

TASMANIAN GAMING LICENCE GUIDE TO APPLICANTS

This document provides information in relation to the requirements when applying for a Tasmanian Gaming Licence.

For any additional information in relation to this guide please contact the Liquor and Gaming Branch.

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TASMANIAN GAMING LICENCE

Introduction

The *Gaming Control Act 1993* sets out the regulatory framework that authorises different forms of legalised gambling in Tasmania. It is an offence to conduct a gambling business in Tasmania without an appropriate licence.

This Guide will assist individuals and entities with the process of applying for a Tasmanian Gaming Licence to authorise the conduct of one or more approved gaming activities relating to race wagering, sports betting, simulated gaming, major lotteries (including pools), betting exchange and totalizator wagering.

In particular, the Guide outlines the regulatory framework and specifies the criteria against which the regulator, the Tasmanian Liquor and Gaming Commission, conducts its investigation and assessment of licence applicants.

The Guide forms one part of a package of material that must be read in conjunction with the:

- *Tasmanian Gaming Licence Application Form*;
- *Associate Company Application Form*;
- *Associate Application Form*; and
- *Tasmanian Gaming Licence Technical Standard*.

These documents are discussed further below and are available from the website at www.gaming.tas.gov.au or by contacting the Liquor and Gaming Branch.

Tasmanian Gaming Licence Regulatory Framework

The State Government of Tasmania, through the *Gaming Control Act 1993* (the Act), has legislated to ensure that the licensing and supervision of gambling in Tasmania is strictly regulated and controlled. A copy of the Act is available from www.legislation.tas.gov.au.

The Tasmanian Liquor and Gaming Commission, an independent body established under the Act, is responsible for overseeing the regulation of gambling and administration of the Act. The Commission is supported by staff of the Liquor and Gaming Branch in undertaking its day-to-day activities. The Branch provides administration staff and inspectorate staff involved in overseeing gambling operations throughout the State.

Major reforms came into effect in 1999 extending the regulatory framework to include gaming activities conducted via the internet, telephone and other telecommunication devices. In 2009, the Act was further amended to facilitate the regulation of totalizator operations in Tasmania.

This regulatory framework allows the Commission to issue a Tasmanian Gaming Licence to applicants who meet the required regulatory, financial and probity standards for the conduct of approved gaming activities. The 'approved gaming activities' include race wagering, sports betting, simulated gaming, major lotteries (including pools), betting exchange, totalizator wagering and other activities that may be prescribed.

It should be noted that the following activities **do not** fall within the coverage of the Act:

- gaming activities carried on by registered on-course bookmakers; and
- simulated games in which all wagers are returned to players whether as prizes or otherwise.

A Tasmanian Gaming Licence must be endorsed with one or more gaming activities. The endorsement gives the holder of the licence (the licensed provider) the authority to conduct those gaming activities.

An outline of the activities authorised under each endorsement and the relevant section of the Act is provided in Table I.

In order to ensure a high level of probity and integrity, the regulatory framework requires that each applicant for a Tasmanian Gaming Licence be thoroughly investigated. The investigation process covers directors and senior employees of the applicant, and extends to other associated entities that hold a financial interest in the applicant company or can exercise significant influence over the gambling business of the applicant.

In investigating an applicant, and in determining the granting of a licence, the Commission is empowered to gather any information or documents that the Commission considers relevant.

