

IN THE MATTER of the Gambling Act 2003


AND on an application by **SKYCITY CASINO MANAGEMENT LIMITED** to vary condition 9 of its operator's licence for the Auckland casino

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
P J Stanley
L M Hansen

Date of Application: 11 February 2011

Date of Decision: 18 March, 15 April and 13 May 2011

Date of Notification
of Decision:  June 2011

DECISION ON AN APPLICATION BY SKYCITY CASINO MANAGEMENT LIMITED FOR APPROVAL TO VARY CONDITION 9 OF ITS OPERATOR'S LICENCE FOR THE AUCKLANDCASINO

Introduction

1. SKYCITY Casino Management Limited ("**SCML**") applied to amend condition 9 of its operator's licence for the Auckland casino, pursuant to section 139(1)(d) of the Gambling Act 2003 (the "**Act**"). Condition 9, with the proposed amendments shown in mark-up, is as follows:
 9. The Licence Holder may operate on casino gaming tables the game types and game mix(es) specified by the Commission in Annex A attached to this Licence. The Licence Holder may operate on casino gaming tables the game types and game mix(es) specified by the Commission in either Annex B or Annex C attached to this Licence subject to providing the Commission and the Inspectorate with a minimum of 10 working days notice in writing of its intention to do so. The Licence Holder shall obtain the prior approval of the Commission for any change to the game types and/or game mixes specified.
2. If approved the application would allow SCML to deploy area-specific game mixes at the Auckland casino, rather than deploying a single approved game mix across the whole casino as it does at present.
3. The Commission first considered SCML's application at its March 2011 meeting. The Commission adjourned the application and sought additional information from SCML on the need for operational flexibility which motivated the proposal.



4. The Commission reconsidered the application at its April 2011 meeting but again adjourned it and requested additional information concerning the effect on the theoretical casino gambling opportunities if dealing Style A were deployed on all Midi Baccarat tables.

Act

5. The relevant sections of the Act are as follows:

139. Conditions of casino licence

- (1) The Gambling Commission may specify the conditions of the casino licence or vary or revoke the conditions of a casino licence in the following circumstances:
- (a) on granting a casino operator's licence;
 - (b) on renewing a casino venue licence;
 - (c) on approving a casino venue agreement or an amendment to it;
 - (d) on application by the holder of the casino licence;
 - (e) on its own initiative or on the request of the Secretary.
- (2) A condition of a casino licence specified under subsection (1) –
- (a) must be consistent with this Act; and
 - (b) must contribute to achieving the purposes of this Act; and
 - (c) must contribute to the efficient and effective administration of this Act; and
 - (d) must not permit an increase in the opportunities for casino gambling; and
 - (e) may relate to any matter, including the matters specified in Schedule 1, within the confines of paragraphs (a) to (d).

140 Procedure for specifying, varying, or revoking casino licence conditions

- (1) The Gambling Commission must notify the holder of the relevant casino licence, the Secretary, and any other person who it considers is affected by a proposal to specify, vary, or revoke the conditions of a casino licence.
- (2) Notification under subsection (1) must include—
- (a) the reason for the proposal; and
 - (b) the procedure to be followed before the Gambling Commission makes a decision relating to the proposal.
- (3) The holder of the casino licence, the Secretary, and any other person affected may make written submissions to the Gambling Commission concerning the proposal within 20 working days after the date of the notice under subsection (1) or within any longer period that the Gambling Commission allows.
- (4) The Gambling Commission must consider any submissions made under subsection (3) and may, if it considers it appropriate, seek comment from the casino licence holder on the submissions received from the Secretary or other persons affected.
- (5) The Gambling Commission must notify the holder of the casino licence, the Secretary, and other persons affected of—
- (a) its decision concerning the proposal and the reasons for the decision; and
 - (b) the right to appeal the decision and the process for an appeal.

Initial submissions by SCML

6. SCML submitted, in summary, as follows:

- (a) Over time it has applied for numerous changes to its Annex A to incorporate new game mixes as it has sought to maximise its operational flexibility. As such, Annex A now features 30 approved game mixes.
- (b) On 1 July 2011, it will open a new gambling area on the south side of Level 5, comprising three international gaming salons with up to eight casino table games. The mix of games it wants to operate in those salons (in conjunction with games operating in other parts of the casino) can not be accommodated under the existing Annex A.
- (c) In September 2011, it will open further gambling areas on the north side of Level 5, comprising an international gaming salon with up to four casino table games, and a VIP area comprising up to 18 casino table games. The mix of games it wants to operate in these salons also cannot be accommodated under the existing Annex A.
- (d) It wants to introduce location specific game mixes with new Annexes setting out the game mixes for the specific areas. The overall number of games across the casino would remain at 110, and the new Annexes would continue to feature a generic game mix representing the regulatory benchmark.
- (e) Subject to approval, the proposed new Annex B would be triggered by a notification requirement to the Commission and would feature two locations as set out in the Annex. Once it was reliant on Annex B, Annex A would become redundant.
- (f) Once it was ready to open the gambling areas on the north side of Level 5, it would notify the Commission to trigger Annex C. Once it is reliant on Annex C, Annex B would become redundant.
- (g) It has calculated the impact of each of the game mixes on player spaces and overall gambling opportunities. For those games where the maximum number of player positions is not fixed by game rules, it has applied the same theoretical maximum that it has applied in previous applications.
- (h) In terms of assessing overall opportunities, it has used calculations derived from the trial data considered by the Commission in decision GC17/10. The trial play rate has been multiplied by the number of games to determine a notional number



