

IN THE MATTER of the Gambling Act 2003

AND on proposals by the Gambling Commission to revoke conditions of the venue and operator's licences held by **CHRISTCHURCH CASINOS LIMITED** and to specify new conditions

BEFORE THE GAMBLING COMMISSION

Members: P Chin (Chief Gambling Commissioner)
M M Lythe
P J Stanley
G L Reeves
M J Richardson

Date of Proposals: 4 July 2007, 2 September 2008

Date of Interim Decision: 3 December 2007

Date of Notification of
Final Decision: 18 February 2009

**FINAL DECISION
ON PROPOSALS BY THE GAMBLING COMMISSION TO REVOKE
CONDITIONS OF THE VENUE AND OPERATOR'S LICENCES HELD BY
CHRISTCHURCH CASINOS LIMITED AND TO SPECIFY NEW CONDITIONS**

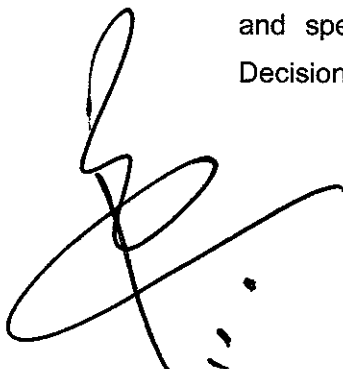
1. INTRODUCTION

1.1 The Gambling Commission (the "**Commission**") proposed, on its own initiative, under section 139 of the Gambling Act 2003 (the "**Act**"), to revoke the conditions of the venue and operator's licences held by Christchurch Casinos Limited ("**CCL**") and to specify new conditions in substitution. The initiative ultimately proceeded in two phases, the first to specify, vary and revoke numerous conditions of the two licences (the "**first proposal**"), leaving aside the quantification of gaming tables and gaming machines for later consideration, and the second to specify in the licence conditions the maximum number of gaming tables and gaming machines that Christchurch casino is permitted to operate (the "**second proposal**").

1.2 CCL, the Secretary for Internal Affairs (the "**Secretary**"), and potentially affected persons comprising the Ministry of Health ("**MoH**"), Problem Gambling Foundation ("**PGF**"), Gambling Helpline ("**GH**"), and Problem Gambling Co-ordination Service ("**PGCS**") were formally notified of the Commission's first proposal on 4 July 2007, and invited to make written submissions on it in accordance with section 140 of the Act. Submissions were

made by CCL, the Secretary, PGF and PGCS. The Commission convened an oral hearing on 19 October 2007 to hear the parties, with CCL, the Secretary and PGF attending.

- 1.3 Having considered written and oral submissions, the Commission issued an Interim Decision setting out further amended conditions for the licences held by CCL. Parties were given until 14 January 2008 to make any written submissions on the amended draft conditions proposed by the Commission.
- 1.4 Further written submissions were received from CCL. The Commission considered these at its February 2008 meeting, thereby largely completing its review of CCL's licence conditions with the sole matter outstanding being the specification of the maximum number of gaming tables and gaming machines that can be operated at the Christchurch casino. This matter was not finalised because, prior to the February 2008 meeting, CCL wrote to the Commission asking that it fix, in CCL's conditions, the number of gaming tables and gaming machines that it may operate having regard to the decommissioning of Keno and the Racing Game at its casino.
- 1.5 The Commission commenced a process, which is detailed later in this decision, to address this remaining matter. The process resulted in CCL, the Secretary, MoH, PGF, GH, PGCS, SKYCITY Casino Management Limited ("**SCML**"), Dunedin Casinos Limited ("**DCL**") and Otago Casinos Limited ("**OCL**") being formally notified of the second proposal on 2 September 2008, and invited to make written submissions on it in accordance with section 140 of the Act. Submissions were made by CCL, the Secretary, PGF and SCML.
- 1.6 The Commission invited CCL, the Secretary, PGF and SCML to make submissions in reply to matters raised by other submitters. Submissions in reply were received from CCL and SCML. The Commission considered these at its December 2008 meeting, concluding its review.
- 1.7 The Commission now issues its Final Decision. This Final Decision records and addresses the further submissions made to the Commission on the first proposal, records and addresses the process and submissions made to the Commission on the second proposal, revokes the existing licence conditions relating to Christchurch casino, and specifies with immediate effect the new licence conditions **attached** to this Decision.

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2. FURTHER SUBMISSIONS ON FIRST PROPOSAL

Amendments adopted

- 2.1 At the request of the Licence Holder, the Commission amended condition 6 of CCL's venue licence conditions by inserting "Subject to the provisions of condition 7" at the beginning of the condition to make it clear that the approval of the Commission for construction and design changes is only required where the Executive Director does not provide delegated approval pursuant to condition 7.
- 2.2 As sought by the Licence Holder, the Commission amended condition 23 of the operator's conditions to word it identically to condition 12 of the venue licence.
- 2.3 As sought by the Licence Holder, the Commission amended Annex A to the operator's licence conditions to include all approved games mixes, and re-insert footnote 2. The Commission has, on its own initiative, further updated Annex A to include game mixes approved since the final submissions on the first proposal.
- 2.4 As sought by the Licence Holder, the Commission amended condition 29 of the operator's licence conditions to insert a new date for CCL to report to the Commission on the implementation of its Host Responsibility Programme. CCL is now required to report to the Commission by 1 July 2009.
- 2.5 The Commission has, on its own initiative, made other amendments to the licence conditions to correct typographical errors, update number referencing and correct inadvertent minor errors.

Amendments declined

- 2.6 The Commission declined to amend CCL's proposal to amend the headings of both sets of conditions to read "Conditions attached to casino venue licence" and "Conditions attached to casino operator's licence". The effect of CCL's proposal would be twofold. First, it would remove the casino's address from the heading of the operator's licence conditions. Licence conditions are specific to a site and so should include the site's address. Secondly, it would remove the word "Schedule" from the heading of the venue licence conditions. Both licences specifically refer to conditions being set out in their respective schedules, so the conditions should note that they are schedules to the licences. For that reason, the Commission has, on its own initiative, made a minor amendment to the heading of the operator's licence conditions to include the word "Schedule" at the commencement of the heading.

2/7 The Commission declined to amend condition 9 of the venue licence, as proposed by the Licence Holder, to enable the Commission, on application by the Licence Holder, to

approve an amendment to the casino's defined gambling area without the need to amend the condition (thereby saving a filing fee). The Commission considers, as was the case in other casino's licence reviews, that it is preferable for any amendment to the gambling area to require an application to amend the condition, and for the date of approval of the gambling area to be plain on the face of the condition.

- 2.8 The Commission declined the amendment proposed by the Licence Holder to move the charitable trust licence conditions (conditions 14 and 15 of the venue licence conditions) to the operator's licence. The Commission considers, as was the case in other casino's licence reviews, that these conditions are better placed in the venue licence.

3. BACKGROUND AND REASONS FOR THE SECOND PROPOSAL

- 3.1 In July 2007, the Commission commenced its review of licence conditions for the Christchurch casino in order to ensure that the conditions are consistent with the Act, and to remove redundancy. It was a unique feature of the CCL licence, the first issued in New Zealand, that it did not specify on its face a maximum number of gaming tables or gaming machines. For reasons which are discussed in greater detail below, this omission from the licence conditions did not mean that CCL was unconstrained in its use and deployment of gaming tables and gaming machines as the precise deployment of gaming tables and machines has always been controlled by the need for separately approved floor plans and, more recently, the Commission has imposed, as a matter of general practice, requirements for approval of game mixes in association with floor plan approvals. Although the specification in the licence conditions of the maximum number of gaming tables and machines is therefore neither an essential nor adequate means of controlling opportunities for casino gambling, the Commission ultimately considered that it was preferable that the CCL licence be consistent in that respect with other licences.

