

THE CONSTITUTION
OF
ASSOCIATION OF GAMING OPERATORS – KENYA
(AGOK)



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ASSOCIATION OF GAMING OPERATORS - KENYA (AGOK)

1. NAME

The Association shall be known as "ASSOCIATION OF GAMING OPERATORS - KENYA (AGOK)"

2. LEGAL NATURE OF THE ASSOCIATION

- 2.1. The Association shall be an association established in accordance with the Societies Act CAP 108 Laws of Kenya (the **Societies Act**), for the objects and with the powers hereinafter set out. In accordance with this Constitution and the Societies Act, it shall have powers to perform any legal act and of suing and being sued in any court of law in its own name, and may be represented in any contract, act or proceeding (including any legal proceeding) by the Board or by any person or persons duly authorized by the Board.
- 2.2. Any legal process may be served upon the Association by delivery thereof at the Secretariat or to any officer duly authorized by the Board from time to time to accept service.
- 2.3. The liability of the members of the Association for the indebtedness of the Association shall be limited to the amount of any unpaid subscriptions or other debts due by them to the Association.

3. OBJECTS OF THE ASSOCIATION

The objects for which the Association was established are to bring together Gaming Operators in Kenya (betting, lotteries and public gaming – online and land-based) for the purpose of:

- 3.1. Promoting common interest of Gaming Operators.
- 3.2. Assisting members and other persons engaged in betting, lotteries and public gaming business (the **Gaming Business**) and professionals involved therein.
- 3.3. Promoting the image and the understanding of the gaming industry in Kenya.
- 3.4. Liaising with the relevant Government Authorities on any issue pertaining to the gaming industry.
- 3.5. Doing any other activity to promote the Gaming Business in Kenya.

4. MEMBERSHIP

- 4.1 Membership shall be open to any Gaming Operator registered and licensed under the Betting, Gaming and Lotteries Act CAP 131 of the Laws of Kenya as may be amended or repealed by Parliament from time to time, to transact business in Kenya.
- 4.2 An entity that wishes to become a member shall make an application in writing to the Board in such form and giving such particulars as shall be required by the Board from time to time on application.

- 4.3 An application subject to Article 4.2 above shall be presented to the members of the Association who shall determine the passing of an application by way of simple majority by either:
- 4.3.1. Taking a vote at a general meeting; or
 - 4.3.2. Consent communicated to the Board by an Eligible Member through email indicating that they are unopposed to the granting of membership to the applicant.
- 4.4 Pending ratification in accordance with Article 4.5 below, and upon payment of the entrance fees, an applicant shall be deemed to be a Provisional Member who can take part in the Association's activities and benefit from the Association's activities but such provisional membership shall not confer any voting rights on an applicant.
- 4.5 Successful applicants' membership shall be ratified by way of written resolution within **thirty (30) days** after which they shall be deemed ordinary members bound by all obligations under this Constitution.
- 4.6 It is understood that licensed entities that operate in a group operating under one brand name shall be subject to individual membership separate from the group.
- 4.7 The Board may pass a resolution that shall be duly ratified by at least two-thirds of the Eligible Members eligible to vote, to suspend the membership of any member on account of:
- 4.7.1. Failure to pay the quarterly subscription fees subject to Article 5 below as and when the amount due is demanded by notice in writing from the Secretariat; or
 - 4.7.2. Any action or inaction by a member that contravenes the provisions of the Association's Code of Conduct.
- 4.8 A suspended Member shall not be eligible for voting and shall not be allowed to attend any meetings or benefit from their membership in the Association in any way whatsoever.
- 4.9 Membership shall terminate forthwith:
- 4.9.1. Upon a Member permanently ceasing to be authorized by the appropriate regulatory authority to transact gaming business in Kenya;
 - 4.9.2. Subject to Article 5 below, on deregistration of the Member for failure to pay their subscription fees consistently over a period of **two quarters (6 months)** after suspension;
 - 4.9.3. Subject to the Code of Conduct's provisions, a Resolution being passed by the Board, and duly ratified by at least two-thirds of the Eligible Members present and voting in a General Meeting, to revoke the membership of any Member; or

4.9.4. upon a Member resigning from the Association by giving **three (3) months'** notice in writing to the Secretariat.

- 4.10 A Member whose membership terminates for any reason whatsoever shall not be entitled to any refund of subscription fees paid and on termination, shall cease to have any interest in the funds or property of the Association.
- 4.11 A decision of the Board to suspend or expel a Member under Article 4.7 above may be reversed by the Association in a General Meeting, upon representation by the member in writing, after approval by a simple majority of the Members eligible for voting present.
- 4.12 For purposes of this Article and the Constitution as a whole, the following words and expressions shall have the following meanings:
- a) Eligible Member means a Member with voting rights at any General Meeting subject to Article 14(a) below:

5. SUBSCRIPTIONS

- 5.1. Every Member shall be required to pay the subscription fees every quarter subject to the Schedule of Fees in this Constitution as may be amended from time to time, to meet the expenses (including estimated future expenses) of the Association or to meet any deficit in any financial year as shown in the audited accounts submitted to the General Meeting.
- 5.2. Notwithstanding the provisions of Article 5.1 above, there shall be a non-refundable entrance fee, which shall be determined by the Board from time to time payable by any applicant that intends on becoming a Member of the Association.
- 5.3. Each Member shall subscribe to the funds of the Association such additional sum or sums as may from time to time be determined by the Board and approved by at least two-thirds of Members in General Meeting.
- 5.4. The Board shall give notice to all individual Members of the total amount of subscription fees payable each quarter of every financial year and each Member shall pay such fees within **thirty (30) days** of the giving of such notice.
- 5.5. A Member whose subscription or any payment duly notified by the Board is in arrears for **thirty (30) days** and who fails to pay the same after being called upon in writing to do so, shall be, with immediate effect following the lapse of the thirty-day period:
- 5.5.1. penalized at a quarterly rate equivalent to **ten per cent (10%)** of the subscription fees payable by a Member for each quarter which shall be owed to the Association for every quarter following the lapse of the aforementioned thirty-day notice; and
- 5.5.2. suspended from membership of the Association in accordance with Article 4.7.1 above

until either such time as all subscriptions or contributions in arrears shall have been paid or the Member's membership in the Association is terminated in accordance with Article 4.9.2.

- 5.6. If a Member is suspended on account of failing to pay subscription fees as provided in Article 5.5.2 above and the said Member fails to make payment of the fees and any penalties attached thereto within **two quarters (six months)**, then their membership shall be revoked and the member shall be deregistered from the Association.

- 5.7. Where a Member suspended on account of Article 5.5.2 above wishes to have their suspension lifted, such suspended member shall be required to pay :

5.7.1. all arrears owing to the Association including the unpaid subscription fees and any penalties attached thereto; and

5.7.2. the subscription and entrance fees in accordance with Articles 5.1 and 5.2 above

after which the Board shall pass a written resolution to lift the suspension.

6. FUNDS

- 6.1 The funds of the Association shall consist of such monies as may from time to time be subscribed by Members and shall include any interest accruing thereto and any investments. Such funds shall be invested in such manner, as the Board shall determine. The funds shall be utilised, as the Board thinks fit, or as directed by the Association in a General Meeting.

- 6.2 The Board shall not borrow from, or lend any funds to, any parties except with the prior approval of the Association by a Resolution at a General Meeting.

7. LAND, BUILDINGS AND IMMOVABLE PROPERTY

- 7.1 The Board shall cause the title to all land held by or in trust for the Association to be vested either in a Corporation entitled to act as custodian trustee or in not less than three (3) individuals appointed by the Board as trustees or in trustees incorporated under the Trustees (Perpetual Succession) Act appointed by the Board.

- 7.2 Any Trustee appointed shall be effected by Resolution of the Board provided that the appointee shall execute a Deed of Declaration of Trust and/or such other deed or deeds as the Board shall require in order to implement the appointee's appointment as Trustee of the land **PROVIDED** that a duly appointed Trustee shall be independent from the Association and shall not be member or affiliate of a member of the Board or an affiliate or officer of any member of the Association.

- 7.3 The Board may without assigning any reason by written direction remove any person from office as a Trustee of the land and the person so removed, unless that person shall be a corporation, shall forthwith cease to be a Trustee and such written direction shall be posted or delivered to him at his last known address or to him personally which posting or delivery shall constitute service of such direction upon such person

effective three (3) days after the date of posting or upon the date of delivery as the case may be. A corporation being a trustee may be removed in accordance with the terms as to its appointment and/or removal which as at or prior to its appointment may have been agreed in writing between such corporation and the Board or in default of such agreement in accordance with the corporation's published terms and conditions as to acceptance of trusts current at the date of its appointment.

