

# THE NORTHERN TERRITORY OF AUSTRALIA



*Gaming Machine Act*

## DIRECTIONS TO GAMING MACHINE LICENSEE

I, Cynthia-Lee Bravos, Director-General of Licensing, pursuant to section 161 of the *Gaming Machine Act*, and with reference to section 43 of the *Interpretation Act*, revoke the previous direction dated 19 November 2014 and contained in Schedule 2014GMB, and give notice to the Licensee of the directions contained in Schedule 2018GMA in relation to the operation of gaming machines.

Dated 8 June 2018

A handwritten signature in blue ink, appearing to be 'C. Bravos', written over a horizontal line.

**Director-General of Licensing**

**SCHEDULE 2018GMA**

**DIRECTIONS**

**TO**

**GAMING MACHINE LICENSEES**

## FOUNDATION FOR DIRECTIONS

The basis for the Directions to the Gaming Machine Licensee is founded in the *Gaming Machine Act*, specifically section 161 which states:

### **161 Directions to licensees**

- (1) The Director-General 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 \$1 000 .....	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. THIRD PARTY PRODUCTS/VALUE ADDED SERVICES .....	8
10. HOPPER REFILLS.....	8
11. JACKPOT STARTUP OR SEEDING MONIES.....	8
12. CASHLESS GAMING SYSTEMS.....	9

## 1. DEFINITIONS

In these Directions, unless the contrary intention appears -

**the Act** means the *Gaming Machine Act*;

**cashless gaming system** means a system that allows a player to play a gaming machine using credits that have been electronically transferred to the gaming machine via a card or ticket/voucher or by some other means;

**cash redemption terminal** means a standalone terminal by which a player may convert credits on a card or paper ticket/voucher into money;

**accrued player contribution** means the current value of the jackpot minus the seed money

**Director-General** means the Director-General of Licensing within the meaning of Section 3 of the *Licensing (Director-General) 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 of the Act 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.

**licensee** means the holder of a gaming machine licence.

**seed money** means the amount of money provided by the licensee upon the commencement of a 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.
- c) A licensee, a gaming machine manager or 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 \$1 000**

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-General, 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 on the exterior of licensed premises, regarding gaming or the presence of gaming machines on 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 licensed premise 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-General;
  - ii. cash withdrawals from credit accounts are prohibited. Withdrawals are to be restricted to savings or cheque accounts (i.e. debit accounts);
  - iii. patrons should be able to access ATMs and Electronic Funds Transfer at Point Of Sale (EFTPOS) machines without having to go through approved gaming areas; and
  - iv. 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; or
  - 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-General.

## **8. JACKPOT SYSTEMS**

- a) A licensee must obtain authorisation from the Director-General 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 any 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-General, their ability to honour jackpot prize liabilities before being approved to operate a jackpot system.

## **9. 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 Act, must be approved by the Director-General 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-General prior to action.
- d) If the licensee does not choose either options (a), (b) or (c), they are required to forward the accrued player contribution to the Director-General 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-General 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.

## **12. CASHLESS GAMING SYSTEMS**

- a) A licensee may apply to the Director-General to modify gaming machines to operate a cashless gaming system. The system may be card based, ticket/voucher based or by some other means approved by the Director-General.
- b) Where the Director-General approves the modification of gaming machines to enable the operation of a cashless gaming system, the following applies to all systems:
  - (i) the system must not prevent, or interfere with, the licensee carrying out any Australian Transaction Reports and Analysis Centre (AUSTRAC) reporting requirements;
  - (ii) the licensee shall ensure that suitable monitoring systems, such as Closed-Circuit Television (CCTV) and dedicated staff, are in place for gaming machines and any cash redemption terminals to address any possible money laundering concerns;
  - (iii) the licensee has suitable processes in place to ensure that a player is satisfactorily identified when presenting a card or ticket/voucher for cashing and requests a cheque payable to a third party;
  - (iv) the licensee will ensure that the maximum cash a player can receive from a cash redemption terminal or a cashier, upon presenting their card or ticket/voucher, does not exceed the current amount pursuant to Rule 6 of the Gaming Machine Rules;

- (v) the licensee will ensure that the system used does not allow:
    - a) an amount in excess of \$1000 to be transferred onto the gaming machine, whether this be by ticket or card;
    - b) an amount in excess of \$9 999 be transferred out of the machine by way of ticket or direct transfer to a card;
  - (vi) the licensee has in place a suitable complaints resolution system to deal with matters arising from the use of a cashless gaming system; and
  - (vii) the licensee identifies the Director-General (or such other authority as determined and notified by the Director-General from time to time) as a body that patrons, unsatisfied with the Licensees handling of their complaint, can seek further redress.
- c) Where the approved cashless gaming system utilises a ticket/voucher, the following applies in addition to Direction 12(b):
- (i) the complaints resolution system referred to at 12(b)(vi) includes processes to deal with the degradation of tickets;
  - (ii) tickets used must contain a responsible gambling message which, at a minimum, include a suitable reference to the national Gambling Helpline; and
  - (iii) any funds associated with tickets that are unclaimed are to be forwarded to the Director-General after 365 days from the date of the ticket, unless otherwise instructed by the Director-General.
- d) Where the approved cashless gaming system is card based, the following applies in addition to Direction 12(b):
- (i) for registered cards:
    - a) the system must be able to identify players and their transactions to satisfy any enquiry the Director-General may have; and
    - b) the licensee must ensure suitable procedures are in place to ensure suitable identification checks are made when issuing a replacement card.
  - (ii) the licensee may utilise anonymous cards:
    - a) for visitors and guests of members, where access to the venue requires membership; and
    - b) for gaming in venues that do not require membership.
  - (iii) the system must have in place suitable security to prevent the unauthorised access to cardholder information and credit values;

- (iv) the system must provide for a pre-commitment feature to allow a user to set a deposit limit or time limit or maximum card credit limit; and
- (v) the system must provide for the printing and display of a user activity statement which, at a minimum, must provide a record of deposits and withdrawals made, in addition to gaming activity including wins, turnovers and spends.
- (vi) The system must allow for the display of a responsible gambling message.

# 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.