- 3.2 In its first proposal, dated 4 July 2007, the Commission proposed that the licence conditions attached to CCL's operator's licence should provide for CCL to operate up to 34 gaming tables and 500 gaming machines at the Christchurch casino. In submissions to the Commission, CCL submitted that it is entitled to operate 506 gaming machines and 35 gaming tables, and that Keno and the Racing Game needed to be recognised as part of CCL's maximum permitted level of gambling opportunities. The latter games are neither table games nor gaming machines but, again uniquely to CCL's licence, were permitted to be played at the casino.

- 3.3 Although CCL opposed the substance of the Commission's proposal, it proposed that the Commission should include licence conditions permitting CCL to operate only 500 gaming machines and 34 tables, without prejudice to its position that the correct

maximum permitted gambling opportunities were greater, presumably on the (doubtful) basis that the matters specified could be reconsidered and increased later.

- 3.4 In the course of its review, the Commission issued an Interim Decision dated 3 December 2007, attaching draft licence conditions which identified, in mark-up, changes from the Commission's original proposal notified in July 2007. The decision noted CCL's comments on the correct level of permitted gambling opportunities, but did not comment on them and the Interim Decision did not fix the number of gaming machines or gaming tables.
- 3.5 The Commission offered participating parties the opportunity to make written submissions on the proposed changes, which the Commission would consider before issuing a final decision. CCL did so by letter dated 14 January 2008.
- 3.6 Apart from the specification of the maximum number of gaming tables and gaming machines, the Commission completed its review of CCL's licence conditions at its meeting in February 2008. By then CCL had written to the Commission, by letter dated 23 January 2008, asking that it fix in CCL's conditions the number of gaming tables and gaming machines that it may operate taking into account that it no longer offered Keno and the Racing Game and wished to substitute the equivalent number of table games or gaming machines to reflect the opportunities for casino gambling offered by those now obsolete games.
- 3.7 CCL submitted that its operator's licence should show an entitlement to operate 35 gaming tables and 506 gaming machines, plus an additional seven gaming machines in substitution for Keno and the Racing Game.
- 3.8 By letter dated 15 February 2008, CCL made a request, under the Official Information Act 1982 (the "OIA"), to the Department of Internal Affairs ("DIA") (which includes the Commission) to obtain information relevant to the number of gaming machines and gaming tables that CCL may operate. Both the DIA and the Commission made information available to CCL and by letter dated 30 May 2008, CCL filed submissions supplementing its letter dated 23 January 2008. The Commission also undertook, through its legal advisors, a thorough review of its records and those of the Casino Control Authority ("CCA") with a view to establishing what was legally permitted as at 19 September 2003, when the Act came into force, and whether that position had been altered by any subsequent decision of the Commission.

- 3.9 CCL also asked Mr Chris Dawe, a former technical manager at the Christchurch casino responsible for Keno and the Racing Game, to write to the Commission expressing his

opinion on the gambling opportunities provided by Keno and the Racing Game. Mr Dawe did so by letter dated 20 March 2008.

3.10 By letter dated 12 June 2008, the Commission sought comments from GH, PGF, MoH, PGCS and the Secretary on the number of gaming tables and gaming machines which should be specified in licence conditions for the Christchurch casino. In seeking these comments, the Commission provided these parties with CCL's letter dated 23 January 2008, Mr Dawe's letter dated 20 March 2008, CCL's supplementary submissions dated 30 May 2008 and the OIA information provided to CCL by the DIA and the Commission.

3.11 The Commission received comments from PGF and the Secretary. At its meeting on 15 August 2008, the Commission considered these comments, and the abovementioned documentation, and reached a provisional conclusion that, as at 19 September 2003, when the Act came into force, the Christchurch casino was permitted to operate a maximum of 34 gaming tables and 500 gaming machines. The Commission also concluded that subsequent decisions by the Commission to approve floor plans and game mixes, which were made having regard to the statutory limitation on the exercise of the Commission's powers relating to increases in opportunities for casino gambling, had somewhat fortuitously, not altered the position so that its view of the current position was consistent with its view of the historical position.

3.12 The Commission recognised that, in addition to the 34 gaming tables and 500 gaming machines, CCL was permitted to operate Keno and the Racing Game. In accordance with CCL's request (and the reality that the games were no longer offered), the Commission was prepared to increase the permitted number of gaming tables or gaming machines to reflect the equivalent opportunity represented by those games in potentially useable form.

3.13 Having regard to the manner in which the games are played, the Commission considered that Keno and the Racing Game most resembled Roulette from the perspective of opportunities offered, and that its preliminary impression was that it should approach the substitution of Keno and the Racing Game as if each were the equivalent of a game of Roulette.

3.14 By letter dated 2 September 2008, the Commission notified the Secretary, MoH, PGF, GH, CCL, SCML, DCL and OCL of its preliminary conclusions and its resolution to consider, at a future meeting of the Commission, a proposal on its own initiative (the second proposal), under section 139 of the Act, to specify the maximum number of gaming tables and gaming machines that the Christchurch casino is permitted to operate as follows:

- (a) The number of gaming machines in the Casino shall not exceed 500. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.
 - (b) The number of gaming tables in the Gambling Area shall not exceed 36.
- 3.15 The Commission's letter of 2 September also sought clarification on the playing of Touchbet Roulette at Christchurch casino from late 2003.
- 3.16 The abovementioned parties were invited to make written submissions on the second proposal in accordance with section 140 of the Act. Submissions were made by CCL, the Secretary, PGF and SCML.
- 3.17 The Commission invited CCL, the Secretary, PGF and SCML to make submissions in reply to matters raised by other submitters. Submissions in reply were received from CCL and SCML.

4. SUBMISSIONS ON SECOND PROPOSAL

Submissions by CCL

- 4.1 CCL submitted, in summary, that it is entitled to operate up to 35 gaming tables and 506 gaming machines, plus an additional four gaming tables in substitution for Keno and the Racing Game, for the following reasons:
- (a) The Commission should recognise all previous decisions and approvals made by CCA. The CCA approved floor plans which allowed it to operate 506 gaming machines and 35 gaming tables. These plans were not superseded by later plans; rather the later plans depict the deployment of table and machine numbers below approved maximum levels.
 - (b) CCA and Commission annual reports state that Christchurch casino has 35 tables and 506 machines.
 - (c) Other documentation, including DIA levy calculations, supports its submission that it can operate 35 tables and 506 machines. (The gambling levy that it paid to the DIA was calculated on the basis that it had 37 gaming tables and 506 gaming machines for 2002, and 35 gaming tables and 506 gaming machines for 2003.)
 - (d) The floor plans depicting 34 tables and 500 machines were not put into effect until after the Act came into force on 19 September 2003.

- (e) It wants to replace Keno and the Racing Game with four gaming tables comprising one Roulette, one Poker and two Midi Baccarat tables.

4.2 CCL also put forward a letter setting out the views of Mr Dawe that, while it is very difficult to express the gambling opportunities represented by Keno and the Racing Game in terms of the number of gaming machines or gaming tables, the gambling opportunities represented by Keno and the Racing Game would equate to:

- (a) between two and five gaming tables; or
- (b) between two and seven gaming machines; or
- (c) seven stations at a multi-terminal entertainment game; or
- (d) a combination of the above.

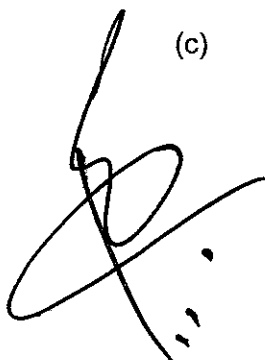
4.3 Later in reply, CCL submitted, in summary, that:

- (a) As Touchbet Roulette is regarded as a stand alone table, it should be permitted to operate with up to 21 terminals, the equivalent player spaces of a standard Roulette table.
- (b) There is no perfect answer to determining a fair and reasonable replacement for Keno and the Racing Game, but for the reasons already expressed, it is entitled to 506 gaming machines and 39 tables (35 gaming tables from CCA approvals plus 4 additional tables in substitution for Keno and Racing Game).