- 7.4 An outgoing Trustee (whether he shall have retired voluntarily or be removed by the Board) shall forthwith execute and do all such transfers or other acts or things that may be necessary for vesting the land in the names of the new or continuing Trustees provided that in the case of a Trustee who shall have died or ceased to exist, then such obligations shall be fulfilled by such trustees personal representatives, liquidator or other representatives at law.
- 7.5 Any corporation appointed to be a custodian trustee shall be engaged upon such terms as to appointment and removal as at or prior to its appointment as may be agreed in writing between such corporation and the Board or in default of such agreement in accordance with the corporations published terms and conditions as to acceptance of trusts current at the date of its appointment.
- 7.6 Provided that he shall act in accordance with the lawful directions of the Board and in good faith, no Trustee shall be liable for any loss to the Association arising in consequence of the depreciation or loss of the land or by reason of any mistake or omission or of any other matter or thing except in the case of willful and individual fraud and wrongdoing or personal conscious bad faith on the part of the Trustee who is sought to be made liable.
- 7.7 Subject as aforesaid and provided that he shall have acted in good faith, the Association shall indemnify each Trustee and his personal representatives and estate and at all times shall keep the same indemnified from and against all actions, proceedings, losses, claims, demands, expenses, costs and damages whatsoever which may be incurred or suffered by him or to which he may be or become liable by reason of his appointment as Trustee of the land or by reason of anything lawfully done by him in such capacity. This indemnity shall apply and shall continue to apply notwithstanding the termination or discharge of his appointment as trustee.
- 7.8 The Trustees may retain and reimburse themselves out of the Trust fund or income thereof for all proper and reasonable costs, charges and expenses incidental to the administration of the trust hereof or in relation thereto but shall not otherwise be permitted to charge for their services.
- 7.9 The power of removing Trustees and appointing new and additional Trustees shall be exercisable by the Board.
- 7.10 All undertakings of Trustees shall be reported to the members of the Association at the Annual General Meeting by the Trustees who shall be accompanied by auditors where necessary.
- 7.11 **NOTWITHSTANDING THE AFOREMENTIONED**, the Trustees all undertakings and actions of the Trustees including their appointment, resignation, retirement and removal shall be governed by the Trustees (Perpetual Succession) Act Cap 164 or the

Trustees Act CAP 167 as may be amended or repealed by Parliament from time to time.

8. MEMBERSHIP OBLIGATIONS

- 8.1 Members shall adhere to the obligations set out in Article 8.2 below and failure to do so shall entitle the Board to suspend or expel a Member in accordance with the provisions of the Constitution.
- 8.2 The obligations referred to in Article 8.1 above are as follows:-
- 8.2.1. Members shall comply with the Constitution;
 - 8.2.2. Members shall not follow a course of conduct likely to bring the gaming industry or the Association into disrepute;
 - 8.2.3. Members shall abide by such rules and regulations and codes of practice as approved, or any Resolutions passed by the Association or any other directives by the Board or any other organ of the Association.
 - 8.2.4. Members shall notify the Secretariat of any official changes in business names within thirty (30) days. Upon notification of such change of name the Secretariat shall accordingly amend the Member's name in the roll of Members.
 - 8.2.5. Where a member or members undergo a merger or demerger which results in the formation of a new company or companies, the new company or companies shall be required to notify the Secretariat of such changes in writing. The new company or companies shall further be required to file a formal application for membership of the Association and pay all the required fees. The member registered under the new name shall thereafter be bound by the provisions of the Constitution and honour all obligations and liabilities undertaken or incurred under the previous name. This provision shall not apply to a Member who acquires and merges with another Member or other Members but retains its original business name or adopts as its new business name the name of the Member, or one of the other Members, so acquired.
 - 8.2.6. Members shall undertake that all meetings and proceedings of the Association and all publications and circulars of the Association or its Committees shall be private, confidential and privileged.

9. THE BOARD OF THE ASSOCIATION

- 9.1. The business of the Association shall be managed by a Board otherwise known as the Executive Committee who may exercise all such powers of the Association and do on behalf of the Association all such acts as may be exercised and done by the Association and are not required to be exercised or done by the Association in a General Meeting, subject nevertheless to the provisions of the Constitution and to such regulations (not being inconsistent with the provisions of the Constitution) as may be prescribed by the Association in a General Meeting; but no regulations made by the Association in a General Meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made.

- 9.2. The Board, shall be elected in an Annual General Meeting and shall consist of 8 (eight) members. The members of the Board shall be:
- 9.2.1. Chairman
 - 9.2.2. Deputy Chairman
 - 9.2.3. Secretary
 - 9.2.4. Treasurer
 - 9.2.5. The immediate former Chairman of the Board
 - 9.2.6. Two (2) Members
 - 9.2.7. The CEO of the Association who shall be an Ex-officio Member with no voting rights
- 9.3. Only a Chief Executive Officer, Deputy Chief Executive Officer (or their equivalents) or a senior officer duly nominated by a Member's board through a written resolution shall be eligible for election as a Chairman or a Member of the Board of the Association.
- 9.4. The Chairman of the Board shall hold office for one term of two (2) years and shall be eligible for re-election as Chairman for a further term of two (2) years after the expiry of the first term.
- 9.5. On expiration of their term, an outgoing Chairman shall assume membership in the Board with voting rights, for a maximum period of two (2) years.
- 9.6. A former Chairman shall be only be eligible for election as a member of the Board on the expiry of two (2) years following their membership in the Board as a former Chairman.
- 9.7. A Chairman shall retain office until the Association through its Members confirms the appointment of a successor, or resigns, or vacates office under any other circumstances.
- 9.8. If the position of Chairman falls vacant on account of resignation or vacation of office by the incumbent Chairman, the Deputy Chairman shall act as Chairman until fresh elections are held at the next Annual General Meeting.
- 9.9. Members of the Board shall be elected at an Annual General Meeting and shall serve for a term of two (2) years, but they may be re-elected to serve only for one further term of two (2) years.
- 9.10. Any person who serves a continuous period of four (4) years on the Board shall not be eligible for re-election until a period of two (2) years after the expiration of that term.
- 9.11. The Board may act notwithstanding any vacancy in their number and may meet together for the dispatch of business, adjourn and otherwise regulate their proceedings as they think fit, and may determine the quorum necessary for the transaction of business.
- 9.12. Committees

- 9.12.1. The Chairman shall be at liberty, as may be necessary from time to time, to appoint a member of the Board or a committee (**Board Committee**) to handle any matters as may be determined by the Chairman at their sole discretion.
- 9.12.2. Such a Member or Board Committee shall be required to report to the Board on any findings and recommendations following such appointment, which recommendations and findings shall be considered by the Board, and the Board shall either:
- a) Ratify the recommendations and findings through a written resolution;
 - b) Return the report to the Member/Board Committee with comments on further points of action, and specify a timeline for a new report to be tabled before the Board; or
 - c) Reject the recommendations and findings with reasons
- 9.12.3. In accordance with the Sector Committee Regulations, the Board shall form Sector Committees to represent Members in various sectors of the Gaming Business including without limitation, sports betting, online casino, land-based casinos and lotteries.
- 9.12.4. The main function of the Sector Committees shall be, with the authorization of the Board and supervision of the CEO, to convene on matters affecting a particular sector as may be directed by the Board and to present recommendations and findings following such meetings to the Board which recommendations and findings shall be considered by the Board, and the Board shall either:
- a) Ratify the recommendations and findings through a written resolution;
 - b) Return the report to the Sector Committee with comments on further points of action, and specify a timeline for a new report to be tabled before the Board; or
 - c) Reject the recommendations and findings with reasons.
- 9.12.5. The Sector Committees' term shall run concurrently with the Board's term, and on lapse of the Board's term, all Sector Committees' terms shall simultaneously and automatically lapse.
- 9.12.6. Membership in a Sector Committee is open to any Member of the Association and shall comprise of five (5) to seven (7) members. Membership in a Sector Committee shall be on appointment by the Board subject to an application to

the Board, which applications shall be vetted and appointments made by majority vote by the Board members.