Table I. Activities authorised under each TGL endorsement

Endorsement	What is authorised
<i>Race Wagering</i>	The licensed provider is authorised to accept wagers in respect of horse races, harness races and greyhound races by way of a telecommunications device situated in an approved location; and to do all things necessarily incidental to carrying on these activities. (s76T)
<i>Sports Betting</i>	The licensed provider is authorised to accept wagers for sports events by way of a telecommunications device (eg over the telephone and Internet) situated in an approved location; and to do all things necessarily incidental to carrying on the activities specified in the endorsement. Sports events include real races (but not horse, harness or greyhound races), real sports, games, fights, exercises or pastimes or any other prescribed activity. (s76S)
<i>Simulated Gaming</i>	The licensed provider is authorised to conduct simulated games by way of a telecommunications device situated at an approved location; to accept by way of a telecommunications device wagers in respect of simulated games conducted by the licensed provider; and to do all things necessarily incidental to carrying on these activities. (s76U)
<i>Major Lottery</i>	Authorises the licensed provider to conduct major lotteries from an approved location; to sell tickets in major lotteries conducted by the licensed provider by post, telephone, internet or other telecommunications device; to conduct pools; to accept wagers in pools conducted by the licensed provider; and to do all things necessarily incidental to carrying on these activities. (s76V)
<i>Betting Exchange</i>	Authorises the licensed provider to operate a betting exchange by way of a telecommunications device and offer brokered wagering through that betting exchange; and to do all things necessarily incidental to carrying on these activities. (s76VA)
<i>Totalizator Wagering</i>	Authorises the licensed provider to conduct totalizator wagering in respect of race wagering and approved sports events by way of a telecommunications device; to accept totalizator wagers by way of a telecommunications device situated in an approved location and from persons who are physically present at an approved outlet; and to do all things necessarily incidental to carrying on these activities. (s76VB)
<i>Agent</i>	<p>Authorises the licensed provider to enter into and participate in arrangements with unrelated gaming or wagering providers under which the licensed provider may:</p> <ul style="list-style-type: none"> • provide electronic portals to gaming or wagering products of those providers; • accept wagers on behalf of those providers; and • receive, in return, fees commissions or other financial benefits. (s76VC)

What is a Tasmanian Gaming Licence?

A Tasmanian Gaming Licence is a licence granted and in force under Part 4A of the Act. It is a licence that authorises a person, or company, to conduct approved gaming activities in Tasmania as a licensed provider.

It is unlawful to conduct gaming activities without an appropriately endorsed licence or to conduct gaming activities that have not been approved by the Commission.

It should be noted that the date of grant of a licence and the date the licence takes effect may be different. It may be specified in the licence that the licence will take effect when the gaming equipment, control systems and premises have been approved, all fees and costs have been paid and any other matters required by the Commission have been addressed. No matter what the effective date, gambling operations cannot commence until the gaming system has been approved.

The licence granted is specific to the individual or company named in the licence. A licensed provider cannot transfer this licence to any other person or organisation. However, in the event of, for example, the death or bankruptcy of the licensed provider, arrangements can be made for a substitute licensed provider to hold the licence for a maximum period of six months.

A Tasmanian Gaming Licence has effect for a period not exceeding five years and is renewable. Under specified conditions, the licence can be cancelled or suspended, as can a gaming endorsement. If the Commission agrees, a licensed provider may surrender either the licence or a specific gaming endorsement.

Important Note: The Act makes provision for the holder of a current Tasmanian Gaming Licence with a second totalizator endorsement to have exclusive right over totalizator operations in the State for a period of 15 years until March 2027¹.

At any time, a licensed provider may apply for another type of endorsement not already on the provider's Tasmanian Gaming Licence. There is no prescribed fee for the addition of an endorsement to a licence (other than the annual fee), however, costs incurred by the Commission in assessing a new endorsement will be recovered from the licensed provider.

¹ Notwithstanding the exclusivity period, the term of this licence is for a period of 50 years and is renewable for a further period of 49 years.

What is the licensing and taxation regime?

The Tasmanian Gaming Licence regulatory framework is supported by a licensing regime which involves:

- an application fee of 30 000 fee units for a Tasmanian Gaming Licence (refer to the Treasury website www.treasury.tas.gov.au>Economy> Economic Policy and Reform>Fee Units for the current value of a fee unit). Where the reasonable costs incurred by the Commission in investigating and processing the application exceed the fee paid, the Commission may require the applicant to pay part or the entire excess amount.
- the payment by the licence holder of any costs incurred by the Liquor and Gaming Branch in testing computer systems, software and equipment to support the approved gambling activities;
- annual licence fees payable for each endorsement;
- the provision of a gaming and wagering guarantee for a Tasmanian Gaming Licence with a race wagering and/or sports betting endorsement; and
- where applicable - a monthly tax on gross profits or turnover or net wagering revenue (NWR) on wagers made by Tasmanians (depending on the type of endorsement on the Tasmanian Gaming Licence). Specific to NWR, mandatory monthly reporting of wagering activity is required via an online portal.

