



THE PROVINCE OF MPUMALANGA  
DIE PROVINSIE MPUMALANGA

**Provincial Gazette Extraordinary  
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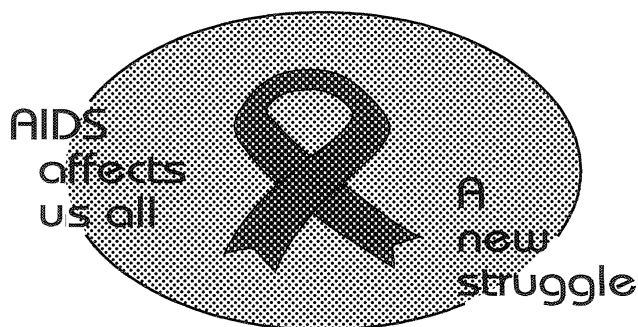
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**CONTENTS • INHOUD**

<i>No.</i>		<i>Page No.</i>	<i>Gazette No.</i>
<b>GENERAL NOTICES</b>			
8	Public Finance Management Act (1/1999): and Mpumalanga Gambling Act (5/1995): Request for applications for appointment as members of the Audit Committee of the Board.....		2127
9	Mpumalanga Gambling Act (5/1995): Invitation for comments on the draft amendments to the Mpumalanga Gambling Rules .....		2127

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## GENERAL NOTICES

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### NOTICE 8 OF 2013



#### **REQUEST FOR APPLICATIONS FOR APPOINTMENT AS MEMBER OF THE AUDIT COMMITTEE OF THE BOARD**

The Mpumalanga Gambling Board ("the Board") hereby invites applications for the appointment of one (1) member to the Audit Committee of the Board in terms of sections 51(1)(a)(ii), 76(4)(d) and 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended, and Treasury Regulation 27.1 read with section 16 of the Mpumalanga Gambling Act, 1995 (Act No. 5 of 1995), as amended.

Treasury Regulation 27.1.4 stipulates that the majority of the members of the Audit Committee must consist of non-executive members, appointed by the accounting authority (Board), although audit committee members need not all be members of the accounting authority, and the majority of persons serving on an audit committee must be financially literate.

In terms of the approved Audit Committee Charter of the Board, the Audit Committee will comprise of five (5) members, of whom two (2) should be independent non-executive members of the Board. Each member should be capable of making a valuable contribution to the committee and all members should be independent of management.

Furthermore, the Audit Committee will perform all functions required of it by law. Its responsibilities will include, amongst others, the following:

- A. (a) Determining the adequacy and effectiveness of the of the internal control systems;  
(b) Evaluating the effectiveness of risk management, including IT risks;  
(c) Reviewing the significant accounting and reporting issues, including professional and regulatory pronouncements and their impact on the financial statements, with a view to ensure consistency with the appropriate accounting principles;  
(d) Reviewing the effectiveness of the internal audit function, whose major responsibilities include the examination and evaluation of the effectiveness of operational activities and systems, together with the attendant business risks and financial controls;  
(e) Reviewing the scope, performance, significant findings and recommendations made by the internal and external auditors; and  
(f) Reviewing any statement on ethical standards or requirements and the procedures to review compliance with the Codes of Ethics and Conduct.
- B. The responsibilities of the members of the Audit Committee will also include the responsibilities as stipulated in sections 11 and 12 of the Mpumalanga Gambling Act, 1995, as amended.

The Board requires the services of the abovementioned member for a period up to 30<sup>th</sup> September 2015. The appointment of the member of the Audit Committee will be subject to the same disqualifying circumstances as stipulated for Board members in terms of section 5 of the Mpumalanga Gambling Act, 1995, as amended. The remuneration of the member will be in line with the Board members emoluments.

The applicants are expected to complete the MGB Audit Committee Personal History Disclosure (PHD) Form, to be submitted with their applications.

Please note that no application will be considered by the Board if this form is not completed and enclosed with the application. (The MGB Audit Committee PHD Form is available on [www.mgb.org.za](http://www.mgb.org.za).)

Please further note that the Board wishes, as far as possible, to appoint financially literate individuals with appropriate qualifications, expertise and experience, residing in the Mpumalanga Province. Applicants are therefore, also requested to include their Curriculum Vitae, including information regarding their experience of serving on Audit Committees of Public Entities.

