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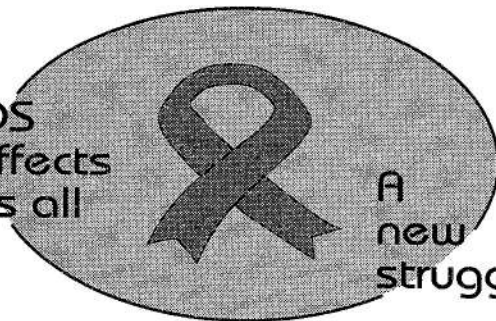
Vol. 413

PRETORIA, 5 NOVEMBER 1999

No. 20610

We all have the power to prevent AIDS

AIDS
affects
us all



A
new
struggle

Prevention is the cure

**AIDS
HELPLINE**

0800 012 322

DEPARTMENT OF HEALTH

GOVERNMENT NOTICES

DEPARTMENT OF TRADE AND INDUSTRY**No. R. 1319****5 November 1999**

THE MINISTER OF TRADE AND INDUSTRY HEREBY INVITES THE PUBLIC TO COMMENT ON THE DRAFT REGULATIONS IN RESPECT OF PROMOTIONAL COMPETITIONS, LOTTERIES INCIDENTAL TO EXEMPT ENTERTAINMENT, PRIVATE LOTTERIES AND SOCIETY LOTTERIES.

In terms of lotteries Act 1997 (Act No. 57 of 1997), the Minister of Trade and Industry may, with the concurrence of the National Lotteries Board, make regulations regarding the conduct of lotteries incidental to exempt entertainment, private lotteries, society lotteries and promotional competitions including:-

- (a) the nature and requirements of any society lottery;
- (b) the persons or categories of persons to whom and by whom tickets or chances in a lottery may or may not be sold;
- (c) the circumstances in which tickets or chances may be sold and persons may be invited to purchase tickets or chances;
- (d) the minimum age at which any person may buy a ticket or chance;
- (e) any information which shall, or shall not, appear on a ticket;
- (f) the manner in which a lottery may be advertised;
- (g) the use of postal services in connection with lotteries; and
- (h) the matters in respect of which expenses in a lottery may be incurred;

These regulations are hereby published for public comment and interested persons are invited to furnish written comments before or on **26 November 1999:-**

- (i) by posting them to the following address:

The Chairperson
National Lotteries Board
P O Box 1556
Brooklyn Square
0075
(For attention: Mr J Foster); or

- (ii) by faxing them to:

(012) 362 2590
(For attention: Mr J Foster)

No. R. 1320

5 November 1999

LOTTERIES ACT, 1997 (ACT No. 57 OF 1997)

REGULATIONS REGARDING PROMOTIONAL COMPETITIONS, 1999

The Minister of Trade and Industry has, after consultation with the National Lotteries Board, under section 54(2) of the Lotteries Act, 1997 (Act No. 57 of 1997), made the regulations in the Schedule.

SCHEDULE**Definitions**

1. In these regulations, unless the context indicates otherwise, any word or expression defined in the Lotteries Act, 1997 (Act No. 57 of 1997) has that meaning and —

“advertising material” excludes references to a promotional competition printed or displayed on any individual item of the goods which are promoted by that competition and which are for sale to the public;

“goods or services “ means goods or services which are ordinarily manufactured, sold, supplied, distributed or delivered or in any other way form a substantial part of the businesses of the promoters involved in a particular promotional competition in the calendar year during which that promotional competition is held;

"promoter" means a person who holds, conducts, promotes, organises or is in any other way associated with the management or execution of a promotional competition;

"the Act" means the Lotteries Act, 1997 (Act No. 57 of 1997)

Minimum age of participants

2. (1) A promoter may not offer or award a prize or any other benefit comprising or consisting of or involving goods or services which may not, whether determined by law or in consequence of any applicable code of ethics or conduct or agreement or any applicable rules or standards determined by a particular profession or its professional body or association,

- (a) be sold, rendered, supplied, distributed or delivered to a person under a specified age;
- (b) be used by a person under a specified age; or
- (c) in any other way benefit a person under a specified age,

to a person under the age so specified in respect of the particular goods or services.