The taxation regime for the different endorsement types is specified in Division 1A of Part 9 and section 150A of the Act, and is summarised in Table 2 below. The table also outlines the licence fee that applies to each endorsement and other requirements.

Application and licence fees

The one-off application fee must be paid at the time an application for a Tasmanian Gaming Licence is lodged. Where the Commission refuses to process an application, or the application is withdrawn, the Commission may, at its discretion, refund a part not exceeding 80 per cent of the application fee.

Like the application fee, the annual licence fee for each endorsement is specified in fee units. The initial annual endorsement fees are payable within three days of the endorsement taking effect. If the licence takes effect on a day other than 1 July, only that proportion of the licence fee that relates to the remainder of the financial year, during which the licence is in effect, is payable. Thereafter, the licence fee becomes payable on 1 July in each year. Additional costs incurred by the Commission in investigating the application must also be paid before the licence can take effect.

As race wagering and sports betting endorsements are 'guaranteeable endorsements', the applicant must be able to provide a guarantee from an authorised deposit taking institution relating to the business carried on, or to be carried on, under the endorsed Tasmanian Gaming Licence.

The guarantee will be for an amount not less than \$1 000 000 or 1 per cent of annual turnover (whichever is the greater) for the gambling business to which the guaranteeable endorsement relates. An applicant will be given 21 days from the date the applicant receives notice of the grant of the licence to provide the guarantee. The Commission may review the level of the guarantee on an annual basis.

Where relevant, a Tasmanian Gaming Licence holder each month is required to pay:

- point of consumption tax, pursuant to Division 1, due within 21 days of the end of each month; and/or
- all other taxes, pursuant to section 150A, due no later than seven days after the end of the month.

Table 2: The licensing and taxation regime applying to each endorsement.

Endorsement and Fees	Other Requirements	Tax/Levy Rates
Sports betting 200 000 fee units	Provide a gaming and wagering guarantee by arranging a bank guarantee of \$1 million or 1 per cent of annual turnover, whichever is the greater	15 per cent tax on net wagering revenue in relation to wagers made by persons in Tasmania in excess of the annual tax-free threshold of \$150 000
Race Wagering 200 000 fee units	Provide a gaming and wagering guarantee by arranging a bank guarantee of \$1 million or 1 per cent of annual turnover, whichever is the greater	15 per cent tax on net wagering revenue in relation to wagers made by persons in Tasmania in excess of the annual tax-free threshold of \$150 000
Major lottery 300 000 fee units	Meet the costs incurred by the Commission in validating all approved computer systems and software as may be required to conduct a gaming business	35.55 per cent of turnover
Simulated gaming 300 000 fee units	Meet the costs incurred by the Commission in validating all approved computer systems and software as may be required to conduct a gaming business	In relation to wagers made by persons outside Australia, 4 per cent of gross profits In relation to wagers made by persons in Australia: <ul style="list-style-type: none"> • 20 per cent of the first \$10 million of gross profits for the year; and • 17.5 per cent of that part of gross profits exceeding \$10 million and less than or equal to \$20 million; and • 15 per cent of gross profits on that part of gross profits for the year which exceeds \$20 million.
Betting exchange 300 000 fee units	Meet the costs incurred by the Commission in validating all approved computer systems and software as may be required to conduct a gaming business	15 per cent tax on net wagering revenue in relation to wagers made by persons in Tasmania in excess of the annual tax-free threshold of \$150 000
Totalizator 350 000 fee units	Meet the costs incurred by the Commission in validating all approved computer systems and software as may be required to conduct a gaming business	15 per cent tax on net wagering revenue in relation to wagers made by persons in Tasmania in excess of the annual tax-free threshold of \$150 000
Agent Endorsement 5 000 fee units	Meet the costs incurred by the Commission in validating all approved computer systems and software as may be required to conduct a gaming business	Nil