**ENQUIRIES/APPLICATIONS ARE TO BE SUBMITTED TO:**

THE CHIEF EXECUTIVE OFFICER  
MPUMALANGA GAMBLING BOARD

**FOR ATTENTION: MR. BHEKI MLAMBO**

First Avenue	<b>OR</b>	Private Bag X9908
WHITE RIVER		WHITE RIVER
1240		1240

**TELEPHONE:** (013) 750 8000  
**FACSIMILE:** (013) 750 8099  
**EMAIL:** [ceo@mgb.org.za](mailto:ceo@mgb.org.za)

**ALL APPLICATIONS MUST BE RECEIVED BY THE BOARD BY NO LATER THAN 16:00 ON MONDAY, 25 FEBRUARY 2013.**

**NOTICE 9 OF 2013****MPUMALANGA GAMBLING BOARD****INVITATION FOR COMMENTS ON THE DRAFT AMENDMENTS TO THE MPUMALANGA  
GAMBLING RULES**

1. The Mpumalanga Gambling Board has caused draft amendments to the Mpumalanga Gambling Rules to be published in the *Mpumalanga Provincial Gazette* in terms of section 84 of the Mpumalanga Gambling Act, 1995 (Act No. 5 of 1995), as amended, and hereby invites interested parties to furnish comments thereon or any representations they wish to make in regard thereto, to the Board at the following address:

**Mpumalanga Gambling Board  
Private Bag X9908  
White River  
1240**

or

**Facsimile No. 013 7508099 – Attention: Mr. Bheki Mlambo**

or

**E-mail: [marinab@mgb.org.za](mailto:marinab@mgb.org.za)**

2. Comments should reach the Board within 1 (one) month from the date of the *Provincial Gazette*, referred to in paragraph 1.
3. The name, telephone number, facsimile number or e-mail address and address of a person who may be contacted in regard to his/her comments should also be stated clearly.

**General Explanatory Note:**

[ **BOLD** ] words typed in bold type in square brackets indicate omissions from the existing Rules.

\_\_\_\_\_ words underlined with a solid line indicate insertions in existing Rules.

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**DRAFT MPUMALANGA GAMBLING AMENDMENT RULES, 2012**

To amend the Mpumalanga Gambling Rules to be in line with operational requirements of the Board, to define or further define certain expressions, to amend the Rules so as to further regulate EPROM controls, to amend the Rules so as to further regulate submission of organisational structures for Route Operators, to amend the Rules so as to further regulate minimum requirements for Site Licensee's ICP's and to further regulate racing and betting rules.

**Amendment of Rule 4.010**

1. Rule 4.010 of the Mpumalanga Gambling Rules (hereinafter referred to as the Rules) is hereby amended, by the insertion before the definition of "modification" of the following definition:

"machine move" means the transfer of an approved gambling machine from an allocated gambling position to another gambling position or replacement thereof with another approved gambling machine."

**Amendment of Rule 4.050**

2. Rule 4.050 of the Rules is hereby amended -

(a) by the substitution for the heading of the following heading:

**"4.050 Conversions and Machine Moves: Notification and Procedure";**

(b) by the substitution for subrule (2) of the following subrule:

"(1) A conversion or machine move shall only be performed following a written application by a licensee and the subsequent notification of the conversion or machine move to the Board. **[by]** The **[casino]** licensee on whose licensed premises the gambling machine is offered for play **[or in the case of a gambling machine on the licensed premises of a site licensee, the route operator to whom the site is linked, which notification]** shall lodge a written application to the Board **[be done]** no less than 7 days prior to the conversion or machine move being performed."; and

(c) by the substitution for subrule (3) of the following subrule:

"(2) The notification referred to in sub-rule (2) shall include a complete, comprehensive, and technically accurate description and explanation of the conversion or machine move in both technical and lay language signed by the person doing the conversion or machine move."