(2) Advertising material in respect of a promotional competition or goods used for advertising purposes which offer or award goods or services contemplated in subregulation (1) shall not be directed at persons under the

age contemplated in subregulation (1) in respect of those particular goods or services.

Value of prizes and number of promotional competitions

3.(1) Subject to subregulations (3), (4) and (5) and regulations 4, 5, 6 and 7, the maximum value of prizes offered or awarded in respect of promotional competitions held by a promoter during a calendar year without the assistance or support of or not in association with another promoter, shall—

(a) if less than 75 per cent of the number or value of the prizes consist of goods or services, in total not exceed R1 000 000 in a year, irrespective of the number of promotional competitions held in that year;

(b) if—

(i) at least 75 per cent of the number or value of the prizes consist of goods or services;

(ii) the value of each prize contemplated in subparagraph (i) which may be won in a promotional competition equals the value which is ordinarily paid by the public for an item or instance of those goods or services during the period in which that competition is held; and

(iii) not more than 10 promotional competitions are held by the promoter during that year,

not exceed R1 000 000 per promotional competition;

(c) if—

(i) the prizes consist solely of goods or services; and

(ii) the value of each prize contemplated in subparagraph (i) which may be won in a promotional competition equals the value which is ordinarily paid by the public for an item or instance of those goods or services during the period in which that competition is held,

not exceed R1 000 000 per promotional competition in a calendar year, irrespective of the number of promotional competitions held in that year.

(2) Subject to subregulations (3), (4) and (5) and regulations 4, 5, 6 and 7, the maximum value of prizes offered or awarded in respect of promotional competitions held by a promoter during a calendar year in association or jointly with or in support of another promotional competition or in respect of or for the benefit of more than one promoter, shall—

(a) if less than 75 per cent of the number or value of the prizes in any promotional competition in which any of the promoters are involved in that year consist of goods or services to which each promoter involved in that competition contributes at least 15 per cent of the value of the prizes, in total not exceed R1 000 000 in that year, irrespective of the number of promotional competitions in which any of the promoters are involved in that year;

(b) if—

(i) at least 75 per cent of the prizes in any promotional competition in which any of the promoters are involved in that year consist of goods or services to which each promoter involved in that promotional competition contributes at least 15 per cent of the value of the prizes;

(ii) the value of each prize contemplated in subparagraph (i) which may be won in a promotional competition is similar to the value which is ordinarily paid by the public for an item or instance of those goods or services during the period in which that competition is held; and

(iii) no promoter is involved during that year in more than 2 promotional competitions,

not exceed R1 000 000 per promotional competition;

(c) if—

(i) the prizes in any promotional competition in which any of the promoters are involved in that year consist solely of

- goods or services to which each promoter contributes at least 15 per cent of the value of the prizes; and
- (ii) the value of any prize contemplated in subparagraph (i) which may be won in a promotional competition is similar to the value which is ordinarily paid by the public for an item or instance of those goods or services during the period in which that competition is held; and
 - (iii) no promoter is involved during that year in more than 10 promotional competitions,
- not exceed R1 000 000 per promotional competition.
- (3) (a) For purposes of these regulations, a promoter who at any time during a calendar year holds a promotional competition in association or jointly with or in support of another promotional competition or in respect of or for the benefit of more than one promoter, shall in respect of all promotional competitions held by him, her or it during that calendar year, be deemed to conduct all his, her or its promotional competitions in association or jointly with or in support of another promotional competition or in respect of or for the benefit of more than one promoter.
- (b) Subregulation (2) shall be applied in respect of all promotional competitions held during that calendar year in which that promoter was involved or is to be involved.
- (4) The total amount of cash prizes offered or awarded in a promotional competition may not exceed R100 000.
- (5) The value of the first prize offered or awarded in a promotional competition may not exceed R100 000.