- *The holder of a TGL with the initial or second totalizator endorsement is not while, that endorsement is in effect, required to pay an annual licence fee for the totalizator, agent, race wagering, sports betting or simulated gaming endorsements. However, as the holder of this totalizator endorsement, it will be required to pay an annual levy of 925 000 fee units.*
- *The holder of a TGL with both sports betting and race wagering endorsements is only required to pay a combined annual licence fee of 200 000 fee units for those endorsements.*
- *If a holder of a TGL applies for multiple endorsements, and the annual licence fee would be greater than 450 000 fee units, the annual licence fee is capped at 450 000 fee units.*

What is involved in applying for a Tasmanian Gaming Licence?

An application for a Tasmanian Gaming Licence must be completed on the following forms approved by the Commission. Each type of gaming endorsement for which the applicant is applying must be specified in the application form. The application must also include, or be accompanied by, all information and documents required by the Commission, as well as the application fee of 30 000 fee units (equates to \$48 600 for 2020–21).

Applicants should note that it is an offence to provide false or misleading information in relation to an application for a licence.

False or Misleading Information

Applicants need to be aware that the Tasmanian Gaming Licence application, together with all of its attachments, is subject to the provisions of section 164 of the *Gaming Control Act 1993*, which states:

164. (1) A person must not -

- (a) in, or in relation to, an application for a licence; or
- (b) in purported compliance with the requirements of a notice under this Act; or
- (c) in answer to a question asked by an inspector in the exercise of his or her functions as an inspector; or
- (d) in purporting to provide information that the person has been authorised to provide; or
- (e) in, or in relation to, a return provided in respect of the finances of the holder of a licence under this Act -
give information that is false or misleading in a material particular.

Penalty: Fine not exceeding 50 penalty units.

- (2) It is a defence to a prosecution of a person for an offence under subsection (1) if it is proved that, at the time the information was given, the person believed, on reasonable grounds -
 - (a) in the case of false information that the information was true; or
 - (b) in the case of misleading information that the information was not misleading.

An applicant is required to submit to the Commission the following forms, available from www.gaming.tas.gov.au or by contacting the Liquor and Gaming Branch:

- a *Tasmanian Gaming Licence Application Form*;
- an *Associate Company Application Form* for:
 - parent or holding companies; and

- each company holding a share of 5 per cent or more* in the capital of the applicant company or is entitled to receive any income derived from the business of the applicant company;

(*Note: *The Commission may, at its discretion, provide for relaxation of the 5 per cent limit for recognised financial institutions and institutional investors.*)

- an *Associate Application Form* for each associate named in the *Tasmanian Gaming Licence Application Form* and *Associate Company Application Form*.

An associate of the applicant is a person who:

- holds or will hold the positions of director, manager or other executive position or secretary in relation to the parent or holding company;
- holds a share of 5 per cent or more in the capital of the applicant company; and
- is entitled to receive any income derived from the business.

The Commission may require the applicant to provide further information in relation to the application. This information will be required either at the time of application or at a later date determined by the Commission.

Where to lodge an application

You can submit the completed documentation by email to gaming@treasury.tas.gov.au including electronic funds transfer of the application fee (followed by a hardcopy of the application if requested). Alternatively, submit a hardcopy of the application with the application fee in an envelope marked “**Strictly Confidential - Application for a Tasmanian Gaming Licence**” addressed to:

If sent by post:

Tasmanian Liquor & Gaming Commission
GPO Box 1374
HOBART TAS 7001

or

If hand delivered:

Tasmanian Liquor & Gaming Commission
Salamanca Building Parliament Square
4 Salamanca Place
HOBART TAS 7000

The Investigation and Assessment Process

On receipt of a completed application for a Tasmanian Gaming Licence, together with the requisite documentation and the application fee, the Commission will conduct an investigation of the applicant and its associates.