of rounds, which in turn has been multiplied by player spaces to determine the overall gambling opportunities.

- (i) Annex B will not increase opportunities for casino gambling as the notional player spaces and overall calculation of gambling opportunities are lower than those offered by the regulatory benchmark. To demonstrate this it has combined the game mix from Level 5 (south side) that offers the most opportunities, with the game mix that offers the most opportunities from the rest of the casino, as shown below.

Level 5 south side (8 tables)

Game mix	Player spaces	Opportunity
A	216	6,372
B	210	5,493
C	204	5,451
D	210	5,871
E	204	6,207
F	192	5,286
G	198	5,328
H	204	5,829
I	198	4,950

- (j) Game mix A from the Level 5 (south side) presents the most opportunities for that part of the casino.

Rest of casino (102 tables)

Game mix	Player spaces	Opportunity
A	2,043	55,550
B	2,043	55,928
C	2,043	56,159
D	2,043	56,306
E	2,043	56,537

- (k) Game mix E presents the most opportunities from the rest of the casino.
- (l) Combining game mix A and game mix E produces fewer notional spaces and fewer calculated opportunities than the regulatory benchmark, as follows:

Game mix	Player spaces	Opportunity
A & E	2,259	62,909
Benchmark	2,262	68,363

- (m) Annex C will not increase opportunities for casino gambling as the combination of game mixes with the most calculated opportunities from the four different gambling areas has fewer calculated opportunities than the regulatory benchmark, as shown below:

Level 5 south side (8 tables)

Game mix	Player spaces	Opportunity
A	216	6,372
B	210	5,493
C	207	5,451
D	210	5,871
E	204	6,207
F	192	5,286
G	198	5,328
H	204	5,829
I	198	4,950

- (n) Game mix A from the Level 5 (south side) presents the most opportunities from that part of the casino.

Level 5 north side (4 tables)

Game mix	Player spaces	Opportunity
A	108	3,186
B	102	2,307
C	102	2,685
D	96	3,021
E	96	2,265
F	96	2,643

- (o) Game mix A from the Level 5 (north side) presents the most opportunities from that part of the casino.

Level 5 Pacific VIP Room (18 tables)

Game mix	Player spaces	Opportunity
A	418	11,118
B	418	10,362

- (p) Game mix A from the Pacific VIP Room presents the most opportunities from that part of the casino.

Remainder of casino

Game mix	Player spaces	Opportunity
A	1,553	41,741
B	1,553	42,119
C	1,553	42,350

- (q) Game mix C presents the most opportunities from the remainder of the casino.
- (r) Combining these game mixes shows that Annex C has more notional player spaces, but fewer calculated gambling opportunities, than the regulatory benchmark, as follows:

Game mix	Player spaces	Opportunity
A, A, A & C	2,295	63,026
Benchmark	2,262	68,363

- (s) If the Commission is not satisfied that Annex C will not increase casino gambling opportunities because it offers more player spaces than the benchmark, it is prepared to add a further note to the Annex requiring the Licence Holder to ensure that at least six Black Jack tables have no more than five boxes for players. The rules applicable to Black Jack allow it to operate with a reduced number of boxes and, if necessary, the tables can be fitted with layouts featuring a reduced number of boxes.
- (t) A standard Black Jack game has seven wagering boxes and reducing that number to five creates an overall reduction of six player spaces on each game. In total this would reduce the overall number of player spaces by 36 positions, three less than the regulatory benchmark. However it does not believe it is necessary to do so because the overall reduction in calculated gambling opportunities far outweighs the increase in notional player spaces.
- (u) The revised annexes allow it to change between the game mixes specified subject to providing the Inspectorate with prior notification. Currently it is required to provide both the Commission and Inspectorate with a minimum of five working days notice of its intention to change between game mixes. The requirement to provide five days prior notification is problematic, particularly in situations where an international VIP group demands a different mix of the games shortly prior to scheduled play.

