

IN THE MATTER of the Gambling Act 2003

AND on an application by **SKYCITY AUCKLAND LIMITED** to vary the licence conditions attached to its casino venue licence

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
L M Hansen
W N Harvey
S C L Pearson

Date of Application: 11 February 2019

Date of Decision: 5 July 2019

Date of Notification
of Decision: 16 August 2019

**DECISION ON AN APPLICATION BY SKYCITY AUCKLAND LIMITED TO VARY
THE LICENCE CONDITIONS ATTACHED TO ITS CASINO VENUE LICENCE**

1. INTRODUCTION

1.1 On 11 February 2019, SKYCITY Auckland Limited ("**SCAL**") applied to amend the licence conditions attached to its casino venue licence relating to the funding of a charitable trust.

1.2 The proposed changes were the addition of a new definition to condition 4 as follows:

- 4 **Casino Win** has the same meaning as Casino Win in section 12M of the Gaming Duties Act 1971.

and the following amendments to condition 15:

15. The Licence Holder shall financially support the Independent Charitable Trust established by the Deed of Trust. The Licence Holder shall pay to the Trust, in respect of each full year of casino operations, commencing 1 July 2018, not less than 2.5% 0.85% of the Casino Win (net of GST and duty) of the net profit after tax from the on-site businesses of the Casino Venue and conjunct facilities including the Sky Tower, hotel facilities and the Convention Centre opposite the Casino Venue, such payment in any one year never to be less than \$500,000. The Licence Holder is required to provide annually to the Commission an audited statement certifying the amount constituting 2.5% 0.85% of the Casino Win (net of GST and duty), net profit after tax from the on-site businesses of the Casino Venue and conjunct facilities, the amount paid by the Licence Holder to the Trust, and confirming that payment by the Licence Holder to the Trust has been made in accordance with condition 15.

- 1.3 The grounds for the proposed changes were summarised in the notice of application dated 11 February 2019 and in a covering letter of the same date. The grounds included the following:
- (a) The desirability of clarifying the present condition 15 having regard to the changes to the casino venue effected by the New Zealand International Convention Centre Act 2013 ("**NZICCA**") and the pending construction of the New Zealand International Convention Centre ("**NZICC**") and hotel.
 - (b) The desirability of focusing the basis for the funding of the charitable trust on gambling activity rather than on non-gambling activity at the casino venue or nearby.
 - (c) The likelihood that, if the basis for funding the charitable trust were not amended, the amounts required to be paid would reduce because of decisions made by the parent group to sell assets which presently contributed to SCAL's profits from the site.
 - (d) The expectation that the proposed new basis for funding would maintain the historical level of funding of the trust.
 - (e) The likelihood that a formula based on Casino Win would capture the expansion of the Auckland casino operation as a result of NZICCA.
- 1.4 The Gambling Commission sought submissions from the Department of Internal Affairs ("**Secretary**"), Auckland Council, Problem Gambling Foundation ("**PGF**") and Salvation Army Oasis ("**SAO**"). Because the application involved changes to the funding of a charitable trust which makes distributions to a variety of bodies within the Auckland and Northland regions, the Commission also publicly notified the application through a number of websites in these regions and made the papers available on its website.
- 1.5 The public notice included an information sheet prepared by the Commission and a comparison table showing the position of each of the 6 casinos in New Zealand with reference to the specific charitable trust condition, the size of the casino, and both the total contribution and the average contribution per annum to the charitable trust since commencing operation. The table showed the position at Christchurch casino prior to amendments made to its charitable trust conditions with effect from 1 April 2019 made in the course of the decision to renew the casino venue licence at Christchurch (decision GC05/19).
- 1.6 The information sheet posed the following questions for the assistance of submitters:
- 1. Should the required contribution be calculated, at least in part, as a proportion of something?
 - 2. Should the required contribution be based on gambling revenue only, all revenue generated within a casino venue, all revenue from businesses associated with the casino business or something else?

3. If not gambling revenue, how broadly should the total revenue extend?
4. If based on gambling revenue, should the required contribution be based on the total sum gambled, the total sum gambled less amounts paid out by the casino as winnings, the net profit of the casino or something else?
5. Should a minimum or maximum contribution be specified?
6. If so, is the current Auckland minimum (\$500,000) appropriate, including having regard to the 2016 casino expansion?
7. Is the methodology for the proposed contribution, including the proposed proportion (0.85%), appropriate?