In investigating a licence applicant and its associates, the Commission will determine whether the applicant is suitable to hold a Tasmanian Gaming Licence and whether each associate is a suitable person to be associated with a gambling operation.

In determining suitability, the Commission will have regard to the following matters:

- the applicant’s character, honesty, integrity and business reputation;
- the applicant’s current financial position and financial background;

- whether the applicant has arranged a satisfactory ownership, trust or corporate structure;
- that the applicant has access to the technical ability and resources appropriate for conducting gaming activities of a kind to be conducted under the endorsement(s);
- that each associate of the applicant is also suitable to be involved in a gaming business or gaming activity conducted under the endorsement;
- whether the applicant has, in the Commission's opinion, resources to ensure the financial viability of operations conducted under a Tasmanian Gaming Licence; and
- anything else considered by the Commission to be relevant.

In determining the suitability of associates, the associates' character, honesty, integrity, business reputation, current financial position and financial background will be taken into account.

The investigation by the Liquor and Gaming Branch may involve references to applicable Tasmanian, interstate, Federal and overseas organisations such as:

- law enforcement agencies;
- financial institutions;
- professional bodies;
- registrars of births, deaths and marriages;
- credit reporting agencies;
- Australian Securities and Investments Commission, and/or an overseas equivalent; and
- gaming regulatory authorities.

Note: any changes in the circumstances of the applicant that occur during the investigation must be communicated to the Commission for inclusion in the application.

After completing its investigation, the Commission will either grant or refuse a Tasmanian Gaming Licence. Where a licence is granted, the Commission will determine the endorsements that will be approved for that licence and will notify the applicant accordingly. The gambling activities specified in the licence cannot commence until, among other things, the premises, the gaming system and control systems have been approved by the Commission and all fees and costs have been paid.

When does a licence take effect?

The licence takes effect either on the day it is granted or at a later day determined and specified by the Commission.

The licence will also state (amongst other things) the duration of the licence, and the approved location from which the licence holder may undertake the authorised endorsements.

Before gambling can commence, the Commission has to be satisfied, amongst other things, that:

- the gaming equipment meets the *Tasmanian Gaming Licence Technical Standard* and has been approved under the Act as being suitable for use in a gaming business;
- appropriate control systems are approved and in place;
- the premises have been approved (refer below); and
- in the case of simulated gaming and major lotteries, the games proposed for the gaming operation are ones that have been approved by the Commission.

The date on which gaming activities can commence will be influenced by the time required for the Commission to complete both the investigation and the approval processes. The time required will depend, in part, on the:

- extent of probity investigations to be conducted;
- cooperation of the applicant and its associates;
- complexity of the applicant's corporate and/or financial structure; and
- quality and timeliness of the submission of gaming equipment and documentation in accordance with the *Tasmanian Gaming Licence Technical Standard*.

What additional matters should be considered by an applicant?

Technical and financial resources

The conduct of activities under a Tasmanian Gaming Licence can be an expensive exercise, and applicants must consider carefully the investment required to operate a gambling business, in addition to the costs required to be met under the Act which have been outlined in this document.

The Commission will make an assessment as to whether the applicant has the financial resources and has, or has access to, the technical ability and resources to conduct the gambling activities under the endorsement to be specified on the Tasmanian Gaming Licence.

Approved games and rules

Games that may be conducted under the authority of a Tasmanian Gaming Licence with a simulated gaming or major lottery endorsement are ones that have been approved by the Commission. The Commission may only approve the rules of a game that the Commission is satisfied is fair to players and not contrary to the public interest.

The Commission may, at any time, revoke its approval of a game, amend the approved rules or substitute new approved rules for a game by written notice to a licensed provider.

Approved premises

A licensed provider (the holder of a Tasmanian Gaming Licence) must not conduct a gaming activity authorised by an endorsement on the licence unless the premises in which the gaming activity is to be conducted has been approved by the Commission.