- (v) It is unsure why a requirement for five days prior notice was introduced, but it understands the DIA Inspectorate would be comfortable if the minimum notice period was removed.
- (w) It would still be required to provide the Inspectorate with prior notice before changing a game mix but the removal of the minimum notice period would provide it with much needed flexibility.
- (x) It has no difficulty also notifying the Commission if that is considered necessary.
- (y) A condition of the casino licence specified or varied under section 139(1) must comply with the requirements set out in section 139(2). The proposed amendment is consistent with those requirements.

The Secretary's initial submissions

7. The Secretary initially submitted, in summary, as follows:

- (a) SCML is currently required to give five working days notice of the intention to change between game mixes. He has no regulatory concerns with the proposal to remove this requirement, provided he still receives prior notice of a change in game mix.
- (b) He does not have any issues with SCML transitioning to the area specific game mixes as proposed, provided that notification to the Inspectorate is accurate.
- (c) SCML's calculation of player spaces and gambling opportunities associated with Annex B appear accurate. While such calculations are not determinative, he does not have any regulatory concerns regarding the introduction of the game mix used in Annex B.
- (d) SCML's calculations for notional player spaces and overall gambling opportunities in respect of Annex C appear to be accurate. The number of player spaces is greater than for the regulatory benchmark, but there are fewer calculated gambling opportunities. This increase in player spaces should not, in itself, result in a negative finding. He notes that the Commission has previously approved a game mix for the Dunedin casino that included a greater number of player spaces than the regulatory benchmark (although the increase was very small – only two player spaces). In this instance, the reduction in calculated opportunities is significant compared to the increase in player spaces.



- (e) However, if the Commission is concerned and requires a reduction in the number of player spaces, he supports SCML's proposal for five-box Black Jack on six of the casino tables.

Additional submissions by SCML

8. In response to a request from the Gambling Commission for additional information on the flexibility of SCML's proposal, SCML submitted, in summary, as follows:
- (a) The additional flexibility from its proposal does not stem from structuring the game mixes in location specific form; rather it arises from the proposal to remove the minimum period for notifying changes to the game mix.
- (b) The development of its VIP facilities and its efforts to increase its share of international business led it to review its existing game mixes and increase the number of Baccarat tables at the expense of other tables, particularly Poker. The existing Annex A does not accommodate the number of Baccarat tables that it proposes to operate, meaning that the only mix that would continue to have currency going forward would be the regulatory benchmark.
- (c) Level 5 will feature four international gaming salons and their success depends on its capacity to mix and match the games in those areas to suit the demands of the patrons. Its international business manager has identified three games (Baccarat, Black Jack and Roulette) that would be used across all the salons, and nine combinations of those tables that he may wish to introduce into the three salons on the south side. He has also identified a further six combinations of the three games he may wish to use on the north side salon.
- (d) The Pacific Room and the main gaming floor tend to have more static game combinations because of their size and the general range of games they offer. As such, only two combinations of games have been identified for the Pacific Room, and a further three combinations for the main gaming floor.
- (e) If it were to combine the game combinations from each of the four locations into a series of game mixes featuring 110 tables, then it would require approval for 324 game mixes. This would be unwieldy and present it with a number of difficulties in terms of the ongoing management and revision of Annex A. Instead, it has proposed a series of location specific game mixes.
- (f) The proposed approach is less than perfect and, by limiting the number of games that may be played in specific locations, it is constraining some of its existing

flexibility. However, it is the most appropriate and workable way forward in order to accommodate the needs of its international business.

- (g) While the presentation may be different, the methodology used to determine whether a particular mix of games would increase casino gambling opportunities is exactly the same as that which has been used in the past.
- (h) The Commission has rightly identified that the condition requiring SCML to operate in accordance with approved floor layouts may constrain some of the desired flexibility around changes to the game mix. This is particularly problematic in situations where the new games would not occupy the same positions as the old. In such cases, there would be no choice but to seek approval for a new floor configuration, thus frustrating any possibility of immediate deployment.
- (i) Game types may be interchanged within the approved floor plan in accordance with Minimum Operating Standards, although, even with this, the table shapes peculiar to certain games (as reflected on the floor layout) may arguably act as a limitation on such interchanges. The adoption of a “blank box” approach to denote all table games would address any limitation in this respect, but the need to seek approval for floor plan configurations would constrain the flexibility to a very narrow set of circumstances.
- (j) Removing the requirement to have floor layouts approved, thereby allowing SCML to deploy tables and machines anywhere within the designated Gambling Area would be necessary in order to maximise flexibility in the management of the floor. The regulatory significance of seeking prior approval for floor layouts may now have diminished to the point where mere notification of such changes may now suffice.
- (k) Although not directly related to the current application, one option would be for SCML to lodge a further application to vary licence condition 11 so that the matter might be formally considered. However, as the conditions relating to floor plans are the same across the casino sector, it is possible that the Commission might wish to initiate its own proposed variation to the conditions attached to all casino licences.