1.7 Submissions were received from the Secretary, SAO and Azeem Khan, a member of the public. SCAL filed submissions in reply which included its responses to the questions posed in the information sheet. The submissions are summarised in section 3 below.

2. BACKGROUND TO APPLICATION

2.1 A condition requiring funding of a charitable trust was part of the Auckland casino venue licence since its initial issue. The original licence, then known as a casino premises licence, was issued on 24 April 1995 by the Casino Control Authority (“CCA”) under the Casino Control Act 1990. The licence was subject to condition C1 which imposed the requirement to pay to the trust “not less than 2.5% of the net profit after tax from the on-site businesses of the Casino”.

2.2 The Commission’s licensing functions under the Gambling Act 2003 commenced in July 2004. In 2005, the Commission proposed, on its own initiative under section 139 of the Act, a series of amendments to the casino venue and casino operator licences for the Auckland casino. The licence condition review was intended to update the licences to deal with outdated references to the prior legislation and to the Commission’s predecessor, the CCA, and to have regard to changed legislative purposes and obligations under the Gambling Act 2003.

2.3 Changes were proposed by the Commission to condition C1 in the form of replacement conditions 15, 16 and 17. On 23 December 2005, following receipt of written submissions and an oral hearing, the Commission issued an interim decision on its proposal, setting out a revised set of proposed amendments with reasons. The relevant part of the Commission’s reasoning is set out at paragraphs 9.1 to 9.12 of the Interim Decision and the revised proposal for changes to the charitable trust condition can be seen in the attached conditions 15, 16 and 17 (the last of which was proposed to be deleted). The parties were invited to make further submissions on the revised proposals.

2.4 Following receipt of further submissions, the Commission issued a Final Decision on 27 March 2006. The Commission’s final reasoning on the relevant matters is set out in paragraphs 5.1 to 5.6 of the Final Decision and Condition C1 was replaced by conditions 15 and 16 in their present form. The Commission decided not to alter the basis for calculation of the minimum

payment to the trust; the changes made related only to publication of successful and unsuccessful applications for grants and some clarification of the operations which were included in the formula.

- 2.5 Following the Auckland review, the Commission undertook similar reviews at the other 5 casinos over the following 2 years. Although it noted variations in the formulas specified in each casino venue licence, it decided, as it had for Auckland, to make no change to the formulas in the decisions relating to Hamilton and Queenstown casinos (decision GC21/07, 8 October 2007) and Christchurch, Dunedin and Wharf casinos (decisions GC25/07, 3 December 2007; GC01/08, 3 March 2008; and GC02/08, 3 March 2008). The decisions indicated that the minimum contribution provisions would remain unaltered pending a future review of all casino licences. However, the foreshadowed national review did not occur.
- 2.6 Conditions 15 and 16 next came before the Commission in the course of a series of decisions which followed the passage of NZICCA. In decision GC 21/15 the Commission approved a number of applications relating to construction and design changes proposed for Level 7 of the Grand Hotel, an area intended to become part of the gambling area once the regulatory concessions given by NZICCA had come into effect. In doing so, it advised that it intended to propose amendments to certain conditions of the Auckland casino venue licence. Proposed amendments were notified in January 2016 and submissions were received from SCAL and the Secretary.
- 2.7 Decision GC03/16 records that SCAL's submissions raised the effect of the current Condition 15, and its reference to the Convention Centre opposite the Casino venue, once the NZICCA was in force (as the casino venue would expand to include the Grand Hotel on the eastern side of the casino, in which the former convention centre was located, and the new NZICC would be constructed opposite the casino but on the western side). It also records SCAL's subsequent submission that consideration of condition 15 should be deferred. The Commission's discussion can be found in paragraphs 21 to 25 of the decision. The Commission agreed that further consideration of Condition 15 and the impact of NZICC and NZICCA should be deferred as work on NZICC had only just begun. It indicated that it intended to propose, on its own initiative, amendments to clause 15 and to consult widely on its proposal.
- 2.8 The relevant background to the present application includes the amendments to the charitable trust provisions of the Christchurch casino venue licence in the course of an application for its renewal. The application was the subject of a public hearing in December 2018 and the resulting decision GC05/19 was notified on 29 March 2019.
- 2.9 Section 139(1)(b) provides that the Commission's powers of amendment of casino licence conditions may be exercised "on renewing a casino venue licence". The only amendments made in the course of the decision to renew were to the charitable trust provisions. The