The premises at which the gaming activities are to be undertaken must be specified on the licence. These premises must be secure with controlled access and emergency power arrangements in place. The physical security of the computer system must comply with the *Tasmanian Gaming Licence Technical Standard* which requires that the computer system, used for the conduct of gaming activities permitted under the licence, must physically reside in a secure data centre that meets the requirements laid out by the latest Australian Standard AS2834.

Approved outlets - totalizator endorsement

A totalizator operator is able to establish a retail agency in an approved outlet occupied by another person (an agent) at and through which players may engage in gaming and wagering with or through the totalizator operator under its Tasmanian Gaming Licence. In respect of gaming and wagering conducted at or through an approved outlet:

- the actions of the agent will be taken to be the actions of the totalizator operator; and
- if any of those actions would constitute a prescribed offence under the Act, proceedings for the offence may be brought against the agent in the same manner as if the agent were the totalizator operator.

A totalizator operator may also establish any premises that it occupies itself as an outlet at and through which players may engage in gaming and wagering with or through the totalizator operator under its Tasmanian Gaming Licence.

Gaming equipment

Gaming equipment includes computer software specifically designed, customised or installed for use in connection with gaming or a gaming activity.

The computer systems used to provide gaming activities permitted under the endorsed licence must meet the requirements of the *Tasmanian Gaming Licence Technical Standard*. This document describes the principles that the Commission will apply to evaluate the functionality of the computer systems, the games and wagering types to be offered, the communications interface that connects these systems to the internet and which connect these systems to other computer equipment.

The Commission will permit licensees to engage a third party testing facility, approved by the Commission, to test the system, network security, system documentation and controls for its compliance with the Technical Standard. These testing facilities are identified as accredited testing facilities. The testing facility will then issue a Certificate of Compliance signifying compliance of the gaming operation with the Technical Standard.

The costs incurred in the evaluation of the systems, employed in the conduct of gaming activities authorised under the licence, are to be met by the licence holder.

The Commission will only approve the gaming equipment where it is considered to be suitable for use in the gaming business to be conducted under the endorsements on the licence. Gaming equipment must be sourced from manufacturers or suppliers that are listed on the Roll of Recognised Manufacturers, Suppliers and Testers.

Control System

The Commission will approve the control system submitted by a licensed provider if satisfied that the system is suitable for use in respect of the gaming business.

The control system will cover internal controls and administrative and accounting procedures. Requirements for financial accounts, the keeping of records on the premises and for audits are outlined in Sections 139, 140, 141 and 142 of the Act. Further requirements are contained in the *Tasmanian Gaming Licence Technical Standard*.

Special employees

Persons engaged by the licensed provider to manage the gaming activities and participate in their day-to-day operation may be required to be licensed as special employees or technicians. This will be discussed in detail during the application stage. For your information, applicants are investigated against criteria specified in the Act (Division 3 of Part 4).

Additional requirements of a licensed provider

Gambling harm minimisation

The Act provides for a number of player protection measures to be implemented in the gaming business conducted by the licensed provider. These include:

- the ability of players to impose limits on their play and exclude themselves from participating in wagering activities;
- a prohibition on the provision of credit by a licensed provider; and
- a complaints mechanism.

Furthermore, the Act covers player registration, claims for prizes, the remission of players' funds and advertising and promotion of gaming activities.

The Commission will also, from time-to-time, issue player protection standards to which the licence holder must comply. These Standards are designed to minimise the harmful effects of gambling, which may be experienced by some players.

The Commission's *Responsible Gambling Mandatory Code of Practice for Tasmania* (the Code) aims to minimise harm from gambling in the Tasmanian community and seeks to make gambling environments safer. The Code applies to all relevant prescribed licence holders, including holders of a Tasmanian Gaming Licence, and impacts on 10 areas of gambling operations:

- advertising
- inducements
- player loyalty programs
- access to cash
- payment of winnings
- lighting
- service of food and alcohol
- clocks in gambling areas
- staff training in recognising people with gambling problems
- information to players

The practices required by the Commission are contained in the Code. The means by which the practices are implemented are contained in the Commission Rules for each wagering licence type.