Final submissions by SCML

9. In response to a request by the Gambling Commission for additional information on the gambling opportunities associated with the deployment of dealing Style A on Midi Baccarat tables, SCML submitted, in summary, as follows:

- (a) It has provided the opportunities information requested with all Midi Baccarat games deploying dealing Style A. It has then combined the mixes of games with the greatest number of player spaces and opportunities from each of the specific locations to form one combined game mix to compare with the regulatory benchmark. Using this methodology, Annex B and Annex C can be compared with the regulatory benchmark, as follows:

		Annex B	Annex C
	Benchmark	A&E using 100% Style A	A,A,A & C using 50% Style A
Player spaces	2,262	2,259	2,295
Opportunities	68,363	72,116	74,744

- (b) Annex B and Annex C generate more calculated opportunities for casino gambling than the regulatory benchmark when all Midi Baccarat tables deploy dealing Style A.
- (c) Applying dealing Style A to Midi Baccarat games in the benchmark and operational game mixes reflects the fact that it was available on 19 September 2003, and continues to be available. However, it is a dealing style that is rarely used on Midi Baccarat as the standard dealing style is the slower style, dealing Style B. In the absence of any restrictions on the dealing style that it may adopt for its Midi Baccarat games, theoretical opportunities have to be assessed in accordance with the fastest possible dealing style.
- (d) However, the presumed application of the fastest available dealing style to each of the Midi Baccarat games would have a huge impact on the calculation of gambling opportunities – every game mix that it is proposing to operate would exceed the regulatory benchmark on that basis. As such, it proposes that at least 50% of all Midi Baccarat games in the casino be played using dealing Style B and that this restriction will feature in the notes attached to the annexes. The restriction would not apply when it deployed the benchmark game mix because there was no restriction on Baccarat dealing style with that game mix. It has revised its Annexes to reflect this.

- (e) When the 50% restriction on the dealing style for Midi Baccarat is applied, the figures suggest that each game mix has considerably fewer opportunities than those associated with the regulatory benchmark.

Final submissions by the Secretary

10. In response to SCML's final submissions, the Secretary submitted, in summary, as follows:
 - (a) The additional information provided by SCML concludes that the utilisation of dealing Style A would result in each game mix generating more theoretical gambling opportunities than the benchmark game mix. He agrees with this assessment.
 - (b) As such, SCML would require approval of a 50/50 split in dealing styles across all game mixes in order for them to be approved. This is what SCML seeks.
 - (c) On the basis of decision GC17/10 and his submissions on that application, he sees no impediment to the Commission approving the application as sought by SCML.

Analysis

11. Each casino in the country has an approved regulatory game mix which broadly reflects the casino gambling opportunities available to that casino on 19 September 2003 when the prohibition on increasing opportunities came into effect. These game mixes have rarely, if ever, been deployed since 19 September 2003 (although they can be); rather they have been used as a benchmark against which new proposed game mixes are compared for the purpose of determining whether the proposal will increase opportunities for casino gambling.
12. The comparison has always involved a new game mix which an operator wants to deploy being compared with the benchmark game mix and the Commission forming a view, in the round, on whether the proposal will increase opportunities. SCML's current application is significant because it proposes a variation to the historical approach of casino-wide game mixes as SCML is not seeking approval for casino operational game mixes in Annexes B and C, rather it is seeking approval for a series of area specific game mixes with the total casino operational game mix being determined only when each area specific mix is deployed. SCML sought approval of this approach because, in its submission, the traditional approach of approving individual casino game mixes is unworkable in an environment in which it requires operational flexibility, particularly to cater for VIP



gamblers who may decide on very short notice that they want to play a certain table game in one of the casino's salons.

