EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 236 of the Gambling Act 2005 ("the Act") requires regulations to be made defining four classes of gaming machine, to be known as Categories A, B, C and D. "Gaming Machine" is defined in section 235 of the Act. These Regulations provide the necessary definitions for each category, A to D. These Regulations also provide definitions for five sub-divisions of the Category B machine, to be known as sub-categories B1, B2, B3, B3A and B4.

The definitions contained in these Regulations operate by reference to a maximum amount a person can pay to use a gaming machine once, and a maximum prize which can be won as a result of using a gaming machine once.

Regulation 3 defines a Category D gaming machine and does so partly by reference to whether the machine offers money or non-money prizes, or a combination of both.

Regulation 4 defines a Category C gaming machine.

Regulations 5 and 6 define five sub-categories of Category B machine, and make provision for determining to which sub-category of Category B references in the Act to Category B shall be treated as referring.

Regulation 7 defines a Category A machine as any machine which is not a Category B, C or D machine.

A Regulatory Impact Assessment of the costs and benefits of these Regulations is available from Ben Melton at the Department for Culture, Media and Sport, 2-4 Cockspur Street, London SW1Y 5DH, email: ben.melton@culture.gsi.gov.uk.

These regulations were notified in draft to the European Commission in accordance with Directive 98/34/EC, as amended by Directive 98/48/EC.