The Secretary's submissions

4.4 The Secretary submitted, in summary, that:

- (a) CCL is entitled to the player spaces available on the floor plan in place on 19 September 2003, including the player spaces available for the combined Roulette/Touchbet Roulette table depicted on that plan.
- (b) Game Rules allow the operation of a combined Roulette/Touchbet Roulette table.
- (c) Based upon his numerical calculations, it would not be unreasonable for the Commission to substitute Keno and the Racing Game for two Roulette or Tai Sai tables in order to maintain an equivalence of gambling opportunity.



PGF'S submissions

4.5 PGF submitted, in summary, that:

- (a) The last approved CCA floor plans, providing for 34 tables and 500 gaming machines, supersede earlier CCA approvals.
- (b) The Commission should substitute Keno and the Racing Game for one Roulette table in order to maintain an equivalence of gambling opportunities, and to not increase the actual or potential harm that was generated by Keno and the Racing Game.
- (c) Gaming machines should not be substituted for Keno and the Racing Game.
- (d) Touchbet and manual Roulette cannot be played together at a single table.

SCML's submissions

4.6 SCML submitted, in summary, that:

- (a) CCL has an approval from the CCA which allows it to operate 506 gaming machines and 37 gaming tables. Floor plans approved subsequent to this do not rescind this approval; rather they show the deployment of tables and machines below the permitted level.
- (b) All gambling opportunities on the combined Touchbet Roulette/Roulette table need to be recognised.
- (c) While there are some similarities between Keno and the Racing Game, and Roulette (and also Tai Sai), there are a number of differences including that neither Keno or the Racing Game are played around a table, rather players queue to purchase tickets; a player does not have to be present when results are determined; tickets may be purchased for multiple games in advance; there is no limit on the number of players who can play; the rates of play are different; and the wagering opportunities are not comparable.
- (d) Rather than comparing Keno and the Racing Game with two Roulette tables, a better approach would be to estimate numerically the gambling opportunities represented by Keno and the Racing Game and then convert that numerical score to an equivalent number of gaming tables. Using such an approach, Keno and the Racing Game each represent approximately two Baccarat tables, three Roulette games, or four Money Wheel games.

4.7 Later, in reply, SCML submitted, in summary, that:

- (a) PGF does not justify why the Commission should substitute Keno and the Racing Game with just one Roulette table.
- (b) The Commission's approach of equating one game with another on the basis of shared similarities as a mechanism for determining casino gambling opportunities is a very different model to one that it has applied to date. While there are difficulties in accurately determining the theoretical opportunities associated with Keno and the Racing Game, these difficulties are also apparent when analysing the opportunities associated with different casino table games. To determine the theoretical opportunities associated with Keno and the Racing Game, it would expect the Commission to apply the same analysis that it applies to table games.

5. COMMISSION'S ANALYSIS OF SECOND PROPOSAL

Gaming tables and gaming machines permitted for operation at Christchurch casino

5.1 The number and type of gaming tables and gaming machines that Christchurch casino is permitted to operate is critical because it affects the level of opportunities for casino gambling, increases in which are not permitted pursuant to section 11 of the Act. Section 11 came into effect on 19 September 2003.

5.2 CCL's submissions to the Commission were consistent through the informal and formal consultation, and the submissions in reply. They may be summarised, as follows:

- (a) At various times, the CCA gave approval for it to operate up to 35 gaming tables and 506 gaming machines (plus Keno and the Racing Game). The effect of those approvals was not rescinded by subsequent floor plan approvals showing the deployment of fewer gaming tables and gaming machines, rather these subsequent floor plans simply depicted the operation of gaming tables and gaming machines below the approved permitted maximums.
- (b) Documentation, including annual reports by the CCA and the Commission, states that it can operate 35 gaming tables and 506 gaming machines.
- (c) DIA Levy calculations were based upon greater numbers than 34 tables and 500 machines.

- 5.3 SCML submitted that CCL is entitled to operate 37 gaming tables and 506 gaming machines based upon past CCA approvals, while the DIA submitted that the floor plans in place on 19 September 2003 govern CCL's maximum level of gambling opportunities.
- 5.4 The Commission considers that the correct approach to establishing the permitted number of gaming tables and gaming machines is to analyse the approvals granted over time. The result of its analysis indicated that the approvals, current at 19 September 2003, which provided the greatest number of opportunities for casino gambling at the Christchurch casino, were floor plans approved by the CCA on 19 August 2002 for level 4, and 18 July 2003 for level 3 (and collectively referred to as "Plan A" in later Commission decisions). These plans depict 34 table games and 500 gaming machines. These numbers were not affected by any subsequent decision of the Commission.
- 5.5 As noted above, the casino's venue licence, unlike all other casinos in New Zealand, did not specify the number of tables and machines permitted. Accordingly CCL never had a specific entitlement in excess of what the approved floor plans showed from time to time.
- 5.6 CCL's venue licence states that it is subject to:
- (a) The conditions contained in the Act; and
 - (b) The conditions set out in the Schedule to this licence; and
 - (c) Any conditions imposed by regulations made under the Casino Control Act 1990; and
 - (d) Any directions given by the Casino Control Authority pursuant to section 70 of the Casino Control Act 1990; and
 - (e) A condition that the operation of the casino authorised by this licence shall commence within 2 years after the date on which this licence is granted ...
- 5.7 Neither the Casino Control Act 1990 nor regulations made under that Act limit the number of table games and gaming machines. Section 70 of the Casino Control Act 1990 provides as follows:

70. Directions as to operation of casino

- (1) The Authority may, by notice in writing, give directions to the holder of a casino licence in the following circumstances:
- (a) Where no condition is in force in respect of any matter specified in Schedule 2 to this Act, it may give directions in respect of that matter.
 - (b) In the event of any matter (being a matter specified in Schedule 2 to this Act) arising subsequent to the issue of the licence that is not dealt with in any existing condition, it may give directions in respect of that matter.



- (2) No such direction shall include any provision that is inconsistent with any provision of this Act or of any regulations made under this Act.
- (3) Every such direction given by the Authority shall, within 20 working days, be published in the Gazette.

5.8 As far as the Commission is aware, the CCA did not give written directions to the casino under section 70 as to the permitted number of gaming machines and tables.

5.9 The Commission next considered the conditions attached to the casino venue licence, which was reissued on 22 September 2000. Condition 1 of that licence, states:

The casino premises shall be designed, developed, constructed, fitted out and commissioned for operation generally in accordance with the application of the licence holder or with such changes as may from time to time be approved by the Authority, provided however that nothing in this condition shall apply in respect of any matter specified in the Second Schedule to the Casino Control Act 1990 ("the Act").

5.10 While condition 1 appears to limit the casino to operating "generally in accordance" with the Licence Holder's application to the CCA (which the Commission understands proposed 350 gaming machines, 30 tables and Keno), the condition does not fix the number of tables and machines at those levels as it excludes any matter specified in the Second Schedule to the Casino Control Act 1990. Item 6 of the Second Schedule states that the matters which may be the subject of terms and conditions attaching to the casino licence include "the approval of, and procedures for the approval of alterations in, floor plans and the placement of gaming tables and gaming equipment". The Commission considers that this directs attention to floor plans as governing permitted deployment. The Commission subsequently amended licence condition 1 to take over the approval powers of the CCA (see decision GC06/04), and has approved game mixes as well as floor plans.

