

THE NORTHERN TERRITORY OF AUSTRALIA ✓



Gaming Machine Act

DIRECTIONS TO GAMING MACHINE OPERATOR

I, **KAREN AVERY**, the Director of Licensing, in pursuant of section 161 of *the Gaming Machine Act*, give notice to the Operator of the directions contained in Schedule 2014GMB in relation to the operation of gaming machines.

Dated 19th November 2014

A handwritten signature in black ink, appearing to read 'Karen Avery'.

Director of Licensing

SCHEDULE 2014GMB

DIRECTIONS

TO

GAMING MACHINE OPERATORS

FOUNDATION FOR DIRECTIONS

The basis for the Directions to the Gaming Machine Operator is founded in *Gaming Machine Act*, particularly section 161 which reads:

161 Directions to licensees

- (1) The Commission or the Director may give written directions to a person about a matter connected with the administration or enforcement of this Act, including but not limited to directions to the following persons about the following matters:
 - (a) a licensee about the conduct of gaming or the administration of the licensee's licensed premises;
 - (b) a licensed monitoring provider about the conduct of gaming or the supply of a basic monitoring service;
 - (c) a recognised manufacturer or supplier of gaming machines about the manufacture, sale or supply of gaming machines;
 - (d) a licensed service contractor about the installation, alteration, adjustment, maintenance, repair or removal of gaming equipment;
 - (e) a licensed repairer about the installation, alteration, adjustment, maintenance, repair or removal of gaming equipment;
 - (f) a person authorised or approved under this Act about the person's functions or powers under this Act.

- (2) A person shall comply with and not contravene a direction given under subsection (1).

Maximum penalty: 85 penalty units or imprisonment for 2 years.

- (3) If a person who has been convicted of an offence against subsection (1) continues to fail to comply or continues to contravene the direction given under the subsection, the person is guilty of an offence.

Maximum penalty: 8 penalty units for each day during which the offence continues.

CONTENTS

1. DEFINITIONS	5
2. EXCLUSION OF PERSONS UNDER THE AGE OF 18 YEARS FROM GAMING MACHINE AREAS	6
3. REDEMPTION OR CASHING OF CHEQUES FOR CANCELLED CREDIT PAYOUTS OVER \$500	6
4. RESTRICTIONS ON ADVERTISING OF GAMING	6
5. ATM AND EFTPOS MACHINES	6
6. GAMING MACHINE PLACEMENT AND APPROVED GAMING MACHINE AREA	7
7. AUTO-CHANGE MACHINES	7
8. JACKPOT SYSTEMS	7
9. DIRECTIONS TO THIRD PARTY PRODUCTS/VALUE ADDED SERVICES	8
10. HOPPER REFILLS	8
11. JACKPOT STARTUP OR SEEDING MONIES	8

1. DEFINITIONS

In these Directions, unless the contrary intention appears -

"the Act", means the *Gaming Machine Act*;

"Accrued Player Contribution" means the current value of the Jackpot minus the Seed Money

"Director", means the Director of Licensing within the meaning of the *Act*;

"gaming machine", means a device that is designed so that:

(a) it may be used for the purpose of playing a game of chance or a game of mixed chance and skill; and

(b) it may be operated, wholly or in part:

(i) by the insertion of a gaming token into the device;

(ii) by the use of gaming machine credits;

(iii) by the electronic transfer of credits of gaming tokens to the device; or

(iv) by the use of gaming tokens held, stored or accredited by the device or elsewhere; and

(c) because of making a bet on the device, winnings may become payable, but does not include any device declared under section 171 not to be a gaming machine.

"gaming machine area", means a location on licensed premises where a licensee is permitted to install a gaming machine.

"jackpot", means the combination of letters, numbers, symbols or representations required to be displayed on the reels or video screen of a gaming machine so that the maximum winnings in accordance with the prize payout scale displayed on the machine are payable.

"the Licensee", means the holder of a gaming machine licence.

"Seed Money" means the initial start up amount of the Jackpot

2. EXCLUSION OF PERSONS UNDER THE AGE OF 18 YEARS FROM GAMING MACHINE AREAS

- a) A licensee shall ensure that approved gaming machine areas within licensed premises are clearly marked and separated from the general amenities.
- b) A licensee shall ensure that signage is placed in a prominent position at each entrance to the approved gaming area stating that persons under the age of 18 years are not permitted to enter the area; and
- c) A licensee, a gaming machine manager and employee of a licensee shall not allow a person under the age of 18 years to enter or remain in an approved gaming area.

3. REDEMPTION OR CASHING OF CHEQUES FOR CANCELLED CREDIT PAYOUTS OVER \$500

Where a licensee makes a payment of a cancelled credit or jackpot pay-out by cheque, in part or in full, as provided by Rule 6 of the Gaming Machine Rules, the licensee shall not redeem that cheque for cash prior to the next 10am.

4. RESTRICTIONS ON ADVERTISING OF GAMING

- a) A licensee shall not advertise or promote gaming in any manner, which, in the opinion of the Director, is an inducement to engage in gaming;
- b) Without limiting the generality of direction 4(a), 'inducement to engage in gaming' includes:
 - i. the offer of transportation conditional on gaming;
 - ii. the offer of free or discounted accommodation, meals, refreshments, liquor or other amenities to be supplied to persons who engage in gaming; and
 - iii. the offer of jackpots or other prizes or gifts that are not available to a person in the normal course of playing a gaming machine;
- c) Advertising material regarding gaming, or the presence of gaming machines on licensed premises, on the exterior of licensed premises, shall be restricted to a statement that the premises has gaming machines as a facility for members and bona fide guests of members, or for patrons of the premises, as the case may be.