Nature of prizes

4. (1) A promoter may not offer, award or deliver goods, services or benefits as prizes -

(a) substantially similar to goods, services or benefits offered or awarded as prizes in –

- (i) a competition, game or sports pool conducted by or on behalf of the National Lottery; or
- (ii) a competition or game conducted by or on behalf of a lottery incidental to an exempt entertainment or a society lottery conducted in the same geographical area

during the period in which that promotional competition is being held;

- (b) in respect of which the sale, possession, use, distribution, rendering or delivery is unlawful;
- (c) in respect of which the possession, use, rendering, distribution, delivery or enjoyment of is dependent on the payment of a fee or any other consideration to any person in order to fully possess, use or enjoy the prize;
- (d) in respect of which any licence, approval, endorsement, sanction, consent, agreement or any form of authorisation by –
 - (i) any organ of state;
 - (ii) any other person; or
 - (iii) in the case of a person under the age of 18 years being the winner or beneficiary of a prize, that person's parents or legal guardian

is required for the lawful possession, use or enjoyment of those goods, services or benefits, and the award of the prize is contingent upon the winner obtaining such licence, approval, endorsement, sanction, consent, agreement or any form of authorisation; or

- (e) subject to subregulation (2), if the winner of the prize is expected or obliged to endorse, promote or advertise the goods or services of the promoter, unless

that winner after being publicly announced as a winner of the promotional competition is in writing informed of this regulation and in writing consents to endorse, promote or advertise the goods or services of the promoter.

(2) If the winner referred to in subregulation (1)(e) is a person under the age of 18 years, that person's parents or legal guardian shall for purposes of subregulation (1)(e), and in accordance with any other law, give such written consent.

(3) A promoter may not in respect of a promotional competition contemplated in regulation 3 (1)(a) or (2)(a) offer or award more than one prize to any one person.

Frequency of promotional competitions

5. A promotional competition may only be held if, in the case of a promotional competition contemplated in –

- (a) regulation 3(1)(a) and (2)(a), 14 calendar days;
- (b) regulation 3(1)(b), (1)(c) or (2)(c), five calendar days; or
- (c) regulation 3(2)(b), 30 calendar days,

have passed since the winners of a previous promotional competition held by the promoter have been announced in public in accordance with the rules of that competition.

Duration of promotional competition

6. Subject to regulations 3 and 5, the duration of a promotional competition may not, in the case of a promotional competition contemplated in –

- (a) regulation 3(1), exceed three months; or
- (b) regulation 3(2), exceed six months.

Areas of holding promotional competitions

7. Subject to regulations 4(1)(a)(ii) and 11(3) and any other law to the contrary, a promotional competition may be held anywhere in the Republic.

Notification of promotional competition

8.(1) A promoter shall, subject to subregulation (2), notify the board of a promotional competition at least 21 calendar days before the launch of that competition in the public domain.

(2) If the promoter of a promotional competition is a juristic person, the notification contemplated in subregulation (1) is required only if the maximum value of all prizes in the promotional competition –

- (a) in the case of any of the prizes not consisting of goods or services which are ordinarily manufactured, sold, rendered, supplied, distributed or delivered by any of the promoters involved in that competition or which in any other way form a substantial part of the business of any of the promoters so involved during that calendar year, exceeds R100 000; or
- (b) in the case of the prizes consisting solely of goods or services which are ordinarily manufactured, sold, rendered, supplied, distributed or delivered by any of the promoters involved in that competition or which in any other way form a substantial part of the business of any of the promoters so involved during that calendar year, exceeds R500 000.

(3) A notification contemplated in subregulation (1) shall be made substantially in the form set out in the Annexure.

(4) Three paper copies completed and signed by all promoters involved in the promotional competition concerned and one electronic copy in a format acceptable to the board, of the notification contemplated in subregulation (1)

shall be delivered to the board's head office on weekdays during the board's office hours.

(5) A non-refundable fee of R2 000, excluding Value Added Tax is payable to the board upon delivery of a notification contemplated in subregulation (1).

Inspection of promotional competition

9. (1) Any member of the board or any person designated by the chairperson or acting chairperson of the board in writing for this purpose may for purposes of monitoring compliance with the Act or these regulations enter into any premises, search any such premises, examine any object, make copies of or take extracts from any book or document or seize any object, if such member or person has obtained a warrant permitting any such action from a judge of the High Court or a magistrate who has jurisdiction in the area where the premises are situated.

