



Inspections Harm  
Legislation Policy Probity Licensing minimisation

## Notice for section 109T of the *Gaming Machine Act 1991*

Certain operations of the *Gaming Machine Act 1991* (the Act) will result in the cancellation of a temporary transfer between two clubs. Operations of the Act require that the transfer will end if:

- either party voluntarily surrenders its gaming machine licence; or
- either party transfers the liquor licence; or
- either party has its licence cancelled; or
- the licence of either party relates to more than one site, and a site involved in the transfer ceases to be licensed premises under gaming machine licence; or
- a controller is appointed to the transferee.

The entitlement transfer will also end, or the number of entitlements subject to the transfer will be reduced, if the transferee, despite having obtained entitlements, does not install its approved number of gaming machines by a *relevant date* applied under section 80A or 85AA of the Act<sup>1</sup>.

The effect of these operations of the Act on the entitlements subject to the transfer are as follows:

- If the action is by the transferee (including the appointment of a controller) – the ability to use the entitlements returns to the transferor, who may immediately negotiate a new transfer with another club or use the entitlements to operate gaming machines.
- If the transferor voluntarily surrenders its licence or ceases to retain the transferor premises as premises to which its licence relates – the transferor must permanently transfer the entitlements to another club within 12 months of the date that the surrender takes effect. The temporary transfer cannot continue during this 12 month period.
- If the transferor licence is cancelled by the Queensland Gaming Commission – the entitlements become entitlements of the State. The transferor will not have the ability to permanently transfer the entitlements and any claim to the entitlements by the transferee will have no effect.
- If the transferor transfers its liquor licence and a new gaming machine licence is issued in conjunction with the liquor licence transfer – the entitlements become the property of the new licensee at the transferor premises. The entitlement transfer ceases because the transfer of the liquor licence cancels the transferor's gaming machine licence. If the entitlement transfer is to continue, it must be renegotiated with the new licensee of the transferor premises, who may apply to the commission for approval of a new entitlement transfer if desired. The transferee cannot operate gaming machines using the entitlements until a new entitlement transfer is approved.

Suspension of either licence does not affect the transfer.

The Act contains no path to compensation for a party to a transfer that is aggrieved by an action of the other party. This matter may be addressed in agreements that are extraneous to the Act with disputes heard by the appropriate court. These agreements will not be provided to the Office of Liquor and Gaming Regulation (OLGR). OLGR or the Queensland Government will not be party to these agreements.

<sup>1</sup> These sections require that the approved number of gaming machines for the premises must be installed and operated within one year (for an increase) or two years (for a new licence) of date that the licence or increase is approved. At the relevant date, the number of approved gaming machines for the premises is reduced to the maximum number operated since the approval.

For further information, please contact the Office of Liquor and Gaming Regulation on 13 13 04 or visit [www.olgr.qld.gov.au](http://www.olgr.qld.gov.au)