- 9.13. Any member of the Board or any co-opted member of a Committee set up by the Board, who is an employee of a Member whose membership has terminated shall be deemed to have resigned as a member of the Board or of the Committee.
- 9.14. Any member of the Board who resigns from or leaves the services of a Member, or ceases to be an officer thereof, and who does not forthwith or soon thereafter take up the position of Chief Executive Officer of another Member, shall be deemed to have resigned from the Board, any Committee, sub-committee, task force or any other organ of the Association to which he may have been elected or appointed.
- 9.15. Matters arising at any meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
- 9.16. All bona fide acts done at any meeting of the Board or of any Committee thereof shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any member or that any of them had vacated office or were not entitled to vote, be as valid as if every member had been duly appointed, had continued to be a member and had been entitled to vote.
- 9.17. A Board member including the Chairman shall be dismissed or suspended from the Board by a Board resolution passed by majority of the Board Members ratified by a majority vote of Eligible Members at General Meeting on account of misconduct or acting against the objects of the Association or being in breach of the Code of Conduct of the Association as shall be revised from time to time.
- 9.18. Further to the provisions of Article 9.17 above, membership in the Board shall also terminate in the event of:
 - 9.18.1. Death;
 - 9.18.2. Mental incapacity;
 - 9.18.3. Bankruptcy;
 - 9.18.4. Lapse of term;
 - 9.18.5. Resignation subject to three (3) months' notice; or
 - 9.18.6. Absence from Board meetings for consecutive three (3) meetings without excuse or reason.
- 9.19. For purposes of this Article 9 and this Constitution, words importing the singular number only shall include the plural number also and vice versa, and words importing the masculine gender include the feminine gender and neuter vice versa;

10. POWERS OF THE BOARD

- 10.1 The Board will be the executive organ of the Association and will be responsible for the general conduct of business and affairs of the Association and will exercise all such powers of the Association as are required by law or by this Constitution or by the Rules and Regulations subject however to the discretion of the Association expressed by a Resolution in a General Meeting.

- 10.2 The Board subject to the passing of a Board resolution shall have power to co-opt members to fill any vacancies up to its permitted maximum of eight (8), provided that such co-opted members would otherwise qualify for election as members of the Board in accordance with the provisions of the Constitution.
- 10.3 Co-opted members of the Board shall be entitled to attend and vote at meetings of the Board and generally to perform all the functions of a member of the Board. A co-opted member of the Board shall hold office only until the next Annual General Meeting.
- 10.4 For the purpose of conducting the business and carrying out the objects of the Association, the Board shall have the power to rent offices, to appoint and remove officials, to operate bank accounts on behalf of the Association and to obtain professional assistance on such terms and at such remuneration as may from time to time seem expedient to the Board.
- 10.5 The Authorized Signatories of the Association for purposes of conducting the business and carrying out the objects of the Association shall be:
 - 10.5.1 The Chairman of the Board
 - 10.5.2 The Deputy Chair
 - 10.5.3 The Secretary of the Board
 - 10.5.4 The Treasurer of the Board
 - 10.5.5 The CEO
- 10.6 The Chairman shall act as the principal signatory. In the event of the Chairman's absence, the Deputy Chairman shall act as the principal signatory. In the event that two signatories are required, the Chairman or the Deputy Chairman (as the case may be) together with either one of the remaining signatories shall act as the authorised signatories.
- 10.7 In their event of absence of both the Chairman and the Deputy Chairman, either of the remaining signatories shall act as authorised signatories.
- 10.8 In furtherance of the Objects of the Association the Board may exercise the following powers:
 - 10.8.1. power to buy, take on lease or in exchange any property expedient or necessary for the achievement of the objects and to maintain and equip it for use;
 - 10.8.2. power subject to any consents required by law to sell, lease or dispose of all or any part of the property of the Association;
 - 10.8.3. power subject to any consents required by law and to the provisions of Article 6.2 hereof to borrow money and to charge all or any part of the property of the Association with the repayment of the money so borrowed;
 - 10.8.4. power to ratify such acts and deeds of the Association or as shall have been carried out on its behalf in good faith provided that such acts or deeds shall substantively be compliant with this Constitution.

10.8.5. Power to do all such other lawful things as are expedient or necessary for the achievement of the Objects.

11. MINUTES

Minutes of General Meetings, of the Board and of the Committees shall be kept in such a manner, as the Board shall direct.

12. GENERAL MEETINGS

- 12.1. A General Meeting of the Association shall be held in each calendar year at such time and place as may be fixed by the Board, but not later than 31st of March. This shall be known as the Annual General Meeting. Twenty-one clear days' notice of the Annual General Meeting shall be given to each Member.
- 12.2. All members of the Board (save for the CEO), as provided in Article 9, shall be elected at the Annual General Meeting in accordance with Article 12.4 below.
- 12.3. Not less than fourteen days prior to sending out the notice convening the Annual General Meeting, the Secretariat shall send an advice to all Members stating the date upon which the notice convening the Annual General Meeting is to be sent to the Members, the number of vacancies on the Board and inviting the Members to nominate a person or persons for elections to the Board.
- 12.4. The nomination shall indicate the vacant positions to be filled as follows:-
 - 12.4.1. Election for the Chairman of the Association, if vacant, and;
 - 12.4.2. For any other vacant position of a member of the Board, as provided in Article 9.
- 12.5. The Secretariat shall also state in the advice referred to in Article 12.4 above that any such nomination shall be returned so as to be received not later than seven days prior to the date set for the sending out of the notice convening the Annual General Meeting.
- 12.6. Where the Secretariat receives any nomination, which has been signed by a proposer and seconder among Members, then the person or persons so nominated shall be proposed for election at the next Annual General Meeting and the proposed Resolution or Resolutions in respect thereof shall be included in the notice convening such meeting. It shall not be necessary for the Secretariat to send out the advice contemplated in this Article where there are no vacancies on the Board on a date falling seven days prior to the date on which such letter is due to be sent. It is understood that a nominee cannot nominate or second themselves.
- 12.7. Only persons who are Chief Executive Officers, Deputy Chief Executive Officers or Board appointed senior officer of Members or those who have previously served in such capacity shall qualify for nomination as members of the Board.
- 12.8. Extraordinary General Meetings may also be held at such other times as the Board may determine. If a requisition for an Extraordinary General Meeting is made, the

Secretariat shall call such meeting, and the notice thereof shall be issued within seven days from the date when such requisition was received by the Secretariat.

- 12.9. Every such requisition as provided in Article 12.8 above shall be signed by at least twenty per cent of the registered number of the Members, and the object of the meeting so requisitioned shall be stated therein.
- 12.10. Subject to Article 12.11 below, not less than seven clear days' notice of each Extraordinary General Meeting shall be given, provided that in the case of an Extraordinary General Meeting at which any alterations in or additions to the Constitution are to be proposed not less than twenty-one clear days' notice shall be given.
- 12.11. The Board shall have power to summon an Extraordinary General Meeting at shorter notice for the purpose of considering and dealing with any matter, which in the opinion of the Board is a matter of urgency.
- 12.12. At all General Meetings, two-thirds in number of eligible voting Members shall constitute a quorum.
- 12.13. So far as possible and expedient, notice of the business of the General Meeting whether the Annual General Meeting or an Extraordinary General Meeting, shall be given by circular letter to every Member or in the notice convening the meeting.
- 12.14. With the permission of the chairman presiding at any General Meeting, discussion may take place at such meeting without previous notice upon any subject of interest to the Association, but no action shall be taken upon any Resolution passed thereon without the concurrence of a further meeting.
- 12.15. The accidental omission to give any notice to or the non-receipt of notice of a meeting by any Member shall not invalidate the proceedings of the meeting.

13. REPRESENTATION OF MEMBERS AT GENERAL MEETINGS

Members shall be represented at General Meetings of the Association by the Chief Executive Officer of the company or by such other officer of the company as may be nominated in writing for this purpose by the Member, and the vote or votes of such officer on behalf of the company shall be accepted as valid **PROVIDED** that where a nomination to attend the said meeting shall be passed by a Resolution of the member such resolution shall accompany the notice of nomination.

14. VOTES AT GENERAL MEETINGS

- 14.1 A member shall be eligible to vote provided that their membership is not suspended or provisional they are not Provisional Members and they are not in arrears of any payment of due subscription fees as at the time of taking the vote.
- 14.2 Each Eligible Member shall be entitled at a General Meeting to one vote either by a show of hands or by secret ballot.

- 14.3 In the case of an equality of votes, the chairman of the Board or the person acting in chairman capacity at the meeting shall have a casting vote.

