995	HORSE RACING
7	1801	2100	31/01/1995	13/02/1995	HORSE RACING
8	2101	2400	03/02/1995	09/03/1995	SPORTS BETTING
9	2401	2700	10/02/1995	23/02/1995	HORSE RACING
10	2701	3000	13/02/1995	20/02/1995	HORSE RACING
11	3001	3300	21/02/1995	06/03/1995	HORSE RACING
12	3301	3600			
13	3601	3900			
14	3901	4200			
15	4201	4500			
16	4501	4800			
17	4801	5100			







## Change Control Management Guide (Rule 32)

### Upgrade Terminology

The terms patch, service pack, upgrade and hot fix are used interchangeably to mean changes to software after its release. The process for deploying is the same in each case. However, each term has the following more specific meaning:

### Service Packs

Service packs keep the product current, correct known problems, and may also extend the functionality of a computer network. It includes tools, drivers, and updates, including enhancements developed after the product is released.

Service packs are product specific, therefore there must be separate service packs for each product. However, the same service pack may generally be used for different versions of the same product. Service packs are also cumulative. Each new service pack contains all of the fixes in previous service packs, as well as any new fixes and system modifications that have been recommended since. It should not be necessary to install a previous service pack before installing the latest one.

### Hot fixes or Critical Modifications

Hot fixes or emergency modifications are provided to a group or individually when critical problems are experienced for which no feasible workaround is available. Hot fixes do not undergo extensive regression testing and is issue specific. Groups of hot fixes are periodically incorporated into service packs, at which time they undergo more rigorous testing and are made available.

### Security Patches

Security patches are designed to eliminate security vulnerabilities. The software may be exposed to hostile manipulation via malicious code, malevolent operators or attackers wanting to break into computers who can exploit these vulnerabilities. These patches are analogous to hot fixes but are deemed mandatory, if the circumstances require, it must be deployed quickly. Many security patches are for client-side (often browser) issues. It may or may not be relevant to a server installation. It is also referred to as a Critical Patch Updates commonly known as a collection of patches for multiple security vulnerabilities. It may include a number of non-security fixes that are required (because of interdependencies) by those security patches.

### Upgrade

Upgrade's extends the product's functionality and value. It keep's the product current with emerging trends, the needs of the IT environment, players or regulators.

### Managing the Process

A good change control procedure has an identified owner, a path for player input, an audit trail to account for all changes, a clear announcement and review period, testing procedures, and a well understood rollback plan.

#### ➤ Categorising Patches

As each new patch becomes available, the importance to the environment should be determined. Understanding its importance will help determine how soon one will need to deploy it and how much testing is required. The impact levels are shown in the following table.

#### Vulnerability Ratings

<b>Critical</b>	<p>These risks are devastating and include:</p> <ul style="list-style-type: none"> <li>a) Loss of confidentiality, integrity and availability is likely to have a catastrophic adverse effect on the organization or individuals associated with the organisation (e.g., regulators, players);</li> <li>b) There is a total compromise of system &amp; database integrity;</li> <li>c) There is a total shutdown of the affected resource;</li> <li>d) There is a complete loss of system protection that may result in catastrophic physical or property damage and loss;</li> <li>e) There may be a catastrophic loss of revenue or productivity;</li> <li>f) Significant web site defacement, denial-of-service, or full control is denied;</li> <li>g) Elevation of privilege, data disclosure, or modification that results in the above mentioned risks; and</li> <li>h) Arbitrary code is active without user action; remote escalation of privilege that results in the above mentioned risks.</li> </ul> <p>Countermeasures recommended to mitigate these risks should be implemented immediately without prior approval of the Board. However, a request for the modification must be submitted to the Board in the prescribed form within 5 days.</p>
<b>High</b>	<p>These risks are significant and include:</p> <ul style="list-style-type: none"> <li>a) Loss of confidentiality, integrity and availability is likely to have a serious adverse effect on the organization or individuals associated with the organisation (e.g., regulators, players);</li> <li>b) There is a compromise of system &amp; database integrity;</li> <li>c) There is loss of system protection that may result in material physical or property damage or loss;</li> <li>d) Partial web site defacement, denial-of-service, or full control is compromised; and</li> <li>e) There may be a significant loss of revenue or productivity. There is reduced performance or interruptions in resource availability.</li> </ul> <p>Countermeasures recommended to mitigate these risks should be implemented as a matter of urgency without the approval of the Board provided that a notification prior to applying the changes has been submitted to the Office of the Board. However, a request for the modification must be submitted to the Board in the prescribed form within 10 days.</p>
<b>Moderate</b>	<p>These risks are less significant. Risks include but are not limited to:</p> <ul style="list-style-type: none"> <li>a) Loss of confidentiality, integrity and availability is likely to have an adverse effect on the organization or individuals associated with the organisation (e.g., regulators, players);</li> <li>b) Compliance to provincial legislation is severely compromised;</li> <li>c) Difficult to exploit, unusual configuration, or transient effect Auditable data disclosure, modification;</li> <li>d) A moderate loss of revenue or productivity to the organization; and</li> <li>e) There is unconfirmed source or possibly multiple conflicting reports. There is little confidence in the validity of the reports.</li> </ul> <p>Countermeasures recommended to mitigate these risks should be implemented upon prior approval of the Board in the prescribed form.</p>
<b>Low</b>	<p>These risks are low. Risks include but are not limited to:</p> <ul style="list-style-type: none"> <li>a) Loss of confidentiality, integrity and availability is likely to have only a limited adverse effect on the organisation or individuals associated with the organization;</li> <li>b) Limited impact such as disclosure of scripts. Untargeted or fragmentary data theft or modification, limited denial-of-service;</li> <li>c) Compliance to provincial legislation less significant; and</li> <li>d) There is no potential for loss or damage to physical assets, productivity, revenue or taxes.</li> </ul> <p>Countermeasures recommended to mitigate these risks should be implemented during routine maintenance upgrades upon prior approval of the Board in the prescribed form.</p>