Commission's reasoning is set out in paragraphs 9.1 to 9.18 of the decision. The Commission noted that the Christchurch casino venue licence, the first issued by CCA, included an obligation to fund a charitable trust but, unlike all other casino venue licenses, contained no minimum provision. The funding which had been provided was significantly below that provided elsewhere (with a single, distinguishable exception). The Commission decided to impose a minimum funding obligation, despite its earlier decision to defer further consideration of charitable trust conditions until a nationwide review. A new interim obligation, based on the current Auckland condition 15, was imposed by conditions 14, 15, 16 and 17 of the Christchurch casino venue licence. In substance, the obligation is to pay to the trust not less than 2.5% of the net profit after tax or \$250,000, whichever is the greater. In addition, if the licence holder failed to pay an additional \$100,000 per annum to charitable organisations, any shortfall was required to be paid to the trust as an additional payment. In substance, the minimum charitable funding obligation at Christchurch is now 2.5% of net profit (or \$250,000 if greater), plus an additional \$100,000.

- 2.10 The application by SCAL was received before the Commission issued its own foreshadowed proposal for a national review. As a result, the Commission endeavoured to consult widely on the application.

3. SUBMISSIONS

- 3.1 In summary, the Secretary submitted as follows:

- (a) It confirmed the accuracy of the list provided by SCAL of past trust contributions and the comparable contributions calculated if the proposed formula had applied, but noted the list related only to the past.
- (b) SKYCITY Entertainment Group's announcement of the sale of its carparking operation concessions was for the purpose of debt reduction and investment in higher returning assets. As the intention was to achieve higher profits, one would expect the result to be higher contributions to the trust, rather than a reduction.
- (c) Contributions should reflect the scale of the gambling activity so contributions should be a proportion of that activity rather than fixed.
- (d) Consistency across the sector is desirable but the precise percentages should reflect the nature of each casino and its local community. A rate which would produce no less than the current annual contribution of \$3.3 million would be appropriate. A formula should be used which ensures that the contribution increases proportionally to the casino's net profit.

- (e) Contributions should be based on the net profit derived from all businesses operating within the casino, although the extension at Auckland to conjunct facilities is unique to Auckland and extends to activities not directly connected to the casino licence.
- (f) It supports removal of the reference to conjunct facilities in order to remove any suggestion that other casinos are expected to develop hotel complexes.
- (g) The proposal would link future contributions to the "Casino Win", net of GST and duty. It utilises the "Casino Win" definition in the Gaming Duties Act in a confusing manner as "Casino Win" as defined excludes amounts paid out to gamblers but not GST and duty.
- (h) If contributions are to be based on gambling rather than other activities, using "Casino Win" as defined and without modification would be a suitable basis for calculating contribution.
- (i) A minimum contribution should be specified as it acts as a guarantee to the local community.
- (j) The proposed \$500,000 minimum would be inadequate in comparison to the \$250,000 minimum imposed at Christchurch. The "Casino Win" at Auckland is 7 times that at Christchurch. To be proportionate to Christchurch, the minimum should be \$1.75 million, an amount less than half of recent annual contributions.

3.2 In summary, SAO submitted as follows:

- (a) One of the Act's purposes is to "ensure that money from gambling benefits the community". Gambling operators should be required to distribute a proportion of their profits to the community.
- (b) It supports clarification of SCAL's obligations so long as the change in formula is guaranteed not to reduce the amount paid to the charitable trust.
- (c) The minimum contribution should be increased from \$500,000 to \$1 million. The current minimum was set more than 20 years ago and is out of line with the casino's revenues and typical contributions.

3.3 In summary, Mr Khan submitted as follows:

- (a) The conditions could be made more efficient as SCAL suggests but he does not support the proposed changes.

- (b) The effect of NZICC must be included because, in exchange for building NZICC, SCAL was permitted to increase its gambling activities, including an additional 230 electronic gaming machines and an extension of its licence until 2048.
- (c) Conjoint facilities should be re-defined on the basis of a precinct with all venues and facilities within it included.
- (d) The amendment should provide for the higher of 2.5% net profits or 0.85% of Casino Win.
- (e) Alternatively, payments should be based on revenue rather than profits.