(2) A warrant contemplated in subregulation (1) shall only be issued if it appears to the judge or magistrate from information on oath that there are reasonable grounds for believing that –

- (a) an exercise of a power referred to in subregulations (1) or (4)(b) is necessary for the purpose of appropriate and applicable law enforcement in terms of the Act or these regulations; and
- (b) an object, book or document is likely to be upon or in such a premises.

(3) A warrant contemplated in subregulation (1) –

- (a) shall specify, whether in general or specific, which of the acts mentioned in subregulations (1) or (4)(b) may be performed thereunder by the person to whom it is issued;

- (b) shall be executed by day unless the person who issued it authorises the execution thereof by night at times which in the circumstances are reasonable;
- (c) may be issued on any day and shall be in force until-
 - (i) it has been executed;
 - (ii) it is cancelled by the person who issued it or, if such person is not available, by any person with similar authority; or
 - (iii) the expiry of one week from the date of its issue.
- (4) Any person who acts on the authority of a warrant contemplated in subregulation (1) -
 - (a) shall, subject to subregulation (5), immediately before commencing with the execution-
 - (i) audibly demand admission to the premises from the person who seems to be in control of the premises;
 - (ii) identify himself or herself to the person who appears to be in control of the premises, if such person is present, and hand to such person a copy of the warrant or, if such person is not present, affix such copy in a prominent place on the premises; and
 - (iii) if such person is present, state the purpose for which he or she seeks entry.
 - (b) may, subject to subregulation (3)(a), use such force as may be reasonably necessary, including the breaking of any door, window or other barrier -
 - (i) to overcome any resistance against the entry and search; or
 - (ii) if no person replies to the demand contemplated in paragraph (a)(i), in order to gain entry to the premises.
- (5) Subregulation (4)(a) is not applicable if the person acting on the authority of that warrant is on reasonable grounds of the opinion that any ob-

ject, book or document which is the subject of the search may be destroyed, tampered with or disposed of if subregulation (4)(a) is first complied with.

Advertising material

10.(1) The rules and manner and date of announcing the winners of a promotional competition shall be published in advertising material promoting that competition.

Prohibitions

11.(1) No promoter shall knowingly award a prize to a person in contravention of regulation 3(4) or (5) or regulation 12(1).

(2) No promotional competition shall promote goods or services in respect of which the sale or rendering to or the use, possession or enjoyment by the public at large is unlawful.

(3) A promotional competition shall not be substantially similar to a competition or game conducted by or on behalf of a lottery incidental to an exempt entertainment or a society lottery conducted in the same geographical area during the period in which the promotional competition is being held.

Prohibited participation in promotional competition

12.(1) No person who is –

- (a) a director, member, partner, employee or agent of or consultant to a promoter
 - (b) a spouse, life partner, parent, child, brother, sister, business partner or associate of a person contemplated in paragraph (a);
- may participate in a promotional competition held by that promoter.

(2) Any advertising material in respect of a promotional competition shall in legible type alert prospective participants in that competition to the prohibition referred to in subregulation (1).

Exclusions

13. These regulations shall not apply in respect of operations authorised by a licence contemplated in section 13(1) of the Act or section 13(1)(j) of the National Gambling Act, 1996 (Act No. 33 of 1996).

Commencement

14. These regulations shall come into force on [day] [month] 1999.

ANNEXURE

National Lotteries Board

**NOTIFICATION IN TERMS OF REGULATION 8 OF THE REGULATIONS
REGARDING PROMOTIONAL COMPETITIONS**

NOTE: No notification will be accepted unless accompanied by the fee prescribed by regulation 8(4). Three paper copies completed and signed by the promoters involved and one electronic copy of this notification shall be submitted to the National Lotteries Board. All copies of this notification shall be submitted together.