13. SCML suggested that, although this approach appears to be a departure from existing practice, the variation is actually less significant than it first appears because a comparison of game mixes will still be undertaken to assess whether a proposal will offer more opportunities than the regulatory benchmark, with the resulting casino game mix being determined by taking the game mix which offers the most opportunities from each of the area specific locations, and combining them. This combined casino game mix is then compared with the regulatory benchmark (which remains a casino-wide mix).
14. SCML's rationale for this approach is that, if the combined maximum game mix does not increase opportunities for casino gambling, no other lesser combination of games can increase opportunities.
15. When it first considered SCML's application, it was not clear to the Commission how the proposal would provide SCML with the flexibility it sought for its VIP gamblers because, even if the proposal was approved, SCML would not necessarily be able immediately to deploy a particular table in a particular location because it may not have approval of the appropriate floor plan to accommodate the deployment. Indeed, it appeared to the Commission that the proposal could actually result in reduced flexibility because it would limit the location of some tables to specific areas of the casino, as opposed to the present arrangement which allows SCML to operate 30 different game mixes with 110 tables anywhere within the casino's Gambling Areas.
16. The Commission therefore adjourned the application and requested responses from SCML on the following three matters:
 - (a) In support of its proposal for a fundamental change to the manner in which the Commission approves game mixes, SCML submitted that it will be opening new VIP facilities later this year and that the mix of games that SCML wants to operate in those facilities cannot be accommodated under the existing Annex A or a simple variation thereto. The submissions do not make clear to the Commission why this is thought to be the case or how changing a series of game mixes, each of which covers all 110 tables in the casino, to a series of area specific games mixes, each of a smaller number of tables, would increase flexibility for the new facilities, or at all.
 - (b) At its March meeting, the Commission formed the initial view that SCML's proposal may not achieve its desired flexibility for two reasons. First, at present SCML can operate 30 different game mixes, each of 110 tables, across the entire casino. These game mixes allow considerable flexibility because they do not constrain where any of the 110 tables are placed within the casino. Any proposal which limits a number of games to specific parts of the casino potentially reduces the current flexibility. Secondly, the current restrictions on deployment of table games are not the approved games mixes but the floor plans. Even if SCML's proposal were to provide additional game mix flexibility, those games could not be deployed until floor plans had been approved to allow the deployment of the tables in the desired location. As you are aware, floor plans cannot, at present, be approved immediately and the proposal to

amend the game mixes does not address this more serious constraint on flexibility of deployment.

- (c) It appears to the Commission that an alternative proposal might provide the desired flexibility, without the complications which arise on SCML's proposal to change the established basis for approving game mixes and assessing opportunity. The alternative approach would be to allow SCML greater freedom of deployment of approved game mixes to allow for the desired flexibility in what is offered at short notice in the new VIP facilities. This might be achieved by a flexible blank-box type approach to floor plans, or allowing SCML to deploy any of the tables in an approved game mix anywhere within the Gambling Area without having to obtain prior Commission approval. The game mixes that SCML could deploy in the casino would be approved by the Commission in the usual manner and included in Annex A, and contemporaneous notification to the DIA Inspectorate of floor plan changes would be required. Such an approach may now be possible as the importance of floor plans has diminished now that gambling opportunities are regulated by game mixes.

17. SCML provided the information requested, and its Manager of Regulatory Affairs, Mr Phil O'Connell, attended the Commission's April meeting to provide further clarification. SCML acknowledged that the flexibility it sought stemmed from its proposal to remove the minimum period for notifying changes to the game mix, rather than from structuring the game mixes in specific locations. Nevertheless it still sought approval for its proposed approach as doing so was, in its submission, the most efficient and workable approach to accommodate its international business. SCML submitted that, if it sought approval of each of the individual game mixes that its proposed approach would allow, its Annex would contain 324 separate game mixes. SCML described this as unwieldy.
18. The Commission accepted this submission and agreed that annexing 324 game mixes to SCML's operator's licence would be impractical. The Commission also accepted the logic of SCML's area specific approach; namely that, if the location-specific game mixes which provide the most opportunities will not increase opportunities for casino gambling when combined, then no combination of those game mixes can offer more opportunities than the regulatory benchmark. Although the Commission would not be approving a specific operational game mix, the approval of undefined game mixes in this manner did not raise any issues of regulatory concern provided that SCML kept the Inspectorate fully informed on what tables are deployed, and where.
19. SCML's proposal was for dealing Style B to be deployed on at least 50% of its Midi Baccarat games, and submitted that doing so would result in its proposal offering fewer opportunities than the regulatory benchmark. Before finalising its decision, the Commission asked SCML to provide information and submissions on the casino gambling opportunities that the proposal would generate if dealing Style A was deployed on all Midi Baccarat tables, rather than on up to 50% of the tables as proposed. Dealing Style A is considerably faster than dealing Style B, and the information that SCML provided in response confirmed that dealing Style A would allow more games of Baccarat to be played per hour than if Style B was deployed.