The rating system categorises vulnerabilities, according to their potential impact if the vulnerability is exploited and the likelihood of that happening. Patches must be categorised based on an individual environment.



**Reviewing of Patches**

Software changes and any patches which are going to be installed in an environment must be thoroughly tested. How much testing is appropriate will depend on how it has been categorised.

At a minimum, each change control procedure must consist of the following steps:

- a) **Identifying the patch owner** - For all patches, it should have an identified owner who is responsible for the evaluation of the patch;
- b) **Reviewing all documentation** - Before applying any service pack, hot fix, or security patch, all relevant documentation should be read and peer reviewed. The peer review process is critical as it mitigates the risk of a single person missing critical and relevant points when evaluating the update;
- c) **Verifying the patch category** - After further assessment of the patch, it may need to change its category;
- d) **Server Operations** - After the patch is installed correctly, ensure that the server continues to work properly. Review the Event Log and System Monitor for any unexpected results. Test all of the server functions and verify that everything operates as it should;
- e) **Application Operations** - As part of the testing procedure, test the patch with any applications that coexist on the servers and make sure to identify any issues with dependencies. After installing the patch, verify that all applications continue to work as before;
- f) **Uninstall** - It is possible that despite the testing, after installing the patch it will run into problems, which will require an uninstall action. It is important, therefore, to test that the uninstall works. After uninstalling, verify that the server continues to run as expected and continue to watch the Event Log and System Monitor counters; and
- g) **Creating a Rollback Plan** - Even if testing proceeds entirely without incident, it is still possible that a problem may occur in deploying the patch throughout. Provision must be made for a plan of action to restore the computer to its original state before the patch was deployed.

**Change Request Application Form**

**LICENSED OPERATOR:** \_\_\_\_\_

**CHANGE REQUEST No.** \_\_\_\_\_

Section of STANDARD effected \_\_\_\_\_ **Date** \_\_\_\_\_

Submitted to \_\_\_\_\_ for approval  Certified by testing laboratory \_\_\_\_\_ **Y / N**  
 \_\_\_\_\_ for information  Approval date \_\_\_\_\_

**Proposed change effects** Software  Hardware  Network   
*(at least one should be marked with an X)*

**Source/Product** \_\_\_\_\_ Previous Version No. \_\_\_\_\_  
 \_\_\_\_\_ New Version No. \_\_\_\_\_

**Work item** \_\_\_\_\_

<b>Category</b>	<i>Nature of Upgrade/Patch</i>		
	<b>A</b>	<b>B</b>	<b>C</b>
Service Pack	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hotfix/Emergency modification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security Patch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Upgrade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Editorial modification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Reason & summary for change**

**Modules affected**

**Consequences if not approved**

<b>Components or Modules Affected</b>	*CRC No.
_____	_____
_____	_____
_____	_____
_____	_____

**Other comments**

*\*Critical Redundancy Check (CRC) or critical component's unique identification number.*

**For Official Use only**

Approved/ Not Approved	Version No.	*CRC No.
_____	_____	_____
<b>Condition(s) of approval</b>	_____	
<b>Signed</b>	_____	<b>Date</b> _____



Annexure F

### Western Cape Gambling and Racing Board

## ***OBJECTION/COMMENT QUESTIONNAIRE***

YOU ARE HEREBY NOTIFIED THAT ..... INTENDS TO  
(Name of Licence Holder)

ESTABLISH A \*BOOKMAKER/TOTALISATOR PREMISES AT .....  
(Full Street Address)

.....  
.....

You are hereby requested to complete this questionnaire, irrespective of whether you have any comments or objections to the above application.

Name of Tenant/Resident: .....

Address: .....  
.....  
.....

Tel: ( ) ..... Fax: ( ) ..... Cell: .....

**\*Objections/Comments:**

Yes	No
-----	----

If yes, please detail and motivate your \*objections/comments:

\*Delete whichever is not applicable

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

.....  
**SIGNATURE**

.....  
**DATE**