15. PROCEEDINGS AT GENERAL MEETINGS

- 15.1. Any General Meeting may be held either in-person, virtually or a hybrid of both.
- 15.2. The business that shall come before an Annual General Meeting shall be:-
- 15.2.1 Confirmation of the Minutes of the last Annual General Meeting and of any General Meeting;
 - 15.2.2 The Chairman's report;
 - 15.2.3 Discussion and adoption of the audited accounts for the year;
 - 15.2.4 Elections of members of the Board;
 - 15.2.5 Appointment of Auditors;
 - 15.2.6 Any matter of which not less than seven days previous notice shall have been given to the Secretariat.
- 15.3. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business.
- 15.4. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the Members present shall be a quorum.
- 15.5. The Chairman of the Association shall preside as chairman at every General Meeting of the Association or, if there is no such Chairman or if he is not present within fifteen minutes after the time appointed for the holding of the meeting, or is unable to act, the Deputy Chairman of the Association may act, or if none of these options are practicable, then the members of the Board present shall elect one of their number to be chairman of the meeting.
- 15.6. The Chairman may, with the consent of any General Meeting at which a quorum is present, and shall if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting may determine. Whenever a meeting is adjourned for two days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting as nearly as possible.
- 15.7. Save as aforesaid, under Article 15.6 above, no Member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 15.8. Except as provided by the Constitution no business shall be transacted at any adjourned meeting, as provided in Article 15.6 above, other than the business which might properly have been transacted at the meeting from which the adjournment took place.

- 15.9. At all General Meetings a Resolution put to the vote of the meeting shall be decided by a show of hands unless, before or upon the declaration of the result of the show of hands, a vote by secret ballot is demanded by the chairman or by at least two Members. Upon conclusion of a vote, the chairman shall disclose to the Members the proof of number of votes and proportion of votes for and/or against a Resolution.
- 15.10. A poll demanded in the manner aforesaid on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. If a poll is demanded in the manner aforesaid on any other question it shall be taken at such time and place and in such manner as the chairman may direct; and the result of the poll shall be deemed to be a Resolution of the meeting at which the poll was demanded.
- 15.11. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which poll has been demanded.
- 15.12. In the case of an equality of votes, whether by a show of hands or by secret ballot, the chairman of the meeting at which the show of hands takes place or at which the vote by secret ballot is demanded shall be entitled to a second or casting vote.
- 15.13. If the General Meeting cannot proceed as a result of the intervention of a legal process:
- 15.13.1. The outgoing Chairman shall act as the Interim Chairman for a period of thirty (30) days within which time elections shall be held; and
- 15.13.2. In the event that the elections cannot be held within such a period of thirty (30) days, a Board Meeting shall be convened within seven (7) days from the date of such General Meeting for the purpose of electing an Interim Chairman, pending the holding of elections, for a period not exceeding sixty (60) days in the aggregate from the date of such General Meeting, on either of the following basis:
- a. Mandating the current Chairman or the Deputy Chairman: or
- b. The Board nominating any one of its other members to act as the Interim Chairman.
- 15.13.3. Members of the Board whose term shall be due to expire shall continue to hold office in an acting capacity until elections are held in accordance with Article 15.13.1 or 15.13.2 above.

16. INDEMNITY

The Board and every other officer or servant of the Association shall be entitled to be indemnified by the Association out of the funds of the Association against all costs (including legal costs and disbursements), losses and expenses (including traveling expenses) which the Board or any such officer or servant may incur or become liable for by reason of any contract entered into or act or deed done or omitted to be done by the Board or such officer or servant in the discharge of their or his duties provided that losses for which an individual is sought to be made liable by reason of his fraud or dishonesty shall be exempted from the foregoing indemnity.

17. ACCOUNTS AND AUDIT

- 17.1. The Board shall cause proper accounting records to be kept at the Secretariat which shall be available for inspection by any member subject to written notice to the Board of the intended inspection.
- 17.2. At the Annual General Meeting there shall be submitted accounts for the previous calendar year, duly audited by auditors appointed at the corresponding meeting in the preceding year or, in the event of a casual vacancy meanwhile, appointed at a General Meeting of the Association.

18. DISSOLUTION

- 18.1. The Association may at any time after the date hereof be dissolved by a Resolution of the Association in a General Meeting passed by a majority of not less than three fourths of the Members present and voting at such a General Meeting. Such dissolution shall take effect from the date on which the said Resolution is passed or such later date (if any) as the said Resolution may provide.
- 18.2. Following the passing of a Resolution pursuant to Article 18.1 above and notwithstanding the dissolution of the Association the Board shall be entitled to exercise all such powers and to do all such acts as shall be necessary solely for the proper and orderly winding-up of the business of the Association, including, without limitation, the power to require contributions from Members.
- 18.3. If there shall remain a surplus of the assets of the Association after the discharge of all liabilities the said surplus shall be distributed to the members in proportion to the amounts of the contributions paid by them respectively in the last preceding calendar year and otherwise at such time and in such a manner as may be determined by the Board.

19. ALTERATIONS

The Association in a General Meeting shall have power to make such alterations in or additions to the Constitution as may from time to time appear expedient, provided that at least 21 clear days' notice of the proposed alterations or additions is given to the Members and any other Resolutions for such alterations are passed by a majority of not less than three-fourths of the Members present and voting at such General Meeting.

20. BINDING EFFECT OF CONSTITUTION

Acceptance of membership shall constitute an agreement between the Member and the Association to be bound by and to comply with the Constitution (as altered, revoked or added to from time to time); such agreement to have effect from the date of admission and to terminate upon such Member resigning or being deprived of membership or upon the termination of membership of such Member (but without prejudice to the provisions of this Constitution and to any rights or claims which may have arisen or arise in respect of acts or omissions prior to such date).

21. NOTICES

- 21.1. A notice may be served on a Member by sending it through email or through the post in a prepaid letter to the address of the Member as appearing in the records of the Association.
- 21.2. A notice to the Association may be served by email or by sending it through the post in a prepaid letter addressed to the Secretariat.
- 21.3. A notice shall be deemed to be given at the expiration of 48 hours after the email was sent or prepaid envelope containing it was posted.

22. CONSTRUCTION

If any question arises as to the construction or interpretation of the Constitution or as to any matter arising thereof such question may be determined by the Board, and any such determination, whether express or implied from the proceedings of the Board, shall be conclusive and binding for all purposes, except as provided in Article 20.

23. ARBITRATION

- 23.1. If differences arise between the Association and any Member or Members as to the interpretation of any Article or provision of this Constitution, or, any other matter affecting members, the Board will use its endeavour through its internal machinery to resolve the dispute.
- 23.2. In the event that an amicable solution cannot be found such differences shall independently of all other questions be referred to arbitration.
- 23.3. The arbitration shall be conducted by a single arbitrator chosen by mutual agreement of the parties. Failing such agreement on an arbitrator within seven (7) days from the date when the appointment of an arbitrator is proposed by either party to the other, then the chairman for the time being of the Chartered Institute of Arbitrators (Kenya Branch) shall appoint an arbitrator and the provisions of the Arbitration Act No. 4 of 1995 shall apply.

24. DATE OF COMMENCEMENT AND TRANSITIONAL PROVISIONS

- 24.1. The Constitution shall become effective after it is adopted by a Resolution of the Association at a General Meeting. Upon the coming into operation of this Constitution, the former constitution shall cease to have effect.
- 24.2. Notwithstanding the provisions of Article 24.1 above the Board as constituted under the legal provisions of the Association preceding adoption of the Constitution shall remain in office from the date the Constitution is adopted, until the next Annual General Meeting where elections shall be held for the positions of the Board Members in conformity to this constitution. The Board shall during that period discharge all the functions and duties of the Board in conformity with the new constitution.

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RULES AND REGULATIONS 2024



RULES AND REGULATIONS

A. Objectives

The Rules and Regulations are intended to facilitate effective administration of the Association and to clarify mandates and authorities. In the event of any conflict or inconsistency between the provisions of these Rules and Regulations and the Constitution, the Constitution shall prevail in all respects.

B. Composition

These Rules and Regulations shall be comprised of the following:

1. Delegation of Powers & Internal Procedures (Schedule I)

The Board shall, in Schedule I of these Rules and Regulations, stipulate the powers it has delegated to the Sector Committees and the powers it reserves for itself. Schedule I shall also specify the Sector Committees established from time to time, and their respective mandates.

2. Sector Committees Regulations (Schedule II)

The Board shall in accordance with Schedule II of these Rules and Regulations form Sector Committees to represent Members in various sectors of the Gaming Business including without limitation, sports betting, online casino, land-based casinos and lotteries.

3. Secretariat (Schedule III)

The Board shall set up a Secretariat to handle day-to-day matters concerning the Association. An CEO as the Chief Executive Officer of the Association will head the Secretariat. The duties and responsibilities of the CEO and the Secretariat, including the Secretariat's structure, shall form Schedule II of these Rules and Regulations, and any amendments shall be attached and numbered in sequence.