20. When the Commission commenced work on this application, it was also considering applications for approval of new game mixes from two other operators, Christchurch Casinos Limited and Dunedin Casinos Management Limited. SCML subsequently also sought approval of new Annexes A, B and C for the Auckland casino. These four applications raised common issues in relation to the way that the Commission and operators assessed casino gambling opportunities. The Commission requested additional information from SCML so that it had complete information to assist with its analysis.
21. The Commission's concern related to the potential impact of changing calculation assumptions for Midi Baccarat depending on whether Style A or Style B was adopted. The effect on the resulting calculation is significant and the Commission was concerned that, because of the prominence given by SCML to its calculations in the application, casino operators might be led to believe that the calculated difference might be readily converted to alternative opportunity. The Commission repeats its earlier reservations about the applicability of the sorts of calculations which the application utilised and confirms again that assessment of opportunity is not arithmetical. The Commission will continue to compare a proposal with the benchmark and form a view, in the round, on whether that proposal will increase opportunities for casino gambling. It does so on a common sense assessment basis rather than by calculating "opportunities" according to the sort of calculations presented with the application.
22. The Commission compared proposed Annexes B and C with the regulatory benchmark for the Auckland casino. The Commission considered, in the round, that Annexes B and C on their proposed terms would not increase opportunities for casino gambling.
23. The Commission noted SCML's submission that Annex C provides more player spaces than the regulatory benchmark, and its proposal, if necessary to reduce player spaces by limiting the number of patrons that can play Black Jack on some tables. The Commission did not consider the proposed reduction to be necessary in this instance.
24. The Commission also had no regulatory concerns regarding SCML's proposal to abandon the five day notification requirement – the Secretary was satisfied simply to receive advance notification of game mix changes, and the Commission was guided by this. The Licence Holder need not notify the Commission of changes to game mixes.
25. Finally, the Commission raised the possibility of the Licence Holder having greater flexibility to deploy its gaming tables and suggested either a "blank box" approach or the deployment of table games anywhere within the casino's designated Gambling Area. In response SCML suggested that it could apply to vary condition 11, or that the



Commission may itself wish to initiate such a variation as the proposal would likely have application across all casinos in the country. The Commission is of the view that any variation to condition 11 should be generated by the Licence Holder seeking it. While SCML may be correct that other casinos would also seek floor plan flexibility based upon any approval that it might obtain, the application should be driven by the appropriate Licence Holder and be supported by submissions directed at its operation, rather than generic submissions directed at casinos New Zealand wide.

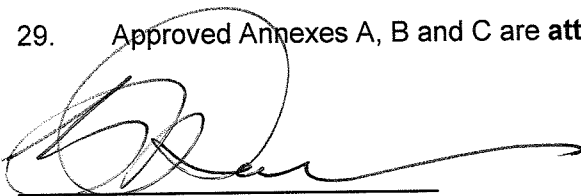
26. The Commission made some minor changes to the proposed wording of condition 9. The Commission also made a number of amendments to Annexes B and C to provide greater clarity.

Decision of the Commission

27. The Commission has considered whether it should provide in this decision and the condition, for the automatic elimination of the Annexes used in the transitional arrangements once the casino redevelopment is completed and it is operating under Annex C. Rather than complicate the condition with additional wording, it intends to revisit the condition after the transition is completed and make the necessary changes at that stage.
28. The Commission amended licence condition 9 of SCML's operator's licence pursuant to section 139(1)(d) of the Act. Condition 9 now provides as follows:

9. The Licence Holder may operate on casino gaming tables the game types and game mix(es) specified by the Commission in Annex A attached to this Licence. The Licence Holder may operate on casino gaming tables the game types and game mix(es) specified by the Commission in either Annex B or Annex C attached to this Licence provided that it gives the Commission and the Inspectorate a minimum of 10 working days notice in writing of its intention to do so. The Licence Holder shall obtain the prior approval of the Commission for any change to the game types and/or game mixes specified.

29. Approved Annexes A, B and C are **attached**.



Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

15th June 2011



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.
 - Black Jack/Pontoon – up to 44 games
 - Roulette – up to 24 games
 - Electronic Roulette – 1 game with up to 14 player spaces and no manual table
 - Caribbean Stud Poker – up to 10 games
 - Midi Baccarat – up to 17 games
 - Mini Baccarat – up to 7 games
 - Pai Gow – up to 4 games
 - Tai Sai (Double Side) – 1 game
 - Tai Sai (Single Side) – 1 game
 - Money Wheel (Double Side) – 1 game

- B.
 - Black Jack/Pontoon ('7 Box') – up to 33 games
 - Roulette – up to 20 games
 - Electronic Roulette – up to 2 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 7 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game

- C.
 - Black Jack/Pontoon ('7 Box') – up to 32 games
 - Roulette – up to 20 games
 - Electronic Roulette – up to 2 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game

- D.
 - Black Jack/Pontoon ('7 Box') – up to 34 games
 - Roulette – up to 20 games
 - Electronic Roulette – up to 2 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 6 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game

- E.
 - Black Jack/Pontoon ('7 Box') – up to 35 games
 - Roulette – up to 20 games
 - Electronic Roulette – up to 2 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 6 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games



- Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- F.
- Black Jack/Pontoon ('7 Box') – up to 36 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 7 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- G.
- Black Jack/Pontoon ('7 Box') – up to 35 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 7 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- H.
- Black Jack/Pontoon ('7 Box') – up to 35 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- I.
- Black Jack/Pontoon ('7 Box') – up to 34 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- J.
- Black Jack/Pontoon ('7 Box') – up to 34 games
 - Roulette – up to 20 games
 - Electronic Roulette – up to 2 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 7 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game