3.4 By way of reply, SCAL submitted as follows:

- (a) The historical contribution figures shown for FY10 and FY18 in the schedule attached to its application require correction. The correct amounts are \$2,295,072 and \$3,199,787. The differences from the original figures should not affect the application.
- (b) The Secretary submission incorrectly assumed that the higher returning assets would be located at the casino site. New investments are being considered elsewhere, including overseas.
- (c) It agrees with the Secretary that the contributions should be linked to the scale of the gambling activity.
- (d) The Secretary favours consistency across the sector and proposes a percentage of net profits, referring to the Queenstown and Christchurch casinos. But Christchurch's charitable trust provisions were changed in early 2019, largely mirroring the Auckland provisions, without consideration of alternative models and with a note that a general review was likely to proceed later.
- (e) SCAL supports removal of reference to conjoint facilities but prefers a formula based on "Casino Win", which is a figure used to determine its problem gambling levy.
- (f) While favouring a formula based on net profit from all on-site activities, the Secretary does not provide any supporting reasoning for its preference. Formulas based on either net profit or Casino Win are capable of achieving the statutory purpose.
- (g) The Secretary submits that, if a "Casino Win" formula is adopted, it should use the statutory definition without modification. SCAL proposed modified application of the statutory definition because the existing provision adopted a "net profit after tax" approach.

- (h) The Secretary preference can be adopted but, if not modified as proposed, the “Casino Win” figure would be higher so the percentage should be decreased to maintain alignment with historical funding levels.
- (i) If “Casino Win” were unmodified, as the Secretary suggests, the percentage should reduce from 0.85% to 0.7%. If adopted, the overall contribution from FY06 to FY18 would have reduced from the original figure of \$36,035,013 to \$35,786,443. Both exceed the actual historical payments for the period which total \$34,437,090.
- (j) SCAL has no objection to a minimum contribution amount but it does not agree with the Secretary’s proposal to set it at \$1.75 million by reference to the new Christchurch casino minimum and the relative Casino Win figures for each casino. There are other bases for comparison available. In GC05/19, the Commission drew comparisons based on table numbers. On table numbers, Auckland casino is 4.5 times larger than Christchurch casino. The Gambling (Fees) Regulations 2015 impose fees at Auckland which are 3.5 times higher than Christchurch.
- (k) While the Secretary did not address whether the 2016 casino expansion at Auckland should result in an increase in the fixed sum minimum, SCAL considers that it should. Using its estimate of the increase in tables (47%) as the basis for an increase, the minimum fixed sum should be set at \$735,000. However, such a fixed sum minimum is academic when the contribution on average has been \$2.6 million and never less than \$2.2 million.
- (l) Mr Khan’s submission incorrectly assumed that NZICC would operate profitably but it is expected to operate at a loss. Incorporating its operation would decrease net profits and reduce the required charitable trust contribution.
- (m) Mr Khan’s proposal cures only some of the current lack of clarity and would require clarification of other matters. His proposal to add additional alternative means of calculation does not achieve simplicity and transparency and offers no benefits.
- (n) SAO has no issues with the proposed formula so long as no reduction in contribution is guaranteed. SCAL cannot guarantee the outcome but the proposed formula is highly likely to result in an increase, not a decrease. If adopted originally, SCAL would have paid an additional \$1.6 million to the trust. In 2019, the amount is expected to increase from \$3,066,630 to \$3,378,570. Future operational changes will likely decrease required contributions if the current formula is retained.
- (o) SAO offers no reasoning to support its proposal to increase the minimum sum from \$500,000 to \$1 million, but even that figure is likely to be academic.

4. ANALYSIS

4.1 The Commission started by considering the legislative background that produced the original charitable trust provisions in each of the 6 casino premises licences in New Zealand. Of those, only the Christchurch casino condition has been amended materially since being imposed by the CCA under the 1990 Act.

4.2 The Casino Control Act 1990 had different objects to the 2003 Act. They were limited to:

- (a) promoting tourism, employment and economic development generally;
- (b) ensuring gaming in casinos was conducted honestly; and
- (c) ensuring that casino operations remained free from criminal influence or exploitation.

There was no equivalent to the statutory purpose in section 3(g) of the 2003 Act:

"ensure that money from gambling benefits the community".

4.3 The CCA was required¹ to consider only the following matters in deciding whether to grant a licence:

- (a) the standard and nature of the proposed casino and the facilities provided in, or in conjunction, with it;
- (b) the likely impact on tourism, employment and economic development in the place or region; and
- (c) the extent to which beneficial ownership will vest in New Zealand citizens or residents.