4. Code of Practice (Schedule IV)

The Board shall set up a Code of Practice to apply to different categories of Members of the Association. Upon approval by the Board, the Code shall be ratified and adopted by the Association at a General Meeting, whereupon it shall form Schedule III of the Rules and Regulations. The Code shall comprise of: -

4.1. Enforcement of Membership Obligations

The Board shall establish a mechanism of monitoring compliance, handling complaints, and enforcing discipline

4.2. Self-Regulation Agreement

The Board shall formulate, as part of the Code of Practice, a Self-Regulation Agreement covering, but not restricted to, the following provisions: -

- a) Expected minimum standards of gaming;
- b) Prohibition of business practices likely to undermine the common interests of Operators or to harm the long-term interests of gaming business;
- c) Rules of practice intended to promote cooperation among Members and to safeguard their common interests;
- d) Compulsory filing with the Secretariat by Members, of copies of statutory licenses and data/information.

4.3. Gaming Understandings

The Board shall create an enabling environment – administratively and logistically – for willing groups of member companies to promote their business interests; provided the understandings reached will only have restricted application, amongst the signatories, and will not be contrary to the objectives and interests of the Association.

5. Procedures for Handling and Enforcing Discipline (Schedule V)

The Board shall, in Schedule V of the Rules and Regulations, draw up detailed Procedures for Handling and Enforcing Discipline. Upon approval by the Board such procedures shall be ratified and adopted by the Association at a General Meeting as Schedule V of the Rules and Regulations.

6. Election Rules and Procedures (Schedule VI)

The Board shall, in Schedule VI of these Rules and Regulations, draw up detailed Election Rules and Procedures. Upon approval by the Board such election rules shall be ratified and adopted by the Association at a General Meeting as Schedule IV of the Rules and Regulations.

C. Binding Effect of Rules and Regulations

1. The document embodying Rules and Regulations and the appendages (referred to as Schedules) shall remain in force unless and until the entire document or parts of it are abrogated, or until some sections of it are abrogated, or until some sections of it are amended, or until some other sections are added, by resolution(s) of the Association whereupon its replacement shall be adopted as the new Rules and Regulations, and or schedule, and such alterations or additions shall be appended in sequence under a separate section of the Rules and Regulations or schedule, to be known as 'Amendments'.
2. The Rules and Regulations and schedules thereof, shall have the effect and force conferred by **Article 8.2** of the Constitution.

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SCHEDULE I OF THE RULES AND REGULATIONS

1. THE BOARD: DELEGATION OF POWERS AND INTERNAL PROCEDURES

1.1 Powers of the Board

The Board shall exercise the powers conferred upon it under the Constitution as to the management of the Association, including defining mandates of, and delegating of powers to the Sector Committees or other organs that may be set up from time to time.

1.2 Functions of the Board

1.2.1 Main Functions

The Board shall be directly responsible for the following functions of the Association:

- a. Subject to the Sector Committee Regulations, determining the mandate and structure of the Sector Committees and supervising their activities in accordance with the Sector Committee Regulations including promoting dialogue and co-operation between the Sector Committees;
- b. Subject to Schedule III of these Rules and Regulations, determining the mandate and structure of the Secretariat, the terms of service of staff and supervising the Secretariat's activities;
- c. Enforcement of the Code of Practice;
- d. Playing the role of spokesman for the Association in matters of common interest revolving around statute, national economic policy, trade practices, public policy, issues of concern in the media; with the assistance of the Councils, investigating and dealing with internal and external barriers to development of gaming business;
- e. Promoting knowledge of responsible gaming by, and creating a positive image of gaming business within the community; including dissemination of knowledge and information through the media, and participating in community service activities;
- f. Pursuing professional and technical excellence amongst Members and their staff through promotion of technical education; and working closely with educational bodies/institutions within and outside Kenya;
- g. Maintaining liaison with Federation of Kenya Employers, other representative bodies, professional and trade associations, in an endeavor to safeguard and promote the interests of Members; and
- h. Regulating relations between the Association, its Members and all the regulatory authorities.

1.2.2 Role of the Deputy Chairman

The Deputy Chairman shall discharge all the duties of the Chairman whenever he is absent or is unable for any reason to discharge such duties.

1.2.3 Sector Committees of the Board

i. Sector Committees

The Board shall establish the following committees to operate under its direct supervision and control, in accordance with Schedule II of the Rules and Regulations: -

- a) Sports Betting Committee
- b) Online Casino Committee
- c) Land based Committee
- d) Lotteries Committee

ii. Convenors

The Convenors of the Sector Committees shall be the CEO subject always to the provisions of Section 2.3.2 of Schedule II of the Rules and Regulations.

iii. Terms of Reference

The Board will stipulate for each of its Sector Committees the Terms of Reference conforming to the broad definitions of their roles, and such terms shall be derived from the respective functions of the Board they are directly or indirectly mandated to perform.

1.2.4 Annual Chief Executives Conference

- a) The Board shall each year organize at least one conference to be attended by all Chief Executives of the Members (or their equivalent) to review the affairs of the Association, for the exchange of views on the state of the industry, and on economic, social and legislative trends.
- b) Deliberations at the Chief Executives' Conference shall be guided by position papers to be presented by the Board, the Sector Committees and the Secretariat. Resolutions passed at such a Conference shall guide the work of the Board and of the Association in general, and may also serve as a basis for formulating the future policy of the Association.
- c) The Board may consider inviting external speakers.
- d) The Board may also organize other special forums for Chief Executives to deliberate on other matters of common interest.

1.3 Meetings – Procedures

1.3.1 Minutes

The Board and all Sector Committees established with the authority of the Board shall each maintain a Minute Book. The Minute Books shall be maintained on their behalf

by, and kept in the custody of the Secretariat, in which minutes of all properly convened meetings shall be recorded and duly signed by the person chairing the meeting. All minutes of each such organ of the Association shall be numbered in sequence and in such manner that each minute shall be seen to be distinct from any other. No meetings of any of the organs of the Association shall be held without proper representation of the Secretariat.

1.3.2 Meetings of the Board

- a) The Board shall meet at such times as it may decide at its sole discretion, provided that such meetings shall be held at least once every quarter. Notwithstanding the foregoing, the Chairman may call for a special meeting of the Board at their sole discretion.
- b) The Association's Chief Executive Officer shall be an ex-officio member of the Board, of all Committees of the Board.
- c) The Secretariat shall provide secretarial services to all organs of the Association, including the Board.

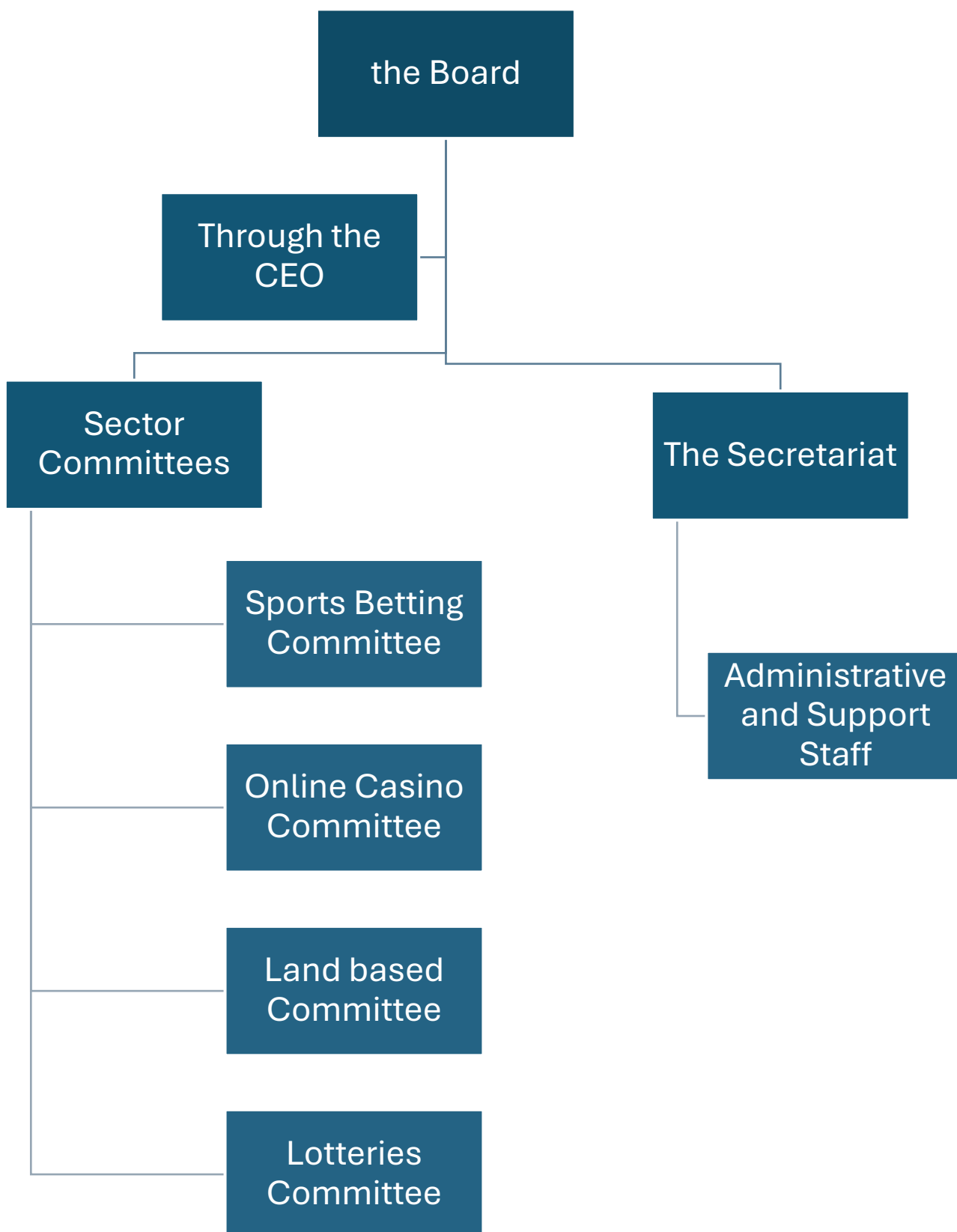
1.3.3 Minimum Attendance at all Meetings