- K.
- Black Jack/Pontoon ('7 Box') – up to 33 games
 - Roulette – up to 20 games
 - Electronic Roulette – up to 2 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- L.
- Black Jack/Pontoon ('7 Box') – up to 34 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 9 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- M.
- Black Jack/Pontoon ('7 Box') – up to 33 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 9 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 18 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- N.
- Black Jack/Pontoon ('7 Box') – up to 41 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- O.
- Black Jack/Pontoon ('7 Box') – up to 42 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 7 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- P.
- Black Jack/Pontoon ('7 Box') – up to 40 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table

- Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 9 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- Q.
- Black Jack/Pontoon ('7 Box') – up to 40 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- R.
- Black Jack/Pontoon ('7 Box') – up to 41 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 7 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- S.
- Black Jack/Pontoon ('7 Box') – up to 39 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 7 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 9 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- T.
- Black Jack/Pontoon ('7 Box') – up to 42 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 2 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- U.
- Black Jack/Pontoon ('7 Box') – up to 41 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 9 games



- Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 2 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- V.
- Black Jack/Pontoon ('7 Box') – up to 42 games
 - Roulette – up to 21 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 2 games
 - Poker – up to 8 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- W.
- Black Jack/Pontoon ('7 Box') – up to 41 games
 - Roulette – up to 21 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 9 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 2 games
 - Poker – up to 8 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- X.
- Black Jack/Pontoon ('7 Box') – up to 43 games
 - Roulette – up to 20 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 2 games
 - Poker – up to 8 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- Y.
- Black Jack/Pontoon ('7 Box') – up to 41 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 19 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 11 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- Z.
- Black Jack/Pontoon ('7 Box') – up to 42 games
 - Roulette – up to 17 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 17 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces

- Tai Sai (Double Side) – 1 game
- ZA.
- Black Jack/Pontoon ('7 Box') – up to 42 games
 - Roulette – up to 16 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- ZB.
- Black Jack/Pontoon ('7 Box') – up to 41 games
 - Roulette – up to 16 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 19 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- ZC.
- Black Jack/Pontoon ('7 Box') – up to 42 games
 - Roulette – up to 15 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 19 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 12 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game
- ZD.
- Black Jack/Pontoon ('7 Box') – up to 41 games
 - Roulette – up to 21 games
 - Electronic Roulette – up to 3 games with up to 21 player spaces and no manual table
 - Caribbean Stud Poker – up to 6 games
 - Midi Baccarat – up to 18 games
 - Mini Baccarat – up to 8 games
 - Money Wheel (Double Side) – 1 game
 - Pai Gow – up to 3 games
 - Poker – up to 8 games with up to 10 player spaces
 - Tai Sai (Double Side) – 1 game

Notes

1. The Licence Holder is permitted to change between the Game Mixes specified in A-ZD subject to providing the Commission and the Inspectorate with a minimum of 5 working days notice in writing of its intention to do so.
2. The Licence Holder is permitted to operate automatic shufflers on:
 - the Poker tables specified in Game Mixes B-ZD;
 - 50% of open Black Jack tables specified in Game Mix A;



- all Black Jack tables specified in Game Mixes B-ZD; and
 - CSP and Baccarat tables specified in each of the Game Mixes, provided that no more than 10 such shufflers are operated on CSP games and no more than 24 such shufflers are operated on Baccarat games.
3. At least 50% of the Midi Baccarat games specified in Game Mixes B-ZD shall be conducted in accordance with dealing Style B as set out in the rules of Baccarat.
 4. The Licence Holder is permitted to conduct two alternative Poker games – Hold-em and Omaha.



ANNEX B

GAME MIX A

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

Black Jack/Pontoon	44 games
Roulette	24 games
Electronic Roulette	1 game
Caribbean Stud Poker	10 games
Midi Baccarat	17 games
Mini Baccarat	7 games
Pai Gow	4 games
Tai Sai (double side)	1 game
Tai Sai (single side)	1 game
Money Wheel (double side)	1 game

Notes for Game Mix A

1. The Licence Holder is permitted to operate automatic shufflers on 50% of open Black Jack tables, and all Caribbean Stud Poker and Baccarat tables.
2. The Electronic Roulette table comprises up to 14 player spaces and no manual table.