5.11 While the licence did not specify a maximum number of gaming machines and tables, it did effectively control both the number and deployment of gaming tables and gaming machines through approval, by the CCA, of floor plans.

5.12 What appears to have happened in practice is that the casino would apply to the CCA to change the permitted number of gaming tables and machines by seeking approval for new floor plans. The casino did this regularly from 1995, obtaining approval to increase the number of tables and machines from 35 and 350 respectively to a peak of 37 tables and 506 machines in August 2000, before obtaining approval of floor plans depicting 34 tables and 500 machines on 18 July 2003.

5.13 It appears that the casino considered that it could only operate the number of gaming machines and table games specified in the current approved floor plans. For example, on 25 August 2000, the CCA approved an application from CCL to install an additional

nine gaming machines, increasing the total from 497 to 506, and received a floor plan showing this. However, the casino later decided to install only three additional gaming machines and sought, and obtained, approval for a floor plan showing 500 gaming machines.

- 5.14 Similarly, CCL sought, and obtained, approval of floor plans depicting 37 gaming tables, and subsequently obtained approval of floor plans depicting 35, then 34 gaming tables.
- 5.15 Against this background it is clear that each new plan rescinded the effect of any prior plan and the effect of floor plans was not cumulative; indeed, as the very purpose of floor plans is to control present deployment, they cannot sensibly be regarded as having any other effect.
- 5.16 While it appears that the CCA may well have approved other floor plans allowing more than 34 tables and 500 gaming machines if it had been asked to do so, no such floor plans were put to the CCA and what was permitted at any given time depended on what was then approved.
- 5.17 Aside from a temporary refurbishment to the casino (which will be addressed shortly), the most recent approvals approved by the CCA, and the approvals in effect on 19 September 2003, were for floor plans dated 19 August 2002 and 18 July 2003 depicting 34 tables and 500 machines.
- 5.18 The Commission notes that the floor plans are not completely decisive in respect of permitted opportunities. For example, not all floor plans explicitly identify Keno and Racing Game terminals on them, while other floor plans indicate the presence of a terminal, but do not specify whether it is for Keno, the Racing Game, or both. However, it is clear that the floor plans effectively governed the permitted number of gaming machines and table games, and it appears from their conduct that both the Christchurch casino and the CCA considered themselves bound by floor plan approvals.
- 5.19 The fact that other documentation, including annual reports, refers to different numbers of gaming machines and tables is not determinative of the issue and does not have the effect of changing the true legal position.
- 5.20 As noted above, when the Act came into force on 19 September 2003, the casino was in the middle of a refurbishment which resulted in the temporary reduction in the number of table games. It is clear from the contemporaneous documents that this was intended to be a temporary measure only. The casino wrote to the CCA by letter dated 23 June 2003 requesting the temporary change, and referred to the reduction of tables from 35 to 32.

- 5.21 The Commission has noted in a number of its decisions that temporary floor plans should not be treated as having the effect of resetting the permitted level of opportunities. However, before the temporary refurbishment commenced, the casino sought, and obtained, approval of a further floor plan (dated 18 July 2003) which reduced the number of tables by one (to 34) to enable Touchbet Roulette to be played.
- 5.22 CCL submitted that the 34 table floor plan was not put into effect until after 19 September 2003. However, in the Commission's view, what counts is the approval of the plan, not its implementation.
- 5.23 The Commission next considered whether the level of opportunities as at 19 September 2003 had been affected by any subsequent decisions, because if the Commission had reset the level, it cannot now allow a change if that change would result in an increase in opportunities for casino gambling. This is because determining whether there would be an increase in opportunities for the purposes of the limitation on its powers to amend licence conditions requires consideration of the position immediately prior to the contemplated amendment (see paragraphs 26-27 of decision GC23/05).
- 5.24 CCL has, on a number of occasions, sought and obtained approval from the Commission of new floor plans and game mixes for the Christchurch casino. Several of the Commission's decisions, such as GC42/06 and GC28/07, treated "Plan A" as the regulatory benchmark for the Christchurch casino, with decision GC28/07 recording that CCL's own submissions advanced that position. All of the decisions, which were made having regard to the statutory limitation on the exercise of the Commission's powers relating to increases in opportunities for casino gambling, are consistent with the position on 19 September 2003. If there had been a difference, the Commission's later approvals would have prevailed.

Keno and the Racing Game

- 5.25 The issue of the opportunities represented by Keno and the Racing Game, which were both uniquely offered at the Christchurch casino, has not arisen before. The Commission understands that Keno was played at the Christchurch casino since it commenced operation, and that the Racing Game was introduced in January 1998.
- 5.26 Submissions to the Commission indicated that the casino operated up to four Keno and three Racing Game terminals, with the number of terminals diminishing with demand to the point that two Keno and one Racing Game terminal was in operation at the time these games were withdrawn from operation in 2007. Submissions were not able to clarify how many terminals were in operation on 19 September 2003.

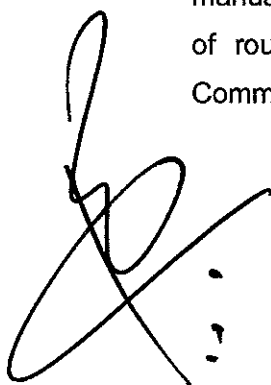
- 5.27 In its letter to the Commission dated 23 January 2008, CCL stated that it wanted to substitute at least seven gaming machines in place of Keno and the Racing Game, as these would represent equivalent gambling opportunities.
- 5.28 In its submissions on the Commission's (second) proposal of 2 September 2008, CCL stated that it no longer wanted to substitute gaming machines for Keno and the Racing Game rather it submitted that four gaming tables was a fair and reasonable substitution, with a game mix comprising one Roulette, one Poker and two Midi Baccarat tables.
- 5.29 The difficulty facing submitters, and the Commission, on this aspect of this decision is that an assessment of the comparative levels of opportunities for casino gambling is not a straightforward task. Keno and the Racing Game, which are not strictly to be considered either table games or gaming machines in terms of the licence, cannot easily be compared with either.
- 5.30 Unsurprisingly, no party's submissions provided a sufficiently robust numerical basis to meet the requirements of the Commission. SCML, CCL and the Secretary all put forward numerical calculations to support their submissions, with SCML submitting that Keno and the Racing Game each equate to approximately two Baccarat games, three Roulette games or four Money Wheel games; CCL submitting that they could represent up to 12 tables, although four tables would be reasonable; and the Secretary submitting that it would not be unreasonable if Keno and the Racing Game were replaced by two Roulette or Tai Sai tables. However these numerical calculations rested upon so many dubious and insufficiently tested assumptions that the resulting scores were ultimately of little value, other than to provide the Commission with some very general parameters. The suggestion in SCML's submissions that the Commission has previously applied similarly dubious numerical calculations in the past is incorrect.
- 5.31 Mr Dawe also suggested some general parameters. He was of the view that the gambling opportunities represented by Keno and the Racing Game would, based upon his experience, equate to:
- (a) between two and five gaming tables;
 - (b) between two and seven gaming machines;
 - (c) seven stations at a multi-terminal entertainment game; or
 - (d) some suitable combination of the above.
- 5.32 In its proposal letter dated 2 September 2008, the Commission stated that, having regard to the manner in which the games are played, its impression is that Keno and the Racing Game most resemble Roulette from the perspective of opportunities offered and as such, that it was inclined to approach the issue on the basis that any substitution of

Keno and the Racing Game would be considered as if the Commission was being asked to substitute a Roulette table.