- a) Regular attendance at meetings will be a prerequisite for continued membership of the Board and the Committees of the Board. Absenteeism from three meetings consecutively, without justifiable cause, will result in automatic loss of membership to the Board or Committee.
- b) The Board shall be responsible for enforcement of the minimum attendance requirements for the Board itself, the Committees of the Board.

1.4 Resolutions

All resolutions shall be passed and adopted in accordance with the Constitution. The Secretariat shall on behalf of and under the direction of the Board, maintain a separate record book, to be known as the **Resolution Book**, in which all resolutions of the Association shall be recorded in sequence, giving references of the general meetings at which, they were passed and the date they shall come into force.

MANAGEMENT STRUCTURE OF THE ASSOCIATION



SCHEDULE II OF RULES AND REGULATIONS

2. SECTOR COMMITTEES' REGULATIONS

2.1 Purpose & Scope

2.1.1 The Board shall be supported in its decision-making process by the Sector Committees established pursuant to Article 9 of the Constitution. The purpose of each Sector Committee shall be to represent Members in various sectors of the Gaming Business including without limitation, sports betting, online casino, land-based casinos and lotteries.

2.1.2 Sector Committees shall, with the authorization of the Board and supervision of the Convenor who will convene on matters affecting a particular sector as may be directed by the Board and to present recommendations and findings following such meetings to the Board.

2.2 Formation & Structure

2.2.1. Establishment of Sector Committees

- a) Within thirty (30) days from the date of election of the Board, the Board shall commence with the process of constituting all Sector Committees. Where any seat in a Sector Committee is vacant after the lapse of the thirty-day period, the Board may fill in any vacant slots at their sole discretion.
- b) The Board shall at all times, undertake all decisions fairly and in consideration of relevant factors, including without limitation expertise, experience and general competency.
- c) The Board will stipulate for each of its Sector Committees the Terms of Reference conforming to the broad definitions of their roles, and such terms shall be derived from the respective functions of the Board they are directly or indirectly mandated to perform.

2.2.2. Membership

Membership in a Sector Committee is open to any Member of the Association and shall comprise of three (3) to seven (7) members exclusive of the CEO.

2.2.3. Term

- a) All Sector Committees' terms shall run concurrently with the Board's term, and on lapse of the Board's term, all Sector Committees' terms shall simultaneously and automatically lapse.
- b) A Sector Committee member's term shall lapse in the event of:
 - I. Death;
 - II. Mental incapacity;
 - III. Bankruptcy;

- IV. Lapse of term;
- V. Resignation subject to one (1) month's notice;
- VI. Absence from Board meetings for consecutive three (3) meetings without excuse or reason; or
- VII. Termination from office by the Board at the sole discretion of the Board.

2.3 The Role of the CEO

2.3.1 The CEO shall coordinate all activities of each Sector Committee and shall provide general oversight over each Sector Committee's activities. The CEO shall also act as Convenor in all Sector Committees and appoint a Deputy Convenor, subject to the provisions of Section 2.3.2 below.

2.3.2 Notwithstanding the foregoing, the Board may, by majority resolution:

- a) appoint any member of the Board to take up the role contemplated in Section 2.3.1 above, including coordinating the activities of a specific Sector Committee where the Board deems fit and acting as Convenor of a specific Sector Committee and/or appointing a Deputy Convenor; or
- b) empower any Sector Committee with the power to internally appoint any member of the Sector Committee to take up the role contemplated in Section 2.3.1 above, including coordinating the activities of a specific Sector Committee and acting as Convenor and/or Deputy Convenor of a specific Sector Committee. Such appointment must be communicated in writing to the Board within seven (7) days from the date of appointment.

2.4 Sector Committee Meetings

2.4.1 The Sector Committees shall hold meetings at such times as they shall decide provided that such meetings shall be held at intervals not exceeding **sixty (60) days**.

2.4.2 Meetings of each Sector Committee are convened by the Convenor or, in the Convenor's absence, the Deputy Convenor of the Committee. The Convenor must convene a meeting at the written request of the Board or of any Committee member, with the approval of the Board.

2.4.3 To the extent possible, a period of seven (7) working days should be allowed between the holding of a Sector Committee meeting and the holding of a Board meeting on the same subject.

2.4.4 The Convenor, or in their absence, the Deputy Convenor, presides at Committee meetings. In the absence of both, the Sector Committee shall select one of its members to preside.

2.4.5 Two-thirds of the Sector Committee members constitute a quorum for any Sector Committee meeting.

2.4.6 Members of the Board who are not Sector Committee members may attend Sector Committee meetings subject to prior written notification to the Board and to the Sector Committee in question through the Convenor. The Convenor is at liberty to invite such

members of the Board to contribute to the Sector Committee's discussion on the matter under consideration. In addition, the Convenor may provide the opportunity for members of the Board to submit views to the Sector Committee Convenor in advance of the Sector Committee meeting.

- 2.4.7** Any other external attendees may only attend Sector Committee meetings with the approval of the Convenor following consultation with Sector Committee members. The Board shall be informed in advance by the Convenor.
- 2.4.8** The Convenor shall prepare the agenda for each meeting.
- 2.4.9** There shall be no formal voting in a Sector Committee. Sector Committee Convenors shall determine and summarise the sense of the meeting and make a report to the Board. The report should reflect the views of the Sector Committee members, with separate mention being made of any differing or minority views; it should also take into account views of non-members where necessary.
- 2.4.10** The Convenor should strive to make clear conclusions on each item. Where a recommendation is required, the Convenor should make every effort to reach a consensus among the Sector Committee members. Where this is not possible, the Convenor should reflect the views of a majority of Committee members and identify the view of the majority of the Sector Committee members as the Sector Committee's recommendation.
- 2.4.11** All Items going to the Board for approval must be accompanied by a report, which should include the recommendation, provide a summary of outcomes, key points discussed, and the reasons for any revisions or changes proposed by the Sector Committee. Other points raised should be briefly noted. The report should normally be circulated within five working days after the Sector Committee to the Board through the Convenor.
- 2.4.12** Sector Committees shall only consider matters falling within their respective Terms of Reference, including those in relevant Board documents.
- 2.4.13** In exceptional circumstances, a Sector Committee may, with written Board approval, decide to hold a meeting in a closed session format that is, strictly attended only by the Sector Committee members. Following any such meeting, the Convenor must make an appropriate report to the Board.
- 2.4.14** The Board has the discretion to call for a meeting between Board members and Sector Committee members (an **Executive Session**) as the Board may deem fit. For items that are due to be discussed by the Board in an Executive Session, the same attendance criteria applicable for the Sector Committee meetings shall apply at the Executive Session.

2.5 Information for the Board

- 2.5.1.** Sector Committee documents must be distributed at least five (5) working days after the Sector Committee Meeting, unless otherwise stated by Board.

- 2.5.2.** A Sector Committee may, through the Convenor, request information or views from the Chairman of the Association concerning matters under consideration by the Sector Committee.

2.6 Experts

- 2.6.1** A Sector Committees, in consultation with the Board, may require assistance and/or advice from experts in the performance of the Committee's functions;
- 2.6.2** The Board shall approve terms of reference for any experts, including a mechanism for reporting to the Committee and the criteria for selection.
- 2.6.3** The Secretariat will issue a call for experts and will prepare a roster of experts with demonstrated and recognized capacity in their field of work, taking into account the terms of reference for experts as approved by the Board. The Sector Committee Chair will then choose experts from the roster mentioned above.
- 2.6.4** The experts will be subject to the Code of Conduct as approved by the Board and related decisions and policies;
- 2.6.5** The experts who are providing advice to the Sector Committee on a particular issue may attend the discussion of the relevant agenda item at Board meetings, unless otherwise decided by the relevant Sector Committee or the Board.

