

REGULATION OF LICENSED PROVIDERS UNDER THE GAMING CONTROL ACT 1993

PROVISION	TRADING ACCOUNTS
SECTION OF THE ACT	76ZZAA

EXPLANATION

Section 76ZM of the *Gaming Control Act 1993* generally prohibits the provision of credit to registered players by a licensed provider. However, section 76ZZAA of the Act provides for a licensed provider with either a sports betting, race wagering, betting exchange or totalizator endorsement to operate trading accounts. A trading account is an account held by a registered player of a licensed provider that may be operated so as to have a credit or debit balance.

ACT REQUIREMENTS

A licensed provider wishing to operate trading accounts must apply to the Tasmanian Gaming Commission for the authority to operate such accounts. The Commission must either grant or decline any request to operate trading accounts and any authority by the Commission to operate trading accounts may be subject to conditions as determined by the Commission.

A licensed provider authorised to operate trading accounts may only enable a registered player to operate a trading account where it considers that –

1. the player is suitable to have access to a trading account; and
2. it is otherwise appropriate to operate the trading account.

TIMEFRAMES

This provision commences immediately a Tasmanian Gaming Licence is issued.

SUGGESTED PROCESS

Applications for the authority to operate trading accounts can be made by written request and should detail the manner in which the licensed provider wishes to operate trading accounts.

The Tasmanian Gaming Commission meets on a monthly basis and any application for authority to operate trading accounts by a licensed provider should be submitted to the Liquor and Gaming Branch at least two weeks prior to the TGC meeting.

If the Commission determines to grant authority to a licensed provider to operate trading accounts, such authority will be provided to the licensed provider in writing and will detail any conditions imposed by the Commission.

The Commission requires that a list of players with trading accounts (including credit limits) is maintained by a licensed provider and must be available for the Commission to inspect at all times.

The Commission, from time to time, may conduct an audit of a licensed providers trading accounts to ensure that trading accounts are only being offered to high value/net worth clients and that any conditions imposed are being complied with.

The Commission has developed guidelines for the operation of Trading Accounts. These guidelines are attached.

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Tasmanian Gaming Commission

Guidelines for the Operation of Trading Accounts

The following guidelines have been determined by the Tasmanian Gaming Commission and establish a framework in relation to the operation of trading accounts by a Tasmanian Gaming Licence holder (licensed provider) with a betting exchange, race wagering, sports betting or totalizator endorsement.

Section 76ZM of the *Gaming Control Act 1993* prohibits the general provision of credit to customers by licensed providers. Section 76ZZAA of the Act does provide for a licensed provider to apply to the Commission for an authority to operate trading accounts.

Note: A Trading Account is an account that a customer establishes with a licensed provider that may be operated so as to have credit or debit balance.

Any granting of authority to operate trading accounts by the Commission may be subject to conditions as determined by the Commission and such conditions must be adhered to by the licensed provider. A licensed provider authorised to operate trading accounts may provide a trading account to a player if it is considered the player is suitable to have access to a trading account and it is otherwise appropriate for a trading account to be provided.

The Commission has determined the following guidelines will be applied to the operation of all trading accounts. Licensed providers must:

- Not offer trading accounts to non-verified customers.
- Only offer trading accounts to key account customers, such as professional punters and other corporate bookmakers that have been determined to be credible and reliable.
- Verify the creditworthiness of every customer that is offered a trading account through a third party credit reporting agency.
- Ensure that trading accounts are settled on a regular basis in accordance with the licensed provider's approved settlement requirements.
- Maintain a register of all customers that are approved to operate trading accounts.
- Notify the Commission when a new trading account is opened, including customer and trading limit details, in a report to be determined by the Commission.
- Comply with any Australian credit provider requirements.

- Have in place satisfactory terms and conditions that cover trading account operation, including such things as, but not limited to, account settlement requirements and debt recovery procedures.
- Ensure that trading accounts operate at all times within the agreed limits for each account.