The reference to "facilities in or in conjunction with" the casino is where the concept of conjunct facilities originated. They were facilities outside the casino itself which were relied upon to support its original application for a licence. The concept is historical in nature and has no current relevance or effect. The Commission sees no basis for the Secretary's concern that it might lead to a view that the existing casinos should build hotels.

4.4 The Authority was authorised² to impose conditions, not inconsistent with the provisions of the Act, relating to:

- (a) completion and operation of the facilities; and

¹ Section 29. The CCA was also required by section 30 to have regard to a social impact report and to be satisfied that no undue negative social impacts would result.

² Section 32.

- (b) approval or supervision of the operating procedures, including the matters set out in the Second Schedule.

The Second Schedule specified the following matters as the subject of possible conditions:

- (a) internal controls and operating procedures;
- (b) chip design and manufacture;
- (c) minimum and maximum bets;
- (d) design and manufacture of gaming equipment;
- (e) surveillance;
- (f) floor plans; and
- (g) facilities for inspectors and Police.

There was no equivalent to item 3 in the equivalent schedule to the 2003 Act (First Schedule), namely:

Arrangements for any contributions to the community

- 4.5 The presence of charitable trust provisions in casino venue licences is not explained by any provision of the 1990 Act, other than the provisions which limited the number of licences and which therefore resulted in competitive applications. The source of the obligations appears to have been proposals by applicants to secure competitive advantage over other applicants, rather than any statutory requirement that money from casino gambling benefit the community. The original conditions therefore merely captured promises made in successful applications.
- 4.6 On renewal of the Christchurch casino venue licence, the Commission amended the charitable trust provision by including a minimum contribution, as the Christchurch licence was anomalous in omitting any minimum contribution of any kind. In doing so, it adopted a proposal by the parties, modelled on the Auckland casino condition, and specifically on the basis that a national review was in prospect in which the provision might change further. SCAL is correct when it says that no consideration was given to alternative formulations.
- 4.7 Even prior to the Christchurch decision, it was apparent to the Commission that the CCA-imposed conditions varied significantly:
 - (a) one had no minimum contribution;
 - (b) the remaining provisions used different percentages of different things;
 - (c) some were based on revenue, others on net profit after tax;

- (d) most were limited to the casino operation only; Auckland extended to other site businesses;
 - (e) some had alternative fixed sum minimums and others did not.
- 4.8 The foregoing statutory background and the divergent nature of the existing conditions suggests that there is no sound reason to assume that any particular current provision would be ideal in terms of the 2003 Act. The Commission concurs with SCAL that there is no compelling reason to maintain the status quo.
- 4.9 There is also obvious merit in SCAL's submission that reference to "money from gambling" in section 3(g) suggests that the basis for a community benefit contribution should focus on gambling activity and not on non-gambling businesses located at or near casinos.
- 4.10 The other submissions advocated maintaining the status quo but none offered reasons for advancing that position and none addressed the statutory reference to "money from gambling" directly. Their focus was limited to concern that the current contributions would be diminished by any change, but the information provided by SCAL indicated both that diminution was likely if the status quo continued and that there was little prospect of diminution under the proposed amendment. The required contribution will be as much a product of the percentage to be applied as the amount to which it will be applied.
- 4.11 The Commission considers that there are good reasons to adopt a "Casino Win" based formula:
- (a) it would scale appropriately with expansion or contraction of gambling activity at the casino;
 - (b) it would focus appropriately on "money from gambling";
 - (c) it would avoid any lack of clarity in the current provision relating to conjunct facilities and remove the Auckland anomaly of including non-casino business;
 - (d) it would avoid reductions in future contributions from anticipated decisions by SCAL or its owner to capitalise future non-gambling site income by selling future income streams and removing those profits from the contribution formula.
- The Commission could not identify any disadvantage arising from adopting a "Casino Win" based formula.
- 4.12 Having said that, if a "Casino Win" based formula is adopted, the Commission concurs with the Secretary that the existing statutory definition, and calculations made thereunder, should be used without modification.