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SCHEDULE III OF THE RULES AND REGULATIONS

3. THE SECRETARIAT

3.1. Objectives

The Board will establish a Secretariat whose main objective will be to promote and co-ordinate the activities of the Association and provide administrative and technical support to the Board, the Committees and all other organs of the Association.

3.2. Functions of the Secretariat

- 3.2.1.** To provide secretarial services for all meetings and to maintain and preserve all records of such meetings.
- 3.2.2.** To provide technical support through research, analysis, studies, compilation of data and statistics.
- 3.2.3.** To implement resolutions, decisions and recommendations of the Association.
- 3.2.4.** To gather, collate and disseminate market-wide statistics.
- 3.2.5.** To supervise and monitor compliance by Members with the Code of Practice and channel complaints and grievances to the relevant organs of the Association.
- 3.2.6.** To provide such services as central mailing box services for members and associates, administer issuance of certificates of membership and discharge any other administrative functions for and on behalf of the Association.
- 3.2.7.** To enhance the industry's image through positive media related activities.
- 3.2.8.** To represent the Association at any meetings with other institutions or organisations where Members may have an interest and to articulate the views and concerns of the industry directly, only after seeking approval from the Board or the on matters requiring the intervention of either the Board.
- 3.2.9.** To perform any other duties on behalf of member companies as may be directed by the Board from time to time.

3.3. Composition of the Secretariat

- 3.3.1.** The Secretariat shall consist of the CEO and such other staff members as the Board may deem necessary.
- 3.3.2.** The CEO and other Secretariat staff shall not be employees of a Member of the Association or any other organization/entity involved in Gaming Business.
- 3.3.3.** Should the CEO not be able to perform any duty described herein or in the Code of Practice, the Board shall at their sole discretion determine who shall take up the CEO's role.

- 3.3.4.** The Board will determine and review the organisation structure of the Secretariat from time to time.

3.4. Appointment of Staff

- 3.4.1** Appointments, promotions or termination of service of management staff, except for the CEO, will be by the Board on the recommendation of the CEO. The Board may delegate to any other organ the appointment, promotion and termination of other staff in the Secretariat.
- 3.4.2** The CEO will be appointed by the Board and his/her services may only be terminated by the Board. Members may file objections with the Board, giving reasons, regarding appointment or termination of services of an CEO, within thirty days of notice to this effect being issued by the Board.

3.5. Terms and Conditions of Service

The Board will determine and review the Terms and Conditions of Service for all staff in the Secretariat.

3.6. Financial Year

- 3.6.1** The Financial Year of the Secretariat shall be the calendar year unless otherwise resolved by the Annual General Meeting.
- 3.6.2** The Board shall cause to be kept such books of account and other books in relation thereto and to its undertakings, funds, activities and property as the Board may from time to time require to approve, and shall within a period of not more than two (2) months after the end of the year or within such longer period as the Board may approve, cause to be prepared and signed financial and audited statements of the Association by external auditors appointed at the preceding Annual General Meeting.

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SCHEDULE IV OF THE RULES AND REGULATIONS

4. CODE OF PRACTICE

4.1. Objectives

The principle objectives of the Code of Practice are to promote gaming discipline, protect and promote the reputation of Operators, promote cooperation among Members, avoid unhealthy competition and facilitate orderly expansion of gaming business in Kenya.

4.2. Declaration

Upon joining the Association, Members agree and accept to undertake the obligations contained in this Code of Practice as modified or amended from time to time.

4.3. General Rules Of Conduct

Members agree that they will: -

- 4.3.1.** conduct their business affairs with utmost good faith and integrity;
- 4.3.2.** not engage in business practices, conduct or any acts likely to bring the gaming industry into disrepute;
- 4.3.3.** not make or issue or cause to make or issue statements, or engage in any activities, which may be damaging to the reputation and integrity of other Member(s), or to any other member(s) of the gaming industry at large;
- 4.3.4.** not engage in unfair business practices in the course of soliciting or whilst endeavoring to attract or acquire business held by other Member(s); any aggrieved Member shall be entitled to file a complaint with the Secretariat for consideration by the relevant organ of the Association;
- 4.3.5.** abide by guidelines or directives issued by the Board regarding publication or communication of information to the media which may in the opinion of the Board have undesirable consequences on the well being of the gaming industry;
- 4.3.6.** not be involved or associated with publications or advertisements or any promotional materials or other documents or articles containing statements, figures or claims that are not factual, or facts which are misleading, or contents which are offensive;
- 4.3.7.** at all times, honour their obligations under gaming policies they have issued and shall not, without justifiable cause, unreasonably delay in remittances or payments to parties legally and/or properly entitled to indemnity, compensation or other form of settlement;
- 4.3.8.** as far as possible, implement technical recommendations issued by the Association through its properly constituted organs on gaming practice, and shall file with the Secretariat written objections giving reasons within a reasonable time, if they are

unable to implement such recommendations; if no such objections are received, it will be assumed that the Member has agreed to adopt such recommendations;

- 4.3.9.** strictly comply with all resolutions of the Association;
- 4.3.10.** not allow disputes or disagreements between them to result in litigation or in any way to move into the public domain before giving the Board an opportunity to mediate and/or arbitrate; notices shall be filed with the Secretariat by either party or both or all parties, giving the fullest possible details of the dispute.
- 4.3.11.** members agree to abide by such guidelines issued by the Board to ensure sound and sustainable conduct of business by members.

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SCHEDULE V OF RULES AND REGULATIONS

5. PROCEDURES FOR HANDLING COMPLAINTS AND ENFORCING DISCIPLINE

5.1. Handling Complaints

- 5.1.1** The Secretariat will wherever possible acknowledge in writing, within twenty-four (24) hours, receipt of written complaints on alleged breaches of the Constitution and non-compliance with any Resolution or with the Code of Practice.
- 5.1.2** Simultaneously, the Secretariat will write to the Member against whom a complaint has been filed:
- 5.1.2.1** giving the Member a brief outline of the nature of the complaint;
 - 5.1.2.2** where appropriate, giving the name of the complainant;
 - 5.1.2.3** asking the Member to respond in writing within five (5) working days from the date of the letter from the Secretariat.
- 5.1.3** If the Member being called upon to defend himself confirms, or the Secretariat deduces from the written explanation that there is a breach, the Secretariat shall ask such a Member to take the necessary steps, within seven (7) days, to rectify the position.
- 5.1.4** If the Member fails to respond within the stipulated period (either under paragraph 5.1.2. or 5.1.3 above) the Secretariat will notify the Board immediately in order:
- b) The Board shall constitute a Disciplinary Committee from time to time as shall be necessary, with at least three Members of the Board.
 - c) that an emergency Meeting can be convened within seven (7) working days wherever possible from the expiry date of the notice period referred to in 5.1.3 above; or
 - d) alternatively in order that the Board can take any other steps stipulated in these procedures.

At the same time, the Secretariat will advise the Member who had filed the complaint accordingly.

- 5.1.5** If, in pursuance of paragraph 5.1.4, the Disciplinary Committee, in his discretion (except for breaches failing under paragraph 5.1.6 below), determines that the offence is not of a serious nature he will endeavour to secure the commitment of the offending party to comply or to desist from any further breach;
- 5.1.6** Non-compliance with Resolutions or measures which are specifically provided for (as opposed to those expressed in general terms) in the Code

of Practice shall be treated as serious offences, to be dealt with by the Disciplinary Committee.

- 5.1.7** The Disciplinary Committee may, upon deliberating on matters falling under paragraph 5.1.6 above, issue warnings in writing; and will consider, at subsequent meetings, to institute more severe measures (prescribed herein) in the event of persistent or repeated non-compliance.