**Amendment of Rule 7.090**

3. Rule 7.090 of the Rules is hereby amended by the substitution for paragraph (b) of the following paragraph:

“(b) Facilities and equipment, including office space. **[to enable staff members to evaluate the compliance of the CMS to approved minimum operational standards and perform such other functions as may be required from time to time.]**”

#### **Amendment of Rule 9.110**

(a) Rule 9.110 of the Rules is hereby amended by the substitution for subrule (1) of the following paragraphs:

“(1) On receipt of a master EPROM from the manufacturer the following shall be adhered to –

(a) The master program number, par percentage and pay table be verified to the manufacturer's specification sheet and certification number by a senior member of the slots technical department and a member of gambling floor security **[and a staff member of the Board]**; and

(b) On completion of the verification required by paragraph (a), the master EPROM register will be signed by all parties present and shall be available for inspection.”

#### **Amendment of Rule 10.060**

4. Rule 10.060 of the Rules is hereby amended by the substitution for paragraph (a) of subrule (3) of the following paragraph:

“(a) The following shall be reviewed at least once **[during each quarter] bi-annually –.**”

#### **Amendment of Rule 21.010**

5. Rule 21.010 of the Rules is hereby amended by the substitution for subrule (4) of the following subrule:

“(4) A Route Operator shall submit to the Board, on **[a quarterly] an annual** basis and/or as and when any changes to the organisational structure occur, an updated list of all employees, their functions and line of command.”

#### **Amendment of Rule 21.020**

6. Rule 21.020 is hereby amended by the substitution for subrule (5) of the following subrule:

“(5) Jobs compendiums shall include, but not limited to the following -

(a) clearly reflect the segregation of incompatible operational functions –

(i) into different departments; and

(ii) between the Route Operator and the Site Licensee, specifying the duties of each such department and function;

**[(b) illustrate by position title, the direct and indirect lines of authority within the operation, clearly reflecting a chain of command in terms of which management and supervisory personnel are held accountable for actions or omissions within their arrears of responsibility;**

**(c) Reflect primary and secondary supervisory positions, where applicable within organisational structures and operational functions contemplated in paragraph (a), so as to ensure the continuous authorisation or supervision of all gambling and gambling related transactions at all relevant times; and**

**(d) Reflect the division of responsibility and accountability so as to ensure that no area of responsibility or accountability is so extensive that it becomes impractical for one employee to monitor or control.]**”

**Amendment of Rule 21.040**

## 7. Rule 21.040 is hereby amended –

(a) by the substitution for subrule (2) of the following subrule:

“(2) The results of the audit work shall be reported to the Compliance Committee of the Route Operator and copies of these reports shall be forwarded to the Board within 60 days after the bi-annual audit period”;

(b) by the substitution for paragraph (e) of subrule (4) of the following paragraph:

“(e) Instances of possible non-compliance with the provisions of the Route Operator’s ICP’s and all applicable gambling legislation, revealed by an audit. **[within 14 days of the compilation of such reports.]**”;

(c) by the substitution for subrule (5) of the following subrule:

“(5) In addition to the observations and examinations required under sub-rule **[(5)] (4)**, follow-up observations and examinations shall be performed to verify that corrective action has been taken regarding all instances of non-compliance cited by internal audit, the Board and/or the independent accountant, which verification shall be performed within six months following the date of notification: Provided where material quantitative and/or qualitative findings arise, these should be reported to the Board as and when identified, along with the action plan to rectify such.”; and

(d) By the deletion of subrule (8) as follows:

**“[(8) The internal audit function shall be performed in accordance with the applicable internal auditing standards.]”**

**Amendment of Rule 23.010**

## 8. Rule 23.010 is hereby amended by the substitution for subrule (10) of the following subrule:

“(10) At a minimum a Site Licensee’s ICP shall contain provisions and procedures applicable to Site Licensees, relating to –

**[(a) its organisational structure, if the Site Licensee has more employees than the key employee;**

**(b) its jobs compendiums, if the Site Licensee has more employees than the key employee;**

**(c)] (a)** measures for the maintenance of designated areas to ensure compliance with the provisions of the applicable gambling legislation;