Commitment to the Code is mandatory and all relevant prescribed licence holders in Tasmania are responsible for ensuring their compliance with the Code. The Commission may take disciplinary action against a licence holder for failing to comply with any requirement contained within the Code.

A copy of the Code and the Tasmanian Gaming Licence Commission Rules that apply to wagering operations can be obtained from the Commission's website www.gaming.tas.gov.au >Gambling >Reduce Harm from Gambling>Mandatory Code of Practice.

Change of associate

Any potential change in associates to a Tasmanian Gaming Licence must be notified to the Commission in writing. That change cannot occur until approved by the Commission. All new associates are investigated and assessed against criteria identical to that required for associates to a licence application.

The Commission may at any time investigate a licence holder to determine whether the licence holder continues to be suitable to be the holder of a Tasmanian Gaming Licence. Associates may also be investigated in a like manner to assess their continued suitability to be associated with the licence.

Conditions on a Tasmanian Gaming Licence

The Commission can, at any time, impose conditions on the Tasmanian Gaming Licence and may give directions to a licensed provider about the conduct of the provider's gaming business and gaming activities. Directions are conveyed by written notice to the licensed provider, and the licensed provider is obliged to comply with them.

Examples of conditions placed on a licence may relate to (but not limited to) the following matters:

- approval of premises and facilities;
- the security of gaming equipment;
- approval of an electronic monitoring system;
- the keeping of records and financial statements;
- the holding of funds on behalf of players;
- the provision of reports; and
- prizes.

A licensed provider must not contravene any conditions that are attached to the licence. However, the licensed provider may, at any time, request the Commission to amend the conditions to which the Tasmanian Gaming Licence is subject.

Disciplinary Action

The Act specifies the grounds for disciplinary action and the disciplinary action that can be taken by the Commission against the holder of a Tasmanian Gaming Licence:

Disciplinary action means any one or more of the following:

- the cancellation or suspension of a Tasmanian Gaming Licence;
- the cancellation or suspension of a gaming endorsement;
- the amendment of the conditions to which a Tasmanian Gaming Licence is subject;
- the imposition of a fine not exceeding 100 000 penalty units. Refer to the Department of Justice website www.justice.tas.gov.au>Information about the Department>About Us>Legislation> Value of indexed amounts in legislation for the current value of a penalty unit; and
- the issuing of a letter of censure.

Grounds for disciplinary action include:

- the licensed provider is no longer suitable to hold a Tasmanian Gaming Licence or endorsement;
- an associate of the licensed provider is no longer suitable to be an associate;
- the licensed provider has contravened a provision of the Act;
- the licensed provider has been found guilty of an offence involving fraud or dishonesty;
- the licensed provider has failed to discharge financial obligations to a player or to the State;
- the licensed provider is bankrupt;
- the licensed provider is affected by control action under Corporations Law; and

- the Tasmanian Gaming Licence was obtained by a materially false or misleading representation or in some other improper way.