For office purposes only	
Ref no:	

1.	Registered address	
2.	Registration number(s) of company or close corporation (if applicable) of promoter(s)	
3.	Income tax reference number(s) of all promoters	
4.	Value Added Tax reference number(s)	
5.	Names and ID numbers of person(s) responsible for management or execution of promotional competition concerned	To be attached on a separate sheet
6.	Rules of promotional competition	To be attached on a separate sheet
7.	Nature, types and values of prizes	To be attached on a separate sheet
8.	Date of launch of promotional	

competition	
9. Manner and date when winners are to be announced	To be attached on a separate sheet
10. Reasonable proof of ability to award and distribute prizes	To be attached on a separate sheet
11. Reasonable proof of compliance with regulations 2, 3, 4, 5 and 6	To be attached on a separate sheet
12. Board's reference number of all current and previous promotional competitions held by the promoters concerned	

No. R. 1321

5 November 1999

LOTTERIES ACT, 1997 (Act No. 57 of 1997)**REGULATIONS RELATING TO PRIVATE LOTTERIES**

The Minister of Trade and Industry has, with the concurrence of the National Lotteries Board, under section 61 of the Lotteries Act, 1997 (Act No. 57 of 1997), made the regulations in the Schedule.

SCHEDULE**Definitions**

1. In these regulations, unless the context indicates otherwise, any word or expression defined in the Lotteries Act, 1997 (Act No. 57 of 1997), has that meaning.

Persons to whom tickets may be sold

2. No ticket to be sold in respect of a private lottery shall -
 - (a) be sold to a person under the age of 12 years; and
 - (b) in respect of persons 12 years and older, be sold at a price exceeding R 10.

Value of tickets and prizes

- 3.(1) The total value of the tickets sold or to be sold in any one private lottery shall not

exceed R10 000.

(2) The total value of the prizes in any one private lottery shall not exceed R2 000.

Information which shall appear on ticket

4. If tickets are printed for a private lottery, the following information shall appear on the tickets:

- a) The closing date of the private lottery;
- b) the price of the ticket; and
- c) the date of the draw of the private lottery.

Commencement

5. These regulations shall come into operation on *[day]* *[month]* 1999.

No. R. 1322

5 November 1999

LOTTERIES ACT, 1997 (Act No. 57 of 1997)
REGULATIONS RELATING TO SOCIETY LOTTERIES

The Minister of Trade and Industry has, with the concurrence of the National Lotteries Board, under section 61 of the Lotteries Act, 1997 (Act No. 57 of 1997) made the regulations in the Schedule.

SCHEDULE

Definitions

1. In these regulations, unless the context otherwise indicates, any word or expression defined in the Lotteries Act, 1997 (Act No. 57 of 1997), has that meaning and –

“manager” means a lottery manager contemplated in section 47 of the Act or any other person who is responsible for conducting the society lottery;

“the Act” means the Lotteries Act, 1997 (Act No. 57 of 1997).

Rules of society lotteries

2. (1) No member or manager of a society or his or her spouse or life partner, immediate family member, business partner or associate shall participate in any society lottery conducted by or on behalf of that society.

- (2) The finalist or finalists of any society lottery shall be chosen in the manner determined by the manager of that society or his or her delegate.
- (3) Any decision by the manager or his or her delegate with regard to the determination of a finalist or finalists in a society lottery is final.
- (4) Prizes, other than cash prizes, won in a society lottery may not be exchanged for cash amounts.
- (5) The closing date of the society lottery and the date and place of the draw or draws shall be determined before commencing with that lottery.
- (6) The finalist or finalists shall be notified telephonically of the outcome of the draw or draws.
- (7) All prizes to be won in a society lottery shall be allocated.
- (8) The manager of that society may prescribe such reasonable and lawful conditions as he or she considers necessary for participation in a society lottery.

Nature and requirements of scheme concerning society lotteries

3. The scheme contemplated in section 38(c) of the Act shall specify -

- (a) the address of the office or head office of the society;
- (b) the registration number of the society, contemplated in section 41(2) of the Act conducting the society lottery or on whose behalf it is conducted;
- (c) the manager responsible for conducting the society lottery;
- (d) that the manager has provided the security referred to in regulation 5, if applicable;
- (e) the purposes for which the society was established;
- (f) the purpose for which the society lottery shall be conducted;
- (g) that the society has adequate resources to conduct the society lottery in accordance with sound financial principles and methods;
- (h) that the society shall keep proper accounting records in order to comply with section 46(3)(a) of the Act;
- (i) the prizes to be won in the society lottery;

- (j) the manner in which the finalist or finalists of the society lottery shall be determined; and
- (k) the number and value of tickets to be sold in the society lottery.