**[(d)] (b)** control measures to preclude persons under the age of 18 years from having access to designated areas;

**[(e) the maintenance of site and employee records;**

**(f) access to all LPM arrears and the SDLs, including LPM logic area and SDL access;**

**(g)] (c)** the resolution of patron disputes;

**[(h) manual payments, including the records thereof;**

**(i) the maintenance of LPMs and attendance to LPM error codes;**

**(j) the detection and reporting of LPM, SDL, SKP and CEMS malfunctions;**

**(k) the recording of RAM clears;**

**(l) the recording of exceptions and unusual events, including –**

**(i) significant events; and**

**(ii) the integrity of LPM and CEMS meters;**

**(m)] (d)** the clearance and count of LPM drop;



- [(n) the detection of variances between estimated and actual LPM drop and the reporting thereof;
- (o) the reporting of LPM RTP percentages which are below 75%;
- (q) (e) monitored key controls; and
- [(r) controls relating to user access levels and rights assigned to persons authorised to access the CEMS;
- (s) the issue, activation and retrieval of employee cards, including password reset; and
- (t) (f) the reporting of all breaches of procedure and illegal activities.”

#### Amendment of Rule 25.030

9. Rule 25.030 of the Rules is hereby amended by the substitution for subrule (6) of the following subrule:

“(6) The return of the revenues paid to the Board shall be signed by **[the Finance Manager]** an authorised signatory.”

#### Amendment of Rule 30.050

10. Rule 30.050 of the Rules is hereby amended –

(a) by the substitution for subrule (1) of the following subrule:

“(1) A **[licensed key employee]** holder of a certificate of approval or a national employment licence shall be present at all times during which bets are accepted or processed on totalisator premises, and bookmaker premises: Provided that –

**[licensed key employee]** holder of a certificate of approval or a national employment licence 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]** such licensed employee is present on the central premises.”; and

(b) By the substitution for subrule (2) of the following subrule:

“(2) Notwithstanding the requirements of subrule (1), 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]** such licensed **[key]** employee on such licensed premises shall be required only during the normal hours of business of the licence holder offering such betting.”

#### Amendment of Rule 30.070

11. Rule 30.070 of the Rules is hereby amended-

(a) by the substitution for subrule (1) of the following subrule:

“(1) The holder of a bookmaker or totalisator licence shall close all betting on an event or a component of an event on which the bet is sought to be placed within **[fifteen]** thirty seconds after **[a horserace]** the event or component of the event has officially started, so that no further bets can be accepted and processed by the computerised system and no further tickets can be issued in respect of such **[race]** event or component: Provided that –

(a) in respect of take-back or non-cash related bets entered into between licensed bookmakers, the time period of **[fifteen]** thirty seconds shall not apply; and

- (b) **[in respect of non-cash related bets laid by bookmakers to players, a time period of twenty-five seconds shall apply] 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 component of the event;**

and: Provided further that no bets contemplated in this sub-rule shall be laid or placed after the official results of the relevant **[race] event or component of the event** have been made known.”; and

- (b) by the substitution for subrule (3) of the following subrule:

“(3) Subject to subrule (1), no ticket with respect to **[horseracing] an event[s] or component of the event** shall be issued after the official starting time and any ticket so issued shall be deemed void for the purpose of these Rules.”

#### **Amendment of Rule 30.090**

12. Rule 30.090 of the Rules is hereby amended by the substitution for the rule of the following Rule:

“A winning bet in respect of any contingency, whether payable in cash or otherwise, shall be payable only after the official result thereof has been made known in the manner required or approved by the Board and shall be paid immediately upon presentation thereof for payment, unless there is a dispute on the bet.”

#### **Amendment of Rule 30.120**

13. Rule 30.120 of the Rules is hereby amended-

- (a) by the substitution for subrule (1)(a) of the following subrule:

“(1) The holder of a bookmaker or totalisator operator licence shall display in a prominent and visible place on the licensed premises where its licensed premises is open to the public for betting purposes a notice in large legible writing and in permanent ink where bets are offered on **[horseracing] an event[s] or component of the event**, stating that [ –

- (a) **no bets shall be accepted in respect of a horserace once such horserace has officially started; and**”

- (b) by the substitution for paragraph (b) of subrule (1) of the following paragraph:

“(b) **all bets placed on a horserace after the official starting time thereof will] selections placed contrary to Rule 30.070, shall be null and void, subject to the provisions of Rule 30.070.**”

#### **Commencement**

15. The amendments to the Rules shall come into operation thirty (30) days after the date of publication in the *Provincial Gazette*.
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