- 5.33 Both CCL and SCML accepted the similarities that Roulette has with the Keno and Racing Game, and pointed out that Tai Sai also shares the same similarities. However, they both submitted that there were also sufficient differences between the games such that Roulette would not represent a fair equivalent, the biggest difference being that players of Keno and the Racing Game can bet not just on the game about to be played, but on future games as well. SCML submitted that in the case of Keno, wagers may be placed on up to 1,000 games in advance.
- 5.34 Considering matters in the round, however, the Commission did not consider that this difference justified treating the obsolete games as the equivalent of more than one Roulette table. The Commission considered that the effect on opportunity of being able to place wagers other than at the table and much further in advance would be largely equalised over time. Weighing up the information before it, the Commission considered that Keno and the Racing Game should be treated as the equivalents of the table games Roulette and Tai Sai, and that CCL should be permitted to substitute either one game of Roulette or one game of Tai Sai for each of Keno and the Racing Game.

Touchbet Roulette

- 5.35 As noted above, the approved floor plans in place as at 19 September 2003 provided for the operation of 500 gaming machines and 34 gaming tables with one of those tables comprising a manual Roulette table and 14 Electronic Roulette terminals.
- 5.36 When the Commission formally notified parties of its second proposal on 2 September 2008, the Commission sought clarification about the playing of Touchbet Roulette and manual Roulette using a shared wheel.
- 5.37 The submissions from the Secretary, SCML and CCL were all to the same effect, namely that as the game rules for electronic roulette provide for a manual Roulette table to be used with electronic Roulette terminals with patrons having the option of placing wagers either electronically or manually, the Touchbet terminals appended to the manual Roulette table constitute a single table game which permits the playing of a form of roulette using a combination of terminals and manually placed wagers. The Commission concurs.



6. CONCLUSION ON SECOND PROPOSAL

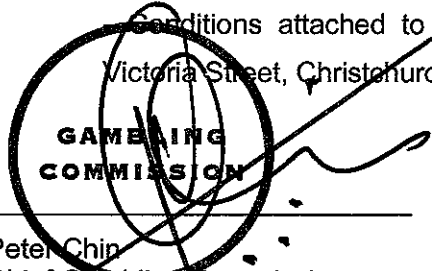
6.1 For the reasons noted above, the Commission resolved that:

- (a) Christchurch casino is permitted to operate up to 500 gaming machines and 36 gaming tables (the latter including 2 additional tables in substitution for Keno and the Racing Game);
- (b) CCL will be entitled to obtain floor plan and game mix approvals to deploy either a game of either Roulette or a game of Tai Sai in substitution for each of Keno and the Racing Game;
- (c) The combined Roulette/Touchbet table depicted on Plan A constitutes a single table of Electronic Roulette.

Decision of the Commission

6.2 This decision revokes the conditions contained in the Schedule to the Casino Premises Licence re-issued to Christchurch Casinos Limited dated 22 September 2000 (now a casino venue licence pursuant to section 122(2) of the Act), including all variations and additions to those conditions made by the CCA or the Commission. It specifies, in substitution, the new conditions attached to this decision marked "Schedule – conditions attached to Casino Venue Licence".

6.3 This decision revokes the conditions contained in the Schedule to the Casino Operator's Licence issued to Christchurch Casinos Limited dated 18 June 1999, including all variations and additions to those conditions made by the CCA or the Commission. It specifies, in substitution, the new conditions attached to this decision marked "Schedule Conditions attached to Casino Operator's Licence: Operation of Casino at 30-38 Victoria Street, Christchurch".


**GAMBLING
 COMMISSION**

 Peter Chip
 Chief Gambling Commissioner

for and on behalf of the
 Gambling Commission

18 February 2009

SCHEDULE - CONDITIONS ATTACHED TO CASINO VENUE LICENCE

Preamble

1. The following conditions apply to the Casino Venue.
2. The Licence Holder must comply with these conditions. Failure to do so could result in the suspension or cancellation of this Licence.

Interpretation

3. Words and expressions in these conditions shall have the same meaning as defined in the Gambling Act 2003.
4. In these conditions:

Act means the Gambling Act 2003.

Authority means the Casino Control Authority.

Casino Venue means the property situated at 30-38 Victoria Street, Christchurch, as more fully described in the Licence.

Commission means the Gambling Commission.

Controlled by means possession, directly or indirectly, or power to direct or cause the direction of management of policies, whether through ownership, or voting securities, by contract or otherwise.

Executive Director means the Executive Director of the Commission.

Gambling Area means that part of the Casino Venue specified in condition 9 where casino gambling is permitted by the Commission.

Inspectorate means the Casino Compliance Unit of the Department of Internal Affairs.

Licence Holder means Christchurch Casinos Limited.

Secretary means the Secretary for Internal Affairs.

Surveillance Standard means the Surveillance Policy describing the required standard, type, operation and installation of surveillance facilities, approved by the Authority with effect from 5 December 2003, as may be substituted or amended by the Commission from time to time.

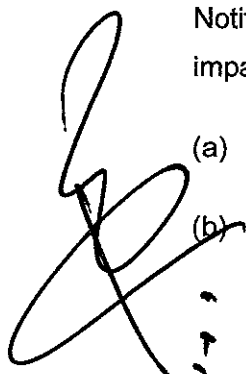
Trust means the Trust set up under the Deed of Charitable Trust dated 31 October 1994 between Perpetual Trust Limited (under its former name of PGG Trust Limited) and Christchurch Casinos Limited, as may be varied with the approval of the Commission.

Design and Construction

5. The Licence Holder shall lodge and maintain with the Commission and the Secretary updated as built architectural floor plans of Levels 3 and 4 of the Casino Venue showing walls, structures and dimensions. Updated as built architectural floor plans shall be lodged with the Commission and the Secretary if the Licence Holder makes alterations to Levels 3 and 4 the Casino Venue requiring building consent from a territorial authority.
6. Subject to the provisions of condition 7, the Licence Holder must obtain the approval of the Commission prior to:
 - (a) construction or design changes to Levels 3 and 4 of the Casino Venue, including the Gambling Area but excluding the foyer, restaurant and bar areas on Level 3 outside the Gambling Area (unless construction or design changes to any of these excluded areas may impact on matters set out in condition 7 in which case prior approval must be sought);
 - (b) the construction or relocation outside the Gambling Area and within the Casino Venue of bank facilities available to the public excluding ATMs, EFTPOS and like devices;
 - (c) the addition or alteration of signage relating to the casino business on the exterior of the Casino Venue.

The process by which the Licence Holder may obtain approval for construction or design changes to Levels 3 and 4 of the Casino Venue, (paragraph (a) above) is set out in condition 7. The Commission will determine any application for approval under 6(b) and (c).

7. The Licence Holder must notify the Executive Director of any proposed changes to the construction or design of Levels 3 and 4 of the Casino Venue, including the Gambling Area but excluding the foyer, restaurant and bar areas outside the Gambling Area. Notification must be accompanied by relevant drawings and an assessment of any impacts the alterations may have on:
 - (a) the integrity and fairness of games;
 - (b) the effectiveness of security and surveillance;



- (c) harm prevention, harm minimisation and responsible gambling;
- (d) potential access to the Gambling Area by persons under 20 years of age; and
- (e) compliance by any person with the Act, including section 11 of the Act.

The Executive Director may approve the proposed changes to the construction or design if he or she is satisfied that there are no adverse impacts in relation to the matters specified in (a)-(e) above. If the Executive Director is not satisfied, he or she will refer the proposal to the Commission for determination.

8. The Licence Holder shall ensure that:

- (a) gambling activity is not visible from the street or other public areas outside the Casino Venue; and
- (b) there is provision for generation of emergency power to maintain in situations of an interruption to mains power:
 - (i) minimum services to the Gambling Area; and
 - (ii) lighting in highly sensitive areas such as count rooms, surveillance suite, cashiering locations and gambling equipment storerooms.