Further information concerning registration of societies

4. In addition to the particulars referred to in section 41(1) of the Act when applying for registration, a society shall -

- (a) state the society's name;
- (b) state the names and addresses of the manager and members of the society;
- (c) state the name and registered address of the society's auditor and his or her or its address;
- (d) furnish a written report pertaining to its financial state of affairs and business;
- (e) state that the society's income and property are not distributable to its members or managers, except as reasonable compensation for services rendered;
- (f) indicate whether the society's financial transactions are conducted by means of a banking account, and details thereof;
- (g) state the date for the end of the society's financial year;
- (h) indicate whether it is a body corporate and has an identity and existence distinct from its members or managers;
- (i) indicate whether provision has been made for the society's continued existence notwithstanding changes in the composition of its membership or management;
- (j) state whether the members or managers have any rights in the property or other assets of the society solely by virtue of their being members or managers;
- (k) specify the powers of the society;
- (l) specify the organisational structures and mechanisms for its governance;

- (m) set out the rules for convening and conducting meetings, including quorums required for and the minutes to be kept at for those meetings;
- (n) indicate the manner in which decisions are to be made;
- (o) set out the procedure for changing its constitution;
- (p) set out the procedure by which the society may be wound up or dissolved;
- (q) indicate whether any asset remaining after all its liabilities have been met, when it is being wound up or dissolved, must be transferred to another society having similar objectives; and
- (r) state whether the society has been registered previously in terms of the Act and whether application for such registration was refused or whether such registration has been suspended or revoked or has expired.

Provision of security by lottery manager responsible for conducting the society lottery

5. If a society lottery is to be conducted by a lottery manager contemplated in section 47 of the Act, that lottery manager shall provide security to the board in an amount which shall be not less than 80 per cent of the total value of the prizes to be allocated.

Persons and categories of persons to whom and by whom tickets in society lottery may be sold

6. (1) No person under the age of 18 years may buy, sell or in any other way obtain or dispose of a ticket for taking part in a society lottery.

- (2) No person may —
 - (a) sell, buy or in any other way obtain a ticket for taking part in a society lottery from a person under the age of 18 years; or
 - (b) dispose such ticket to such person.
- (3) No person who —
 - (a) is an unrehabilitated insolvent;
 - (b) is under legal disability;

- (c) is a juristic person;
 - (d) has been removed from an office of trust on account of misconduct; or
 - (e) has at any time been convicted of an offence under the National Gambling Act, 1996 (Act No. 33 of 1996), or under the Act,
- may in any way participate in a society lottery.
- (4) Any ticket utilised for participation in a society lottery in contravention of subregulations (1) or (3) is void.

Frequency of society lotteries

7. (1) No more than six society lotteries may be conducted by or on behalf of a society in any calendar year.
- (2) A minimum period of 30 days shall elapse between the dates of any two society lotteries conducted by or on behalf of the same society.

Value of tickets and prizes

8. (1) No ticket to be sold in respect of a society lottery shall be sold at a price exceeding R5.
- (2) The total value of the prizes in a society lottery shall, subject to subregulation (3), not exceed 50 per cent of the proceeds of that lottery.
- (3) The total value of the tickets sold in all society lotteries conducted in any year by or on behalf of the same society shall not exceed R1 000 000.

Circumstances in which tickets for society lotteries may be sold and persons may be invited to purchase tickets

9. Tickets for society lotteries may be sold and persons may be invited to purchase such tickets only for -
- (a) the promotion of the society conducting the society lottery or on whose behalf it is conducted;

- (b) the obtaining of funds for a beneficiary of the lottery referred to in section 53(3)(a) of the Act; or
- (c) other purposes which are not for private gain or commercial undertaking and approved by the board.

Information on reverse side of ticket

10. The reverse side of every ticket distributed or sold, shall specify -

- (a) the registration number of the society, contemplated in section 41 of the Act conducting the society lottery or on whose behalf it is conducted;
- (b) the prizes to be won in the society lottery;
- (c) the closing date of the society lottery and the date and place of the draw or draws; and
- (d) a reference to where the rules referred to in regulation 2 may be obtained.

