

ORIGINAL
NON-TRANSFERABLE

REPUBLIC OF KENYA

BK 0000752

THE BETTING, LOTTERIES AND GAMING ACT, 1966

BOOKMAKER'S OFF-THE-COURSE LICENCE

(Name) MELBATECH LIMITED T/A MELBATECH
is hereby authorized, subject to the Betting, Lotteries and Gaming Act, 1966 and any regulations made thereunder to carry on the business of a bookmaker at the following premises:

TOWN House, 6TH FLOOR, KAUNDA STREET
NAIROBI

(principal place of business)

This licence shall expire on 30TH JUNE 2025 (other places)
Date of issue 13TH AUGUST 2024



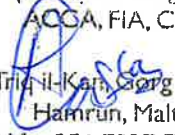
Chairman, Betting Control and
Licensing Board

Fee paid Ksh. 110,000

GPKCL/850-100 Bks.-6/18

ANDREW CASSAR

B.com (Hons) Banking & Finance
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Certified true copy of the original document
as seen and verified by me

29/11/2024



**EXECUTIVE OFFICE OF THE PRESIDENT
BETTING CONTROL AND LICENSING BOARD**

ACK Garden Annex 7th Floor 1st Ngong Avenue

Telephone: 0111021400
Email : info@bclb.go.ke

P. O. Box 43977 – 00100,
NAIROBI

REF: BCLB 11/238 VOL. I

12th August, 2024

Mr. Sidney Rema Oirere

Director

Melbatech Limited

P.O. Box 47071 - 00100

NAIROBI

**RE: OPERATING REQUIREMENTS/CONDITIONS OF OFF-THE-COURSE
BOOKMAKERS LICENSE FOR 2024/2025 FINANCIAL YEAR**

Following your application for renewal of your Bookmakers license and its subsequent approval by the Board we are pleased to forward to you license **No.BK0000752** valid up to 30th June, 2025. Note that it shall be your responsibility to apply for its renewal in accordance with the law.

For efficient and timely processing of your renewal application, the following operating requirements / conditions shall be applicable to the license during its validity.

Your compliance with these operating requirements/conditions shall be taken into account when considering your application for renewal.

- 1. Filing of returns-** You must submit returns on **weekly** and **monthly** basis in the prescribed format i.e. summary of player deposits, number of bets, total daily sales, total payout, win/loss and taxes.
- 2. Games & Gaming Devices/Systems -** You must seek approval from the Board before introduction of new games and gaming devices/systems in the betting premises.
- 3. Suspicious Activities/Transactions –**You must report suspicious financial activities/transactions in your betting operations to the Financial Reporting Centre (FRC) in accordance with the Proceeds of Crime and Anti- Money Laundering Act, CAP 59B. Such information should also be brought to the attention of the Board.

4. **Customer Winning/Losses** – You must report to the Board all customers who win or lose Kshs.100, 000 and above.
5. **Closing down operations without prior warning/notice** - If you wish to close down your operations for any reason you are required to give notice to the Board and the public three months before ceasing operations (shut down).
6. **Freezing of players account-** Freezing of players account is only permissible for a period of not more than one week and such instance the Board must (shall) be notified immediately the freeze has been done and not more than an hour after the occurrence.
7. **Effective Communication Avenue-** You are required to maintain a well-trained Customer Care Staff versed with your company products and services to provide proper and reliable feedback on customers' inquiries and complaints.
8. **Tamper proof electronic data-** Keep tamper proof electronic or betting/gaming data for a minimum period of 120 days, archive and keep the same as mandated by law.
9. **Employees** –You must submit to the Board every half yearly names of all employees who are in your establishment, those whose employment has been terminated and reasons for termination. Any foreign employee must be registered with the Board and have the requisite work permit.
10. **Office location-** Maintain approved physical address which shall be subjected to Board's inspection from time to time.
11. **Display of License** –You must prominently display a valid Bookmakers license in your betting premises.
12. **Retail Shops** –All retail shops must always carry the licensee's logo, and any change, must promptly be brought to the Board's attention for approval.
13. **Fraud and malpractices** – You must report to the Board of all cases of fraud and malpractices as soon as they occur.
14. **Altering of Punters bets and or transactions** – Ensure you do not alter any punters bets or transactions whatsoever.
15. **Jackpots:** Where you wish to offer a jackpot, you must;
 - Seek written authorization from the Board.
 - Open a fixed deposit account equal to the guaranteed jackpot amount.
 - Open and maintain a jackpot account in reputable bank where money to pay the jackpot(s) shall be banked and maintained with evidence

being submitted to the Board on a weekly basis or at such shorter time as directed.

- Jackpot not won for more than ten weeks will be cascaded to lower combinations or as directed by the Board.
- Maintain such jackpots to amounts approved by the Board and paid to winners out immediately.

16. Terms and conditions for your operations:

- Should be displayed in your betting platforms and premises.
- Align your operations with your terms and conditions submitted to the Board.
- Conditions which do not recognize the Board's intervention shall be deemed to be null and void.

17. Self-Exclusion- Implement any request for self-exclusion immediately they are circulated by the Board or registered/received in your platform/system or made through a telephone call and or any related communication channel.

18. Customer Deposits- You must continuously demonstrate ability to meet customer obligations and in particular securing their deposits by maintaining a bank-roll equal or more than the amount of customer deposits at all times.

19. Betting sites- You must notify the Board of all betting websites that you operate and provide a link for real-time monitoring to the Board.

