

- (ii) If it is estimated that less than 90 per cent of the off-course investments on a double are available for transmission, or if 90 per cent or more of the total of such investments cannot be transmitted to the totalisator, the Board will hold all off-course investments on the double and will establish a separate off-course pool in respect thereof. From all investments in the pool there shall be deducted and paid the same statutory deductions as would be due if the moneys had been invested on the totalisator and the balance shall be available in dividends to be determined in the same manner as applies for the determination of the doubles dividend on-course.

*Failure Prior to the Second Race of the Double:*

- (iii) If details of the selections for the second race of the double in respect of 90 per cent or more of the investments that were on the winner of the first race are available and can be transmitted to the totalisator, such shall be transmitted, and the Board will pay on all investments on the winner of the first race coupled with the winner of the second race of the double such dividends as are declared and paid by the totalisator.

Provided that if in respect of such 90 per cent or more of investments there is not a selection for every starter in the second race or if transmission to the course totalisator has commenced but there is a failure at any time before verification of the total selections intended to be transmitted has been received from the Board's representative at the totalisator then in either such event the circumstances as set out in subclause (iv) hereof shall be deemed to apply.

- (iv) If less than 90 per cent of the details for the selections for the second race of the double are available for transmission or if 90 per cent or more cannot be transmitted to the totalisator before it closes for the second race of the double, the totalisator inspector will withhold the declaration of the dividend until there has been received either on the day of the races or subsequently all details necessary for the declaration of the dividend having regard to the provisions of this subclause and subclause (iii) hereof.
- (v) For the purposes of determining the percentages referred to in subclauses (i) and (ii), the Board will classify totalisator agencies and other offices or groups of either according to the amount or proportion of investments for the doubles totalisator received therein in respect of the first race of a double at previous race meetings conducted by the club, or in respect of previous race meetings in the same district.
- (vi) For the purpose of subclauses (i), (ii), (iii), or (iv) hereof the Board may increase or reduce the figure of 90 per cent as it considers desirable in the light of experience.

Details to implement the above proposals will be set forth in rules to be promulgated by the Board.

The recording and verification of details of investments concerned and the calculation and declaration of dividends shall be subject to such requirements as are imposed by the Secretary for Internal Affairs or the Chief Inspector of Totalisators.

**(11) Methods of Accounting Between Clubs and the Board**

Prior to each race meeting or race day the Board will establish with the club concerned, by cheque or other appropriate means, a credit in anticipation of the estimated off-course investments for that race meeting or race day. It shall be the responsibility of each club to deduct and account to the Government for all tax payable in respect of off-course investments recorded on the totalisator.

The investments for the day, the dividends derived, commission, "fractions", and other payments due to or from the Board shall be recorded in the form of an account, final settlement of which shall be made on agreement between the club or its duly appointed agent and the Board.

**(12) Adjustments of Differences in Units of Investment Off Course and On Course**

The Board will determine from time to time the method of adjustment of differences between the unit of investment on the totalisator and the unit of investment adopted by the Board.

**(13) Additional Forms of Investment**

In the event of any addition to or variation of the forms of investment at present accepted on totalisators on course, the Board shall be empowered in its discretion to accept like investments at any or all totalisator agencies and to make rules in respect thereof.

**(14) Conditions of Investing at Totalisator Agencies**

Any person making an investment at or through a totalisator agency shall be deemed to accept and shall be bound by—

- (a) The provisions of Parts I, II, and III of this scheme.  
 (b) The rules of the Board exhibited in the totalisator agency where the investment is made or of which public notice has been given in the *New Zealand Gazette*.

(c) The rules of racing relating to the entry, acceptance, bracketing, withdrawal or disqualification of horses; to the running of races; to the powers of the stewards or any other tribunal authorised under the rules of racing and to the operation of the totalisator, including the calculations of dividends except in so far as any of these may be in conflict with any of the provisions of this scheme or any variations thereof or with rules of the Board.

Pursuant to the provisions of section 7 of the Act, the Board has made regulations excluding certain classes of persons from any totalisator agency. Any person so excluded who invests at or through a totalisator agency shall forfeit his investment and any dividend payable thereon.

**PART IV: FINANCE**

**(1) Capital and Income**

The Capital Fund of the Board has been built up through the  $\frac{1}{2}$  per cent levy on totalisator investments, formerly permitted by statute for a period of five years but now withdrawn, from so much of the commission of  $7\frac{1}{2}$  per cent retained by the Board and not distributed to clubs and from the assets of the Board accrued since the initial scheme went into operation.

The gross income of the Board is derived primarily from the commission of  $7\frac{1}{2}$  per cent deductible by law from the amount of off-course investments. Income will be derived by the Board to a lesser extent from other sources such as the investment of moneys not distributed to the clubs.

In addition, the Board may derive income from any other source incidental to its main purpose and operations.

**(2) Distribution of Profits**

The Board shall be entitled to retain at its discretion part or all of any profits made in any year.

Any profits not so retained shall be distributed to all totalisator clubs. In determining such distribution the Board may first set aside some proportion of the total amount to be distributed and divide this equally amongst all totalisator clubs. The balance or the full amount as the case may be, shall be distributed to all totalisator clubs on any of the following bases as the Board from time to time may determine.

- (a) On the basis of their respective totalisator turnovers on course;  
 (b) On the basis of their respective totalisator turnovers in respect of off-course investments;  
 (c) On the basis of the combined on-course or off-course investments in each case assessed over such period as the Board may determine.

Pursuant to the provisions of section 9 of the Gaming Amendment Act 1949, I hereby approve of the foregoing scheme for the establishment and operation of totalisator agencies in respect of race meetings.

Dated this 2nd day of December 1957.

S. W. SMITH, Minister of Internal Affairs.

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**TOTALISATOR AGENCY BOARD**

**RULES RELATING TO INVESTMENTS AT OR THROUGH AGENCIES**

PURSUANT to the authority of and for the purposes provided by section 7 (1) (d) of the Gaming Amendment Act 1949, the Totalisator Agency Board made the following rules by resolution passed on the 25th day of October 1957.

**1. Interpretation**

In these rules, if not otherwise inconsistent with the context,—

"Totalisator agency" has the same meaning as is given by section 2 of the Gaming Amendment Act 1949 and includes any premises occupied by or on behalf of the Board on which totalisator investments are received direct from the public pursuant to the provisions of Part III of the approved scheme:

"The approved scheme" means the scheme for the establishment and operation of totalisator agencies in respect of race meetings as was approved by the Minister of Internal Affairs on the 20th day of September 1950, and any amendments or modifications thereto duly approved:

"The Board" means the Totalisator Agency Board established by the Gaming Amendment Act 1949:

"The club" means a racing club or a trotting club:

"Course" means the place where a race meeting is held:

"Race meeting" means any race meeting in New Zealand at which the totalisator is operated and includes trotting:

"Rules of racing" means the New Zealand Rules of Racing and includes the New Zealand Rules of Trotting.

"Scratching" includes withdrawal.