Advertisement of societies lotteries

11.(1) A society lottery may be advertised for the area referred to in regulation 14 only through -

- (a) the postal services;
- (b) newspapers in circulation in such area;
- (c) the distribution of pamphlets in such area;
- (d) radio stations not broadcasting nationally.

(2) An advertisement contemplated in subregulation (1) shall state -

- (a) the purpose of the lottery;
- (b) in the case of a society lottery contemplated in regulation 9(b), the beneficiary of the lottery;
- (c) the price of the tickets;
- (d) where the tickets will be sold;
- (e) the prizes to be won;
- (f) the closing date for participation in the lottery; and

- (g) when the draw will take place.

Use of postal services

12. A person who has won any prize in a society lottery shall within seven days of the draw be notified thereof by registered mail.

Prescribed areas

13. Tickets for a society lottery shall only be advertised, marketed, promoted or sold within the province or magisterial district or districts determined by the board.

Permitted expenses in respect of society lotteries

14.(1) Subject to subregulation (2), expenses in a society lottery may be incurred only in respect of the following matters:

- (a) costs in respect of printing and distribution of tickets;
- (b) costs in respect of advertising of the lottery;
- (c) actual expenses incurred by the manager or other members of the society in connection with the lottery;
- (d) actual expenses incurred in connection with the awarding of the prize; and
- (e) any other expenses strictly necessary for the proper conduct of the lottery.

(2) If the total proceeds of a society lottery –

- (a) are less than R1 000 000, the expenses referred to in subregulation may not exceed 10 percent of the proceeds of that society lottery; or
- (b) exceed R1 000 000, such expenses may not exceed 5 percent of the proceeds of that society lottery.

Commencement

15. These regulations shall come into operation on [day] [month] 1999.

No. R. 1323

5 November 1999

LOTTERIES ACT, 1997 (Act No. 57 of 1997)**REGULATIONS RELATING TO
LOTTERIES INCIDENTAL TO EXEMPT ENTERTAINMENT**

The Minister of Trade and Industry has, with the concurrence of the National Lotteries Board, under section 61 of the Lotteries Act, 1997 (Act No. 57 of 1997), made the regulations in the Schedule.

SCHEDULE**Definitions**

1. In these regulations, unless the context indicates otherwise, any word or expression defined in the Lotteries Act, 1997 (Act No. 57 of 1997), has that meaning.

Advertisement of lotteries incidental to exempt entertainment

- 2.(1) A lottery incidental to exempt entertainment may be advertised through –
 - (a) the postal services;
 - (b) newspapers;
 - (c) the distribution of pamphlets; and
 - (d) radio stations not broadcasting nationally.

- (2) An advertisement contemplated in subregulation (1) shall state -
- (a) the purpose of the lottery incidental to exempt entertainment concerned;
 - (b) the beneficiary of the lottery;
 - (c) the price of the tickets;
 - (d) where the tickets will be sold;
 - (e) the closing date for participation in the lottery;
 - (f) when the draw will take place;
 - (g) the manner in which the winner or winners of the lottery shall be determined;
 - (h) the prizes to be won in the lottery;
 - (i) the fact that the determination of the winner or winners shall be final and that no correspondence in that regard may be entered into;
 - (j) the fact that prizes may not be exchanged for cash amounts;
 - (k) the fact that all prizes shall be allocated; and
 - (l) how the winner or winners shall be notified.

Amount for purchasing prizes

3. The total amount utilized for expenses incurred in purchasing of the prizes for a lottery incidental to exempt entertainment shall not exceed R2 000.

Information which shall appear on ticket

4. If tickets are printed for a lottery incidental to exempt entertainment, the following information shall appear on the tickets:
- (a) The name and address of the person conducting the lottery;
 - (b) the closing date of the lottery;
 - (c) the price of the ticket; and

- (d) the date and place of the draw of the lottery.

Persons to whom tickets may be sold

5. No ticket to be sold in respect of a lottery incidental to exempt entertainment shall be sold -

- (a) to persons under the age of 12 years; and
- (b) at a price exceeding R10.

Value of tickets

6. The total value of the tickets sold or to be sold in any one lottery incidental to exempt entertainment shall not exceed in value R10 000.

Commencement

7. These regulations shall come into operation on [day] [month] 1999.

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