20. System- You have the responsibility to ensure a proper, secure and accurate operation of your system. Any malfunction will require an operator to return fully all the bets wagered. System failure must also be reported promptly to the Board and communication made to the public immediately. You shall be required to audit the systems quarterly or at such times as required /directed and submit vulnerability reports to the Board. You are also required to grant the Board or such other government entity access to your system/platform for purpose of auditing

21. Systems Access-You should provide Application Programming Interface (API) to enable the Board access for the purpose of central gaming monitoring system.

22. Access to real time betting transaction data – Submit authorization or access to the Board or the collector of taxes to access Real-time data and or transactions for regulatory and tax purpose.

23. Connection to Real-time Tax System – Ensure your operations are connected to the tax collectors Real-time tax system immediately you are required or notified.

- 24. Customers Databases-** You must maintain a credible customer data base and the Board shall be at liberty to access it at any given time.
- 25. Backups-** You are required to maintain data backups at all times.
- 26. Betting/gaming servers-** You shall be required to maintain a secondary betting server(s) in the country for compliance and monitoring purposes.
- 27. Change of ownership/directorship/shareholding -** If the company wishes to change the ownership structure of the company, you should notify the Board in writing **for approval prior** to doing so. The Board **shall** undertake due diligence and vetting of the new directors/shareholders to determine their suitability to continue operating the same license. Beneficial owners introduced in the operations of the company within the validity of the License Must be promptly declared to the Board for regulatory action.
- 28. Change or Introduction of Trading Name/Short codes/Pay bill Number –** Should you wish to change the Trading Name/Short codes/Pay bill Number, you must seek **prior written authorization and approval** from the Board.
- 29. Betting shops;** No betting shops shall be opened without the approval of the Board.
- 30. Spam Short Message Service -** You are not allowed to send unsolicited short message services (SMS) to persons not enlisted in the betting system.
- 31. Mode of Operations-** You are required to furnish the Board with all **short-codes, Pay bill numbers** or any other mode of payment, deposit, or withdrawal means used in your operations.
- 32. Payment of winnings -** You must immediately pay all winnings.
- 33. Advertisement;**
- No advertisement of Bookmaking shall be done without the approval of the Board. Such advertisements must be submitted in both hard and soft copies for processing or approval.
 - All communications and advertisements of betting must carry a responsible gaming message.
 - None of the adverts or communication to the public shall glamorize gambling, mislead the public or use celebrities to endorse or promote the same.
 - All advertisements must indicate the name and full address of the advertiser.

- All advertisements of betting must be done within the time prescribed by the Board from time to time.

34. Customer Care - You are required to provide customer care services to your active customers.

35. Customer Complaints - All disputes arising from customers shall be resolved within 14 days. A report of the nature of the complaint and how it has been resolved shall be availed to the Board immediately/without delay.

36. Continuous compliance – There should be continuous compliance with the provisions of the Betting Lotteries and Gaming Act Cap. 131 Laws of Kenya.

37. Evidence of compliance with other relevant legal frameworks that pertain to your operations.

38. Responsible Gaming: - You are required to put in place measures to promote responsible gaming to ensure safe and healthy gambling practices and prevent gambling related harm to your punters/customers/public by;

- Not taking bets from underageor allowing them to access your Betting/gaming premises.
- Providing/in-building Warning sign in your betting /gaming
- Platform/premise indicating that gambling can be addictive.
- Ensure you authenticate the identities of persons registering in your platform or accessing your physical premises to ensure they are not under the age of eighteen (18) years.
- Provide a Toll-free or customer care number.

39. Betting and Gaming Taxes - The current gaming tax is **15% of gross gaming revenue, 12.5% Excise Duty on amount wagered or staked and 20% withholding tax.** All are payable to the collector on daily basis or on the **20th** day of the month following the month of collection as per the provisions of The Betting Lotteries and Gaming Act, The Finance Act, Excise Tax Act and withholding tax under the Income Tax Act respectively as well as payment of such other levies as advised by the Board

40. Evidence of tax payment - You are required to submit to the Board bank deposit slips or any other document(s) as evidence of payment of taxes arising from gaming activities by **23rd day** of each month. In addition to the above requirements the operator may be required to obtain a letter from the collector of taxes confirming/ verifying their tax compliance status.

41. Register of Games/Gaming Equipment/Systems and Devices: You must maintain an updated register of all games, betting equipment, systems and devices you operate in your betting premises, or any other place/location thereof. The Board shall on regular and *impromptu* basis

inspect, test or verify the system, devise or register or may call for submission of any register or system for verification. The licensee shall allow the Board unlimited access to your systems for compliance purposes.

- 42. Draws:** All draws must be conducted as scheduled and in the presence of officers from the Board and no operator shall conduct any draw without notifying the Board.
- 43. Scope of license.** This license is for |Bookmaking operations only. Any other mode of operation (such as retail shops) or other games of chance must be approved by the Board.
- 44. General Notification:** You are required to notify the Board of each and every step you take in regard to your gaming operations for approval or noting.
- 45. Corporate Social Responsibility** – The Board will guide and coordinate Corporate Social Responsibility activities undertaken under this license.

I ANWAR MAINA WAMBUGU of ID/ Passport No. 38293675
(Copy attached) do hereby confirm that:

i) I am duly authorized to Execute this instrument on behalf of MELBATECH Limited. (Attach authority under seal of the company, names and signatures of directors who have passed the resolution/given the authority).

ii) I have read and understood and where applicable had explained to me the contents and purport of this letter /document containing the operating requirements/conditions accompanying this license for **2024/2025 Financial Year** and confirm that the company shall abide by these conditions.

Date 13/08/2024 Sign [Signature]

Position in the company COMPANY REPRESENTATIVE

WITNESSED BY:

Chairperson: DR. JANE M. MAKAU

Signature [Signature] Date 13/08/2024