DEFINITIONS

Associate	<p>An 'associate' of an applicant is any person who:</p> <ul style="list-style-type: none">(a) holds or will hold any relevant financial interest, or is or will be entitled to exercise any relevant power (whether in right of the person or on behalf of any other person), in the gaming business to be conducted by the applicant or the licensed provider and, by virtue of that interest or power, is able or will be able to exercise a significant influence over, or with respect to, the management or operation of that business; or(b) holds, or will hold, any relevant position, whether in right of the person or on behalf of any other person, in the gaming business to be conducted by the applicant or licence holder, or(c) is a relative of the applicant or licensed provider. <p>“relative” means spouse (including de facto spouse), parent, child or sibling (whether of the full or half blood)</p> <p>“relevant financial interest”, in relation to a business, means:</p> <ul style="list-style-type: none">a) any share in the capital of the business; orb) any entitlement to receive any income derived from the business. <p>“relevant position”, in relation to a business means the position of director, manager or other executive position or secretary, however that position is designated; and the holder of the liquor licence where the business is conducted at a premises which has a liquor licence in force.</p> <p>“relevant power”, means any power whether exercisable by voting or otherwise and whether exercisable alone or in association with others:</p> <ul style="list-style-type: none">a) to participate in a directional, managerial or executive decision; orb) to elect or appoint any person to any relevant position.
Betting exchange endorsement	An endorsement contained in a Tasmanian Gaming Licence that authorises the licensed provider to offer brokered wagering.
Race wagering endorsement	An endorsement contained in a Tasmanian Gaming Licence that authorises the licensed provider to accept wagers in respect of a race wagering event.
Race wagering event	A real horse race, real harness race and real greyhound race.
Game	A game of chance or a game that is partly a game of chance and partly a game requiring skill.
Gaming business	The business of a licensed provider conducted under the authority of a Tasmanian Gaming Licence in respect of a gaming endorsement.
Gaming activity	<ul style="list-style-type: none">(a) The wagering in a contingency relating to any sports event, race wagering event, simulated game, major lottery or pools if that event, game, major lottery or pools is not a prohibited activity; and(b) the wagering in a contingency related to a brokered wagering event if that event is not a prohibited gaming activity; and(c) the wagering in a contingency by way of a totalizator if the totalizator is not conducted in respect of a prohibited gaming activity.

Gaming equipment	<ul style="list-style-type: none"> (a) Linked jackpot equipment and an electronic monitoring system; and (b) an electronic, electrical or mechanical device specifically designed, customised or installed for use in connection with gaming or a gaming activity; and (c) computer software specifically designed customised or installed for use in connection with gaming or a gaming activity; and (d) any other device used, or capable of being used, for or in connection with gaming or a gaming activity; and (e) a part of, or a replacement part for, gaming equipment.
Licensed provider	A person who holds a Tasmanian Gaming Licence.
Lottery	A scheme or device for the distribution of a prize by way of sale, gift or otherwise if the prize consists of a right to any real or personal benefit or real or personal thing; and the distribution involves an element of chance for which a payment or other consideration is made or given.
Major lottery	A lottery of a class that the Tasmanian Liquor and Gaming Commission determines to be a major lottery.
Prescribed event	An event, or an event of a class, prescribed in the regulations
Sports event	<p>Any of the following activities:</p> <ul style="list-style-type: none"> (a) a real race between - <ul style="list-style-type: none"> (i) human competitors, or teams or groups of human competitors; or (ii) mechanical competitors, or teams or groups of mechanical competitors; or (iii) animal competitors, or teams or groups of animal competitors, other than a horse race, harness race, or greyhound race; or (iv) a mixture of human, mechanical or animal competitors, or teams or groups of human, mechanical, animal or mixed human, mechanical and animal competitors; (b) a real sport, game, fight, exercise or pastime, whether involving individual competitors or teams or groups of competitors; (c) a prescribed activity.
Simulated game	<p>A computer-generated simulated game, other than keno or a lottery, where -</p> <ul style="list-style-type: none"> (a) a prize consisting of money or something else of value is offered or can be won under the rules of the game; and (b) a player - <ul style="list-style-type: none"> (i) enters the game or takes any step in the game by means of a telecommunications device; and (ii) pays a monetary payment or other valuable consideration to participate in the game; and (c) the winner of a prize is decided wholly or partly by chance.
Telecommunications device	<ul style="list-style-type: none"> (a) A computer adapted for communicating by way of the internet or another communications network; and (b) a television receiver adapted to allow the viewer to transmit information by way of a cable television network or another communications network; and

- (c) a telephone; and
- (d) any other electrical or electronic device for communicating at a distance.

Totalizator

A system of parimutuel betting, whether or not conducted by means of an instrument or contrivance known as a totalizator, that enables –

- (a) persons to wager on contingencies relating to a race wagering event or approved sports event; and
- (b) the total amount so wagered, less any deductions and any additional top-up amount authorised under the *Gaming Control Act 1993*, to be divided among the successful wagerers.