5.2. Disciplinary Measures

- 5.2.1** Members will be summoned in writing by the Secretariat to appear before the Committee, with the Committee's express authority, after the relevant procedures outlined in Section 5.1 above have been implemented.
- 5.2.2** Such notice shall wherever possible be not more than seven (7) Working days.
- 5.2.3** The Member so summoned shall be represented by his Chief Executive (or their equivalent), and in the absence of the Chief Executive (or their equivalent) by the next highest-ranking Officer who nevertheless will produce a specific letter of authority from the Member of the Association.
- 5.2.4** A Member who for whatever reason, upon being so summoned, fails to appear before the Disciplinary Committee, shall automatically have penalties imposed on him in the manner prescribed in paragraph 5.2.7 herein below.
- 5.2.5** If the Disciplinary Committee is satisfied with the explanation given by the Member called to defend himself at the Meeting, it will instruct the secretariat to advise the two parties to the dispute accordingly within seven (7) working days.
- 5.2.6** In the event that the complaint is found to be without basis, the Disciplinary Committee may deem it appropriate to caution, in writing, the Member filing the complaint.
- 5.2.7** In the event that a Member fails to appear before the Disciplinary Committee, or if the Disciplinary Committee upon interviewing a Member finds that the breach he is accused of is likely to result in unfair loss of business or non-recovery of debts owed to the Complainant, the Disciplinary Committee shall:-
- 5.2.7.1** Instruct the Member so summoned to take the necessary steps within a specified period to comply with the Resolution the breach of which has given him undue advantage over the complainant.
- 5.2.7.2** in the event that the Member so summoned fails to comply with 5.2.7.1 above, impose on the Member appropriate penalties prescribed in 5.2.9 below. Such penalties will be imposed by the Secretariat without further reference to the Member or to the Disciplinary Committee (unless the Secretariat is instructed otherwise, beforehand, by the Disciplinary Committee).

- 5.2.8** For breaches of General Rules of Conduct (defined in Section 3 of the Code of Practice) or in the event of a Member being accused of any other infringements, or of having acted contrary to the letter or spirit of the Constitution (other than specific Resolutions or other parts of the Code of Practice), the Disciplinary Committee will use its discretion in determining the penalties to be imposed, and if need be seek guidance from the Board whenever deemed necessary.
- 5.2.9** If, after exhausting the preliminary procedures summarized above non-compliance persists, the Disciplinary Committee shall impose the relevant sanctions or penalties, as follows:
- 5.2.9.1** for breaches of the nature stipulated in 5.2.7 above the Secretariat will write to the non-compliant Member advising him:-
- a)** that the Disciplinary Committee has found him in breach of the relevant Resolution or section of the Code of Practice.
 - b)** that all the Members of the Association are being advised accordingly, with instruction to desist from any form of business exchange with the Member.
 - c)** that the Disciplinary Committee has referred the matter to the Board to consider suspending or expelling the Member from the Association, unless the Member formally seeks audience with the Committee, within fourteen (14) days from the date of the letter, to adduce acceptable evidence of due compliance, and to tender a written apology to the Disciplinary Committee;
 - d)** that if the Member does not exercise the option stated in 5.2.9 above his representatives shall forthwith remain suspended as members of any of the organs of the Association on which they may be serving, including Committees of the Board, and the Board pending the final decision of the Board.
- 5.2.9.2** If the accused Member satisfies the conditions of 5.2.7.1. the Committee shall:
- a)** lift the sanctions stipulated in 5.2.9.1 (a), (b) and (c) and advise all Members accordingly; and
 - b)** in addition, impose a penalty of an amount not exceeding Kshs.250,000/=, but which shall not be less than Kshs.50,000/=
- 5.2.9.3** For other breaches of the Constitution or of the General Rules of Conduct the Disciplinary Committee will in its discretion determine the degree of seriousness and impose penalties and/or take other measures similar to the ones listed in Section 5.2.9 above or any other steps considered appropriate, within the mandate of the Disciplinary Committee.

5.2.9.4 Acts of default or breach punishable by suspension of membership or expulsion from the Association of a Member will be referred by the Committee to the Board for action.

5.3. Right of Appeal

Letters communicating disciplinary measures or other sanctions imposed by the Association shall be sent via email by the Secretariat to the Member concerned within twenty-four (24) hours of the date the Resolution is passed and such letters shall thereafter be hand-delivered. Any Member who is aggrieved under these rules, may within a period of five (5) working days from the date such a letter is emailed (or within such extended period as the Board may allow) appeal to the Board and where a member does so, no action will be deemed to have been taken until the Board determines direction after the member is heard.

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SCHEDULE VI OF RULES AND REGULATIONS

6. ELECTION RULES FOR THE BOARD AT ANNUAL GENERAL MEETINGS

6.1 Returning Officer

The Secretariat of the Association will be the Returning officers during elections in General Meetings.

6.1.1 Role and Duties of the Returning Officer

At the General Meeting, upon reaching the Agenda item relating to elections, the Chairman shall hand over the conduct of the meeting to the Returning Officer. The Returning Officer shall preside until the elections are concluded.

6.1.2 Election Procedure

- i. The Returning Officer shall read out the names of nominees for various vacant positions and confirm that each of them has been nominated in accordance with the laid down rules and procedures.
- ii. The Returning Officer shall ascertain and confirm to the General Meeting that all nomination papers and proxies presented are in order.
- iii. The Returning Officer shall explain to the General Meeting the main features of the ballot papers and/or online polls, and the voting procedures.
- iv. Each candidate for election shall be entitled to nominate one (1) agent to witness the casting and counting of ballots and/or verification of the online poll.
- v. All Members present at the elections will act as the observers to the election proceedings.
- vi. At the end of the elections, the Returning Officer shall announce the results in the same order stipulated under Rule 6.6 hereunder.
- vii. In the event that more than two candidates are vying for any vacancy and after the election, none of the candidates obtains more than fifty (50) per cent of the votes cast, there shall immediately be a run-off between the top two deadlocked candidates.
- viii. Where there is a tie or equality of votes in an election involving only two candidates, or in a run-off as provided under subsection (vii) above, the Returning Officer shall ask the Chairman whether he wishes to use his second or casting vote to break the deadlock. If the Chairman elects not to cast a second vote, elections shall be held until a winner emerges.
- ix. The Returning Officer shall declare the winners.

- x. After the elections have been concluded the Returning Officer shall hand over the conduct of the meeting back to Chairman and the Returning Officer will leave the election hall at his pleasure.

6.2 Nominations – Qualification Criteria

In order to qualify for the elections of a member of the Board, a candidate shall:

- a. Be a Chief Executive Officer of a member company or their equivalent.
- b. Represent a member company duly licensed and actively engaged in gaming business.

6.3 Nomination Procedures

An eligible candidate wishing to contest a position on the Board will be nominated in accordance with the provisions of Article 12 of the Constitution.

6.4 Proxies and Ballot Papers

6.4.1 Any Chief Executive of a member company (i.e. Member) or their equivalent unable to attend a General Meeting in person shall nominate a representative by completing the prescribed Proxy form and filing it with the Secretariat not later than **48** hours before the date of the General Meeting. Any member who shall not comply with these provisions shall forfeit their right to vote.

6.4.2 The order of the listing of names on a Ballot paper shall be in alphabetical order. Names of candidates wishing to be elected to the Board shall be circulated to all members at least seven (7) days before the date of the General Meeting at which the election is scheduled to take place.

6.5 Lobbying

No form of lobbying or canvassing for votes will be permitted within the election hall for the entire duration of the General Meeting at which elections are conducted. Any candidates violating this rule may be disqualified from participating in the elections.

6.6 Elections – Order of Preference

Elections of the Chairman of the Association, if vacant, will take precedence, followed by elections to fill any vacancies on the Board.

6.7 Successful Candidate(s) in an Election

The successful candidate(s) of any position contested in a General Meeting will be determined by a simple majority in hierarchical order of votes received.

6.8 Disputes

- 6.8.1** Any election petitions shall be adjudicated and dealt with by the Returning Officer on the spot. In the event that any candidate for the election is not satisfied with the decision of the Returning Officer, such a candidate shall register his objection(s) with the Returning Officer on the spot, and shall thereafter file such objection(s) with the Secretariat in writing within seven (7) days from the date of such elections. Any other objections relating to the elections shall similarly be filed with the Secretariat in writing within seven (7) days from the date of such elections.
- 6.8.2** The Secretariat shall refer such election dispute(s) to the Board which shall hold a meeting within (14) days for the purpose of referring such dispute(s) to arbitration. The arbitration shall be conducted by a single arbitrator chosen by mutual agreement of the parties. Failing such agreement on an arbitrator within seven (7) days from the date when the appointment of an arbitrator is proposed by either party to the other, then the chairman for the time being of the Chartered Institute of Arbitrators (Kenya Branch) shall appoint an arbitrator and the provisions of the Arbitration Act No. 4 of 1995 shall apply.
- 6.8.3** The decision of the arbitrators shall be final and binding on the board and the complainant.

6.9 Acceptance Speech

All candidates contesting the post of Chairman of the Association will have ready for delivery, upon their being declared the winner of the election, a written acceptance speech lasting not more than ten (10) minutes setting out their own agenda, vision, and programme of action for the Association during their term of office.

The acceptance speech will be delivered at the end of the deliberations in a General Meeting.

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