5. ATM AND EFTPOS FACILITIES

- a) The installation of an Automated Teller Machine (ATM) on a licenced premises is subject to the following conditions:

- i. ATMs should be located away from the approved gaming area. The position of an ATM in a venue is subject to the approval of the Director;
- ii. Cash withdrawal from credit accounts is prohibited. Withdrawals are to be restricted to access from savings or cheque accounts (i.e. debit accounts);
- iii. Patrons should be able to access ATMs and EFTPOS machines without having to go through approved gaming areas; and
- iv. Media advertising of ATM facilities will be restricted to advertisements as an amenity in common with other amenities, and advertising of an ATM in conjunction with gaming products will not be permitted e.g. 'Pokies, TAB, Keno, ATM'.

6. GAMING MACHINE PLACEMENT AND APPROVED GAMING MACHINE AREA

- a) The placement of gaming machines must not:
 - i. interfere with any fire exits, safety or security features of the premises;
 - ii. take up the majority of the floor space of the premises;
 - iii. be visible to external pedestrian traffic;
 - iv. be in proximity of children's activities or entertainment; and
 - v. be directly accessible from the street.

7. AUTO-CHANGE MACHINES

- a) A change machine installed by the licensee shall not accept notes of a denomination greater than \$50.
- b) Only one automatic change machine is permitted per approved gaming area unless otherwise authorised by the Director.

8. JACKPOT SYSTEMS

- a) A licensee must obtain authorisation from the Director prior to:
 - i. commissioning a jackpot system;
 - ii. connecting or disconnecting a gaming machine to/from a jackpot system;

- iii. decommissioning a jackpot system; or
 - iv. reconfiguring of jackpot parameters.
- b) A gaming machine may only be connected to one jackpot system at a time.
 - c) Licensees must ensure that it is obvious to patrons which gaming machines are participating in a Jackpot.
 - d) A licensee must be able to demonstrate to the satisfaction of the Director, their ability to honour jackpot prize liabilities before being approved to operate a jackpot system.

9. DIRECTIONS TO THIRD PARTY PRODUCTS/VALUE ADDED SERVICES

- a) Any third party product or value added service (including player loyalty and player reward type products) which meets the definition of 'gaming equipment' as defined in the Gaming Machine Act, must be approved by the Director and the vendors or suppliers of such products will be required to satisfy probity requirements.
- b) It should be noted that approval of a product in another jurisdiction does not automatically guarantee approval in the Northern Territory.

10. HOPPER REFILLS

- a) All hopper fills are to be recorded and witnessed after each refill.
- b) A hopper must not be filled unless empty.
- c) The amount of the refill must be \$160.

11. DISCONTINUATION OF A JACKPOT

Where the Licensee discontinues a Jackpot, the Accrued Player Contributions must be dispersed in one of the following ways:

- a) Accrued Player Contributions to be transferred to a new Jackpot (refer to Attachment A for examples); or
- b) Accrued Player Contributions to be spread across existing venue Jackpots (refer to Attachment B for examples); or
- c) Accrued Player Contributions to be returned to players via additional promotional activities where there is no cost to the players. The activity must be approved by the Director prior to action.
- d) If the Licensee decides not to take options (a), (b) or (c), they are required to forward the Accrued Player Contribution to the Director for contribution to the Community Benefit Fund.

- e) In the case of the venue ceasing operations for whatever reason, whether voluntarily or involuntarily, the Accrued Player Contributions of all Jackpots offered by the venue must be forwarded to the Director for contribution to the Community Benefit Fund.

Under options (b), (c), (d) and (e), the Licensee may retain the Seed Money however under option (a), it is acknowledged that while the Licensee may also keep the Seed Money, it is possible that some or all of this money may be used as New Seed Money for the new Jackpot.

Gaming Machine Operators Directions

Attachment A

Example of discontinued Jackpot Seed Money and Accrued Player Contributions distribution to new Jackpot

In the following scenarios the discontinued Jackpot of \$10,000 is made up of:

Seed Money \$5,000

Accrued Player Contribution \$5,000

Scenario One

If the New Jackpot Seed Money is the same (\$5,000) then the New Jackpot will be made up of:

New Seed Money	\$5,000
Accrued Player Contribution	\$5,000
Total New Jackpot Starting Amount Required	\$10,000

Scenario Two

If the New Jackpot Seed Money is increased from \$5,000 to \$10,000 then the New Jackpot will be calculated as follows:

New Seed Money	\$10,000
Accrued Player Contribution	\$5,000
Total New Jackpot Starting Amount Required	\$15,000

Scenario Three

If the New Jackpot Seed Money is decreased from \$5,000 to \$2,000 then the New Jackpot will be calculated as follows:

New Seed Money	\$2,000
Accrued Player Contribution	\$5,000
Total New Jackpot Starting Amount Required	\$7,000

Gaming Machine Operators Directions

Attachment B

Example of discontinued Jackpot Accrued Player Contributions distribution through venues other Jackpots

In the following scenarios the discontinued Jackpot of \$10,000 is made up of:

Seed Money \$5,000

Accrued Player Contribution \$5,000

Under this scenario, the Seed Money can be kept by the Licensee and the Accrued Players Contribution can be disbursed in a manner such as (but not limited to):

- (a) contribute the amount of \$1,000.00 to five other venue Jackpots;
- (b) contribute the amount of \$2,000.00 to a new Jackpot and distribute the remaining \$3,000.00 across other venue Jackpots; or
- (c) contribute \$5,000.00 to an existing venue Jackpot.