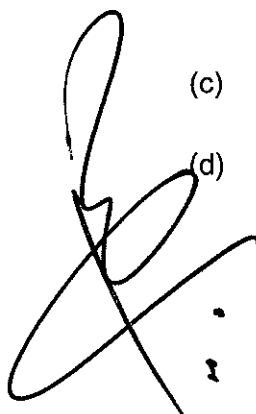
Gambling Area

9. The Gambling Area within the Casino Venue comprises the areas specified in plans approved by the Authority dated 30 May 2002.

General specifications for the count room facility

10. The Licence Holder shall ensure that the count room is located in a secure area and shall, as a minimum requirement, provide the following:

- (a) effective electronic surveillance in accordance with the Surveillance Standard;
- (b) an alarm device connected to the entrance of the count room which signals to the security/surveillance department whenever the door is opened;
- (c) a telephone link;
- (d) a count table constructed of transparent material with clear visibility through to the floor;



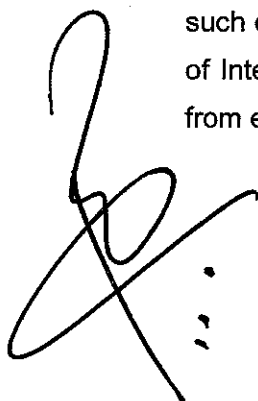
- (e) an area within, or with access from, the count room to house an enclosed cabinet or trolley(s) with a separately keyed double locking system for the storage of drop boxes; and
- (f) a coin storage area with a double lock system with access from the count room while still inside the secure area.

General specifications for cage/chip bank facilities

11. The Licence Holder shall ensure that the cashier's cage is located immediately adjacent to the gaming floor and is clearly visible to patrons. Unless otherwise approved by the Commission, the cage area shall, as a minimum requirement include the following:
- (a) accommodation for chip bank cashiers and general cashiers (which shall be physically separate unless the Commission approves otherwise);
 - (b) storage facilities for cage inventory;
 - (c) a separate locked compartment for storage of chips and plaques held in reserve and not used for active gaming;
 - (d) manually triggered and automatic silent alarms connected directly to monitor rooms of the surveillance department; and
 - (e) an interconnect door entry and exit system (man trap) which will not permit a person to pass through the second door until the first door is securely locked.
12. The approval of the Commission is required for the construction of any additional cashiering facilities in other parts of the Gambling Area to service dedicated areas or rooms. Any such additional facilities must comply with the surveillance equipment requirements set out in the Surveillance Standard and be fitted with manually triggered alarm systems connected to the surveillance department.

General specifications for Inspectors/Police facilities

13. The Licence Holder shall provide facilities within the Casino Venue for the use of Gambling Inspectors and the Police as directed by the Commission. Before issuing any such direction, the Commission shall consult with the Licence Holder and the Department of Internal Affairs and/or the New Zealand Police (as applicable) and invite submissions from each party in relation to any proposal.



Independent Charitable Trust

14. The Licence Holder shall support the Christchurch Casinos Charitable Trust established by Deed of Trust dated 31 October 1994 to undertake the objectives and purposes set out in the said Trust Deed.
15. The Licence Holder is required to ask the Trust on an annual basis to provide a list of persons granted funding for the previous year and in what amount, and a list of unsuccessful applicants for funding. The Licence Holder is required to publish annually the amount paid to the Trust, and the information provided to it by the Trust relating to the allocation of funds, as specified in this condition.

Notification requirements

16. The Licence Holder shall notify the Commission and the Secretary in writing as soon as possible of any change in the state of affairs of the Licence Holder which has a significant bearing on the holding of the Casino Venue licence, including any person ceasing to be an associated person of the Licence Holder.
17. The Licence Holder, immediately on becoming aware of such an occurrence, shall notify the Commission and Secretary in writing if the Licence Holder or an associated person of the Licence Holder is involved in any:
 - (a) conviction for an offence involving dishonesty;
 - (b) censure or disciplinary action by a professional body for ethical misconduct;
 - (c) censure in any way in relation to a casino in another jurisdiction;
 - (d) current investigation (other than routine or periodical inspections) by any governmental or statutory body; and
 - (e) bankruptcy, receivership or liquidation.

Audit

18. The Commission may at any time request access to the Licence Holder's internal audit information or institute an audit of the Licence Holder's Casino business.
19. The Licence Holder shall submit for the approval of the Commission the name of the person or body of persons appointed from time to time by the Licence Holder as Auditor to audit the Casino business. The approval of the Commission shall be revocable in the discretion of the Commission and shall be subject to such conditions as the Commission from time to time imposes.

Bank accounts

20. The Licence Holder shall not open any bank account to facilitate, or in connection with, the operation of the Casino without the approval of the Commission.

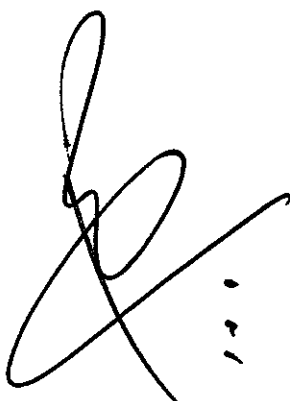
Provision of information

21. The Licence Holder shall, within such period as the Commission may require, provide to the Commission, or to any person authorised by the Commission to receive the same, such reports or other information as may be specified by the Commission relating to:
- (a) the operations of the Licence Holder or any entity controlled by the Licence Holder;
 - (b) the operation of the Casino; or
 - (c) any associated person of the Licence Holder, being information in the possession of the Licence Holder, as may be specified by the Commission in writing from time to time, within such period as the Commission may require.
22. The Licence Holder shall allow the Commission or staff of the Commission Secretariat, or any other person authorised by the Commission, to enter and remain in any part of the Casino Venue at any time for the purpose of his or her official duties under the Act.

Address for service

23. The Licence Holder shall file with the Commission an address in New Zealand for the service of notices upon it.
24. The Licence Holder may, by notice given to the Commission, change its address for the service of notices.

18 February 2009

A handwritten signature in black ink, consisting of a large, stylized initial 'C' followed by a series of loops and a long horizontal stroke extending to the right.

**SCHEDULE – CONDITIONS ATTACHED TO CASINO OPERATOR'S LICENCE: OPERATION
OF CASINO AT 30-38 VICTORIA STREET, CHRISTCHURCH**

Preamble

1. The following conditions apply to the operation of the Casino Venue by the Licence Holder.
2. The Licence Holder must comply with these conditions. Failure to do so could result in the suspension or cancellation of this Licence.

Interpretation

3. Words and expressions in these conditions shall have the same meaning as defined in the Gambling Act 2003.
4. In these conditions:

Act means the Gambling Act 2003.

Authority means the Casino Control Authority.

Casino Venue means the property situated at 30-38 Victoria Street, Christchurch, as more fully described in the venue licence reissued to Christchurch Casinos Limited on 22 September 2000.

Commission means the Gambling Commission.

Controlled by means possession, directly or indirectly, or power to direct or cause the direction of management of policies, whether through ownership, or voting securities, by contract or otherwise.

Gambling Area means that part of the Casino Venue specified in condition 9 of the venue licence held by Christchurch Casinos Limited.

Host Responsibility Programme means the Christchurch Casinos Limited Programme for Responsible Gaming approved by the Authority in February 2002, as may be substituted or amended in accordance with licence conditions.

Inspectorate means the Casino Compliance Unit of the Department of Internal Affairs.

Licence Holder means Christchurch Casinos Limited.

Secretary means the Secretary for Internal Affairs.

Surveillance Standard means the Surveillance Policy describing the required standard, type, operation and installation of surveillance facilities, approved by the Authority with effect from 5 December 2003, as may be substituted or amended by the Commission from time to time.