ALTERNATIVE GAME MIXES

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

In the three gaming salons to the south of the elevators on level 5, any one of the following eight table game mixes:

	A1	B1	C1	D1	E1	F1	G1	H1	I1
Midi Baccarat	8	7	6	7	6	4	5	6	5
Roulette	0	1	2	0	0	2	1	1	2
Black Jack	0	0	0	1	2	2	2	1	1
Total	8	8	8	8	8	8	8	8	8

together with

in all Gambling Areas other than the three gaming salons to the south of the elevators on level 5, any one of the following 102 table game mixes:

	A2	B2	C2	D2	E2
Money Wheel (double sided)	1	1	1	1	1
Tai Sai (double sided)	1	1	1	1	1
Pai Gow	3	3	3	3	3
CSP	6	6	6	6	6
Midi Baccarat	13	13	13	13	13
Poker	9	9	9	9	9
Electronic Roulette	2	2	2	2	2
Mini Baccarat	8	8	9	8	9
Roulette	20	19	19	18	18
Black Jack	39	40	39	41	40
Total	102	102	102	102	102



Notes for the alternative game mixes:

1. The Licence Holder is permitted to change game mixes subject to providing the Inspectorate with prior notification.
2. The Licence Holder is permitted to operate automatic shufflers on each of the Black Jack, Caribbean Stud Poker, Baccarat and Poker tables specified in the game mixes.
3. At least 50% of the total number of Midi Baccarat games shall be conducted in accordance with dealing style B, as set out in the rules of Baccarat.
4. The Licence Holder is permitted to operate automatic shufflers on its Caribbean Stud Poker and Baccarat tables provided that no more than 10 such shufflers are operated on Caribbean Stud Poker games and no more than 24 such shufflers are operated on Baccarat games.
5. All electronic roulette tables comprise up to 21 player spaces and no manual table.
6. The number of player spaces at poker tables (other than Caribbean Stud Poker) may not exceed 10, even if game rules provide for more spaces.



ANNEX C

GAME MIX A

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

Black Jack/Pontoon	44 games
Roulette	24 games
Electronic Roulette	1 game
Caribbean Stud Poker	10 games
Midi Baccarat	17 games
Mini Baccarat	7 games
Pai Gow	4 games
Tai Sai (double side)	1 game
Tai Sai (single side)	1 game
Money Wheel (double side)	1 game

Notes for Game Mix A

1. The Licence Holder is permitted to operate automatic shufflers on 50% of open Black Jack tables, and all Caribbean Stud Poker and Baccarat tables.
2. The Electronic Roulette table comprises up to 14 player spaces and no manual table.

ALTERNATIVE GAME MIXES

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

In the three gaming salons to the south of the elevators on level 5, any one of the following eight table game mixes:

	A1	B1	C1	D1	E1	F1	G1	H1	I1
Midi Baccarat	8	7	6	7	6	4	5	6	5
Roulette	0	1	2	0	0	2	1	1	2
Black Jack	0	0	0	1	2	2	2	1	1
Total	8	8	8	8	8	8	8	8	8

together with

in the gaming salon to the north of the elevators on level 5, any one of the following four table game mixes:

	A2	B2	C2	D2	E2	F2
Midi Baccarat	4	3	3	2	2	2
Roulette	0	1	0	0	2	1
Black Jack	0	0	1	2	0	1
Total	4	4	4	4	4	4

together with



in the Pacific VIP Room to the north of the elevators on level 5, any one of the following 18 table game mixes:

	A3	B3
Midi Baccarat	9	9
Roulette	3	3
Black Jack	3	3
Pai Gow	1	2
Mini Baccarat	1	0
Caribbean Stud Poker	1	1
Total	18	18

together with

in all Gambling Areas other than the four gaming salons on level 5 and the Pacific VIP Room on level 5, any one of the following 80 table game mixes:

	A4	B4	C4
Money Wheel (double side)	1	1	1
Tai Sai (double side)	1	1	1
Pai Gow	2	2	2
Caribbean Stud Poker	5	5	5
Midi Baccarat	6	6	6
Poker	9	9	9
Electronic Roulette	2	2	2
Mini Baccarat	7	7	8
Roulette	17	16	16
Black Jack	30	31	30
Total	80	80	80

Notes for the alternative game mixes:

1. The Licence Holder is permitted to change game mixes subject to providing the Inspectorate with prior notification.
2. The Licence Holder is permitted to operate automatic shufflers on each of the Black Jack, Caribbean Stud Poker, Baccarat and Poker tables specified in the game mixes.
3. At least 50% of the total number of Midi Baccarat games shall be conducted in accordance with dealing style B, as set out in the rules of Baccarat.
4. The Licence Holder is permitted to operate automatic shufflers on its Caribbean Stud Poker and Baccarat tables provided that no more than 10 such shufflers are operated on Caribbean Stud Poker games and no more than 24 such shufflers are operated on Baccarat games.
5. All electronic roulette tables comprise up to 21 player spaces and no manual table.
6. The number of player spaces at poker tables (other than Caribbean Stud Poker) may not exceed 10, even if game rules provide for more spaces.