5. The number of gaming machines in the Casino shall not exceed 500. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.
6. The number of gaming tables in the Gambling Area shall not exceed 36.
7. The ratio of gaming machines to gaming tables in the Gambling Area shall not exceed 15 to 1, except with the approval of the Commission.
8. At least two table games shall be open for play when the Casino is operating.
9. The Licence Holder may operate on casino gaming tables the game types and game mixes specified in Annex A attached to this Licence. The Licence Holder shall obtain the prior approval of the Commission for any change to the game types and/or game mixes specified.
10. The approval of the Commission is required prior to the introduction into the Gambling Area of any electronic version of the game types specified in condition 9 above or electronic aids or enhancements or changes to table game rules which create new wagering opportunities.
11. The Licence Holder shall operate in accordance with approved floor layouts showing the position of gaming tables and gaming machines.
12. The Licence Holder shall obtain the approval of the Commission for new floor plans prior to relocating or installing tables or machines in positions not specified in approved floor layouts. When applying the Licence Holder must submit fresh plans showing the floor layout for the Gambling Area and details of the proposed CCTV layout for the consideration of the Commission. Any change must comply with the Surveillance Standard.

EFTPOS and like devices

13. A maximum of 2 automatic teller machines is permitted in the Casino Venue outside the Gambling Area.
14. The Licence Holder is prohibited from dispensing cash from EFTPOS and like devices in the Gambling Area unless approved by the Authority or the Commission. The approval of

the Authority or the Commission shall be revocable at the discretion of the Commission and may be subject to such conditions as the Commission may from time to time impose.

15. The Licence Holder is prohibited from using mobile EFTPOS terminals (cash or non-cash dispensing) or like devices in the Gambling Area.
16. The Licence Holder is prohibited from dispensing more than \$50 cash per transaction from EFTPOS terminals or like devices outside the Gambling Area and within the Casino Venue and must ensure that any cash withdrawals are contemporaneous with a purchase.
17. Subject to the restrictions specified in conditions 14, 15 and 16 above, EFTPOS terminals or like devices may be installed and removed by the Licence Holder within the Casino Venue.
18. The Licence Holder is required to notify the Commission if it moves ATMs in the Casino Venue or if it installs or moves non-cash dispensing EFTPOS terminals or like devices in the Gambling Area.

Security and Surveillance

19. The Surveillance Standard may be substituted or amended by the Commission at the request of the Secretary, on an application by the Licence Holder, or at its own initiative. The Commission will seek submissions from the Licence Holder, the Secretary and any other affected person before deciding on a proposed substitution or amendment.
20. The Licence Holder shall provide security and surveillance equipment and facilities in the Gambling Area and surveillance areas which shall at all times meet and may exceed the Surveillance Standard in whatever form is currently approved by the Commission. The Commission may at any time institute an audit or require the Licence Holder to report on the standard and/or quality of surveillance equipment to ensure it meets or exceeds the Surveillance Standard.
21. The Licence Holder shall obtain the approval of the Commission prior to the introduction into the Casino of new surveillance technology of a type not currently in operation in the casino. Camera upgrades that comply with the requirements of the Surveillance Standard do not require prior approval. When applying for approval, the Licence Holder shall supply sufficient information to enable the Commission properly to assess the application under the Surveillance Standard. Information will include details relating to equipment type and operation, and the proposed location of equipment. The Licence Holder shall allow the Commission or staff of the Commission Secretariat, or any other person authorised by the Commission, to test any technology or equipment.

General specifications for cage/chip bank facilities

22. The Licence Holder shall ensure that the cashier's cage is located immediately adjacent to the gaming floor and is clearly visible to patrons. Unless otherwise approved by the Commission, the cage area shall at a minimum include:
- (a) accommodation for chip bank cashiers and general cashiers (which shall be physically separate unless the Commission approves otherwise);
 - (b) storage facilities for cage inventory;
 - (c) a separate locked compartment for storage of chips and plaques held in reserve and not used for active gaming;
 - (d) manually triggered and automatic silent alarms connected directly to monitor rooms of the surveillance department; and
 - (e) an interconnect door entry and exit system (man trap) which will not permit a person to pass through the second door until the first door is securely locked.
23. The approval of the Commission is required for the construction of any additional cashiering facilities in other parts of the Gambling Area to service dedicated areas or rooms. Any such additional facilities must comply with the surveillance equipment requirements set out in the Surveillance Standard and be fitted with manually triggered alarm systems connected to the surveillance department.

Host Responsibility Programme

24. The Licence Holder shall ensure that the Casino is operated, whether by itself or pursuant to a casino agreement by another licensee, in compliance with the Host Responsibility Programme, as may be amended in accordance with the procedures set out below.
25. The Licence Holder shall ensure that the Host Responsibility Programme is publicly available on its website.
26. The Programme shall be consistent with and impose no lesser requirement than specified in the Act or Regulations. The Programme shall address and not be limited to:
- (a) the provision of information for customers relating to game rules, permissible bets and payment of winning bets pursuant to section 175 of the Act;
 - (b) the provision of signage, brochures and publications, and the effective display and distribution of the same, to inform gamblers of the odds of winning on gaming

machines, how to gamble safely, the characteristics of problem gambling and the availability of counselling and other support services;

- (c) the provision of loss and expenditure data to individual loyalty programme members;
- (d) identification of problem gamblers and steps to be taken following identification. This shall include, as a minimum, the following:
 - (i) an acceptable definition of problem gambling;
 - (ii) indicators of problem gambling in the gambling venue;
 - (iii) the steps to be taken by the Licence Holder in identifying problem gamblers;
 - (iv) the steps to be taken by the Licence Holder following identification of problem gamblers;
- (e) the provision of staff training;
- (f) the provision of exclusion, self-exclusion and limitation programmes;
- (g) assistance to casino employees with managing the potential for personal problem gambling;
- (h) recognition of cultural differences amongst gamblers using the Casino, and the need to tailor delivery of host responsibility obligations to maximise effectiveness for customers;
- (i) guidelines for responsible marketing and advertising of the Casino, including exterior signage, and restrictions on jackpot advertising and branding pursuant to Regulations 9 and 10 of the Gambling (Harm Prevention and Minimisation) Regulations 2004;
- (j) responsible practices in the conduct of promotions and inducements to gamble at the Casino;
- (k) design of the Gambling Area to minimise problem gambling behaviour and to maximise the likelihood that episodes of problem gambling will be noticed and addressed by staff;

- (l) promotion of the responsible consumption of alcohol, including provision of staff training in responsible service of alcohol;
 - (m) standards of dress and behaviour at the casino;
 - (n) liaison with patrons with gambling problems, and family members of patrons with gambling problems;
 - (o) liaison with problem gambling treatment providers, community service organisations and community representatives;
 - (p) the provision of a safe gambling environment at the casino; and
 - (q) such other matters as the Commission may require.
27. The Licence Holder may amend the Programme to include appropriate improvements in the delivery of the existing programme and new host responsibility and responsible gambling initiatives.
28. The Licence Holder shall obtain the prior approval of the Commission for any amendment to the Programme that proposes to reduce or remove any host responsibility and responsible gambling initiative in the Programme.
29. The Licence Holder will report to the Commission annually, commencing on 1 July 2009, on the implementation of the Programme and any amendments made to it pursuant to condition 27. The Commission will review the Programme at least every two years, the next revision of the Programme to be submitted to the Commission by 1 July 2009 or such later date as the Commission may approve. It will consult with interested parties, as appropriate, and amend the Programme as it determines, after giving the Licence Holder the opportunity to comment. For the avoidance of doubt, the Commission may amend the Programme at any time, having consulted with the Licence Holder and interested parties, as appropriate.
30. The Licence Holder will co-operate with the Commission in respect of any inquiry or investigation by the Commission to ensure that the operating procedures and practice of the Casino comply with the Programme.
31. The Licence Holder shall comply with the Advertising Standards Authority Code for Advertising Gaming and Gambling dated 1 June 2001, or any update or replacement thereof, and any relevant regulations in respect of the advertising of gaming activities.

Intoxicated Persons

32. The Licence Holder shall not permit an intoxicated person to gamble in the casino.

Notification requirements

33. The Licence Holder shall notify the Commission and the Secretary in writing as soon as possible of any change in the state of affairs of the Licence Holder which has a significant bearing on the holding of the Casino Operator's licence, including any person ceasing to be an associated person of the Licence Holder.
34. The Licence Holder, immediately on becoming aware of such an occurrence, shall notify the Commission and Secretary in writing if the Licence Holder or an associated person of the Licence Holder is involved in any:
- (a) conviction for an offence involving dishonesty;
 - (b) censure or disciplinary action by a professional body for ethical misconduct;
 - (c) censure in any way in relation to a casino in another jurisdiction;
 - (d) current investigation (other than routine or periodical inspections) by any governmental or statutory body; and
 - (e) bankruptcy, receivership or liquidation.

Audit

35. The Commission may at any time request access to the Licence Holder's internal audit information or institute an audit of the Licence Holder's Casino business.
36. The Licence Holder shall submit for the approval of the Commission the name of the person or body of persons appointed from time to time by the Licence Holder as Auditor to audit the Casino business. The approval of the Commission shall be revocable at the discretion of the Commission and shall be subject to such conditions as the Commission from time to time imposes.

Bank accounts

37. The Licence Holder shall not open any bank account to facilitate, or in connection with, the operation of the Casino without the approval of the Commission.

Provision of information

38. The Licence Holder shall, within such period as the Commission may require, provide to the Commission, or to any person authorised by the Commission to receive the same, such reports or other information as may be specified by the Commission relating to:
- (a) the operations of the Licence Holder or any entity controlled by the Licence Holder;
 - (b) the operation of the Casino; or
 - (c) any associated person of the Licence Holder, being information in the possession of the Licence Holder, as may be specified by the Commission in writing from time to time, within such period as the Commission may require.
39. The Licence Holder shall, if required by the Commission, submit for the approval of the Commission samples of gaming guides authorised for distribution to patrons, patron video tapes, films depicting casino play, and a submission stating the odds and house advantage on bets permitted in each authorised game.

Training

40. The Licence Holder shall, if required by the Commission, provide, for persons having, or who will have, functions in relation to any of the following capacities in the casino, training courses in the performance of the following functions:
- (a) counting money or chips derived from or used in gambling;
 - (b) moving money or chips derived from or used in gambling;
 - (c) buying or redeeming chips;
 - (d) operating, maintaining, constructing or repairing gambling equipment;
 - (e) the provision of security or surveillance services;
 - (f) supervising or managing any of the activities described in paragraphs (a) to (e).
41. The content, format and duration of such courses shall be from time to time approved by the Commission.

Entry

42. The Licence Holder shall allow the Commission or staff of the Commission Secretariat, or any other person authorised by the Commission, to enter and remain in any part of the Casino Venue at any time for the purpose of his or her official duties under the Act.

Address for service

43. The Licence Holder shall file with the Commission an address in New Zealand for the service of notices upon it.
44. The Licence Holder may, by notice given to the Commission, change its address for the service of notices.

18 February 2009

A handwritten signature in black ink, consisting of a large, stylized 'S' or 'L' shape with a long horizontal stroke extending to the right and a vertical stroke extending downwards. There are three small dots below the signature.

ANNEX A

Pursuant to condition 9 the following game mixes may be operated by the Licence Holder on casino gaming tables subject to the following conditions and requirements:

- A. Roulette – 9 games
Black Jack (7-box) – 14 games
Caribbean Stud Poker – 3 games
Midi Baccarat – 3 games
Mini Baccarat – 1 game
Money Wheel – 1 game
Poker – 2 games
Tai Sai – 1 game

- B. Roulette – 8 games
Black Jack (7-box) – 8 games
Caribbean Stud Poker – 3 games
Midi Baccarat – 4 games
Mini Baccarat – 1 game
Money Wheel – 1 game
Poker – 7 games
Tai Sai – 1 game
Electronic Roulette – 1 game

- C. Roulette – 8 games
Black Jack (7-box) – 11 games
Caribbean Stud Poker – 3 games
Midi Baccarat – 4 games
Mini Baccarat – 1 games
Money Wheel – 1 game
Poker – 4 games
Tai Sai – 1 game
Electronic Roulette – 1 game

- D. Roulette – 9 games
Black Jack (7-box) – 11 games
Caribbean Stud Poker – 3 games
Midi Baccarat – 4 games
Mini Baccarat – 1 game
Money Wheel – 1 game
Poker – 3 games
Tai Sai – 1 game
Electronic Roulette – 1 game

- E. Roulette – 8 games
Black Jack (7-box) – 12 games
Caribbean Stud Poker – 3 games
Midi Baccarat – 4 games
Mini Baccarat – 1 game
Money Wheel – 1 game
Poker – 3 games
Tai Sai – 1 game
Electronic Roulette – 1 game



- F. Roulette – 8 games
 Black Jack (7-box) – 9 games
 Caribbean Stud Poker – 2 games
 Midi Baccarat – 4 games
 Mini Baccarat – 1 game
 Money Wheel – 1 game
 Poker – 7 games
 Tai Sai – 1 game
 Electronic Roulette – 1 game
- G. Roulette – 8 games
 Black Jack (7-box) – 10 games
 Black Jack (5-box) – 2 games
 Caribbean Stud Poker – 2 games
 Midi Baccarat – 5 games
 Mini Baccarat – 1 game
 Money Wheel – 1 game
 Poker – 3 games
 Tai Sai – 1 game
 Electronic Roulette – 1 game
- H. Roulette – 8 games
 Black Jack (7-box) – 11 games
 Caribbean Stud Poker – 2 games
 Midi Baccarat – 5 games
 Mini Baccarat – 1 game
 Money Wheel – 1 game
 Poker – 4 games
 Tai Sai – 1 game
 Electronic Roulette – 1 game
- I. Roulette – 8 games
 Black Jack (7-box) – 9 games
 Black Jack (5-box) – 2 games
 Caribbean Stud Poker – 2 games
 Midi Baccarat – 5 games
 Mini Baccarat – 1 game
 Money Wheel – 1 game
 Poker – 4 games
 Tai Sai – 1 game
 Electronic Roulette – 1 game
- J. Roulette – 8 games
 Black Jack (7-box) – 9 games
 Caribbean Stud Poker – 2 games
 Midi Baccarat – 5 games
 Money Wheel – 1 game
 Poker – 7 games
 Tai Sai – 1 game
 Electronic Roulette – 1 game



- K. Roulette – 8 games
Black Jack (7-box) – 9 games
Caribbean Stud Poker – 2 games
Midi Baccarat – 5 games
Mini Baccarat – 1 game
Money Wheel – 1 game
Poker – 7 games
Electronic Roulette – 1 game
- L. Roulette – 8 games
Black Jack (7-box) – 9 games
Caribbean Stud Poker – 2 games
Midi Baccarat – 4 games
Mini Baccarat – 1 game
Money Wheel – 1 game
Poker – 8 games
Electronic Roulette – 1 game

Notes

1. The Licence Holder is permitted to change between the above table game mixes, subject to providing the Inspectorate with weekly advice of the table game mix to be used for the forthcoming week, and five working days notice of any change from one approved game mix to another, except when alternating between table game mix C and table game mix E, in which case the Licence Holder must telephone the local Inspectorate prior to flipping.
2. The Licence Holder is permitted to operate automatic shufflers on no more than 50% of the Black Jack games specified in game mixes A, B, C, D, E, F, G, H, I, J, K and L.

Consolidated to 18 February 2009