4.13 In contrast to the other aspects of its submissions, the Commission is not persuaded by SCAL's arguments for modifying application of a statutory term or for the suggested percentage or for the fixed sum minimum which should be adopted:

- (a) The suggested modified application of "Casino Win", involving deduction of GST and duty, is justified solely on the basis of its similarity to the status quo, something which SCAL was otherwise keen to abandon for what the Commission considers to be sound reasons.
- (b) If "Casino Win" were applied without modification, SCAL suggested reducing the proposed percentage from 0.85 to 0.7. The sole justification offered for the reduction was maintaining another aspect of the status quo, namely the level of historical contributions, when the status quo was otherwise abandoned.
- (c) While the case for changing to a percentage of "Casino Win", as proposed by SCAL and in the alternative by the Secretary, has apparent benefits and no apparent disadvantages, no case was advanced for maintaining contributions at the level set by CCA in the 1990s. The submissions simply assumed that the level of historical contributions was appropriate.
- (d) The current fixed sum minimum contribution in Auckland, for the reasons outlined by SCAL, is academic in practice. Nevertheless, one would not expect a fixed sum minimum set in 1995 to be appropriate more than 20 years later, especially after expansion of the casino. The Secretary suggested \$1.75 million based on the proportional difference between the "Casino Win" amounts at each casino but the Christchurch casino contribution is not "Casino Win" based. The Christchurch casino's real minimum is also \$350,000, not \$250,000 as the Secretary assumed. In fact, the Christchurch fixed sum minimum was set with a view to maintaining its then expected level of contributions. Using the same underlying principle as adopted in Christchurch, a figure around \$3 million would be appropriate.

4.14 For the reasons set out in paragraphs 4.11 and 4.12, the Commission decided to amend the conditions of SCAL's casino venue licence by adding the proposed definition of "Casino Win" and amending Condition 15 so that the minimum contribution is based on a percentage of Casino Win without modified application. Having regard to the position in Auckland, it is satisfied that Casino Win is the most appropriate basis for a minimum percentage contribution in that licence. As some, but not all, of those reasons seem to be capable of wider application, it did not appear to be inherently unsuited to broader application. However, that is something yet to be considered in the context of the intended national review.

4.15 That left the appropriate percentage to be decided. The Commission decided, on an interim basis only, to use the 0.7% figure finally proposed by SCAL, pending a further review with better information. It made an interim decision only, rather than deciding the appropriate percentage now, for the following reasons:

- (a) The failure of any submissions received to consider anything beyond the status quo, despite the breadth of the issues posed by the Commission.
- (b) The history of the charitable trust conditions and their relevant statutory background.
- (c) The lack of comparative information relating to other casinos (with the single exception of the Secretary's advice that the latest Auckland Casino Win figure was 7 times that of Christchurch).
- (d) The Commission's continuing intention to undertake a national review of all charitable trust conditions,

4.16 The Commission is satisfied that using 0.7% in the interim will not result in any reduction in the current level of contributions, compared to a decision not to amend Condition 15.

4.17 For the reasons set out in paragraph 4.15, the Commission also decided to leave the current fixed sum minimum unchanged in the interim. It is satisfied that it is presently academic in practice and should be reconsidered in a comprehensive future review.

4.18 SCAL has advised the Commission that its financial year ends on 30 June each year. The application was brought in February 2019 and assumed that the decision would be released before the end of the 2019 financial year. By the date of issue of this decision, SCAL's 2019 financial year had concluded and it had paid funds to the trust in accordance with the condition in force on that date. The Commission has therefore amended the initially proposed commencement date in condition 15 to have the updated requirements take effect in the financial year commencing 1 July 2019.

5. DECISION

5.1 Pursuant to sections 139 and 140 and clause 3 of Schedule 1 of the Gambling Act 2003, the Commission varies the conditions attached to SCAL's casino venue licence as follows:

- (a) Adding the following new definition to condition 4:

4 **Casino Win** has the same meaning as Casino Win in section 12M of the Gaming Duties Act 1971.

- (b) Amending condition 15 to read as follows:

15. The Licence Holder shall financially support the Independent Charitable Trust established by the Deed of Trust. The Licence Holder shall pay to the Trust, in respect of each full year of casino operations, commencing 1 July 2019, not less than 0.7% of the Casino Win, such payment in any one year never to be less than \$500,000. The Licence Holder is required to provide annually to the Commission an audited statement certifying the amount constituting 0.7% of the Casino Win, the amount paid by the Licence Holder to the Trust, and confirming that payment by the Licence Holder to the Trust has been made in accordance with condition 15.

6. RIGHT OF APPEAL

- 6.1 Pursuant to section 235 of the Act, a person affected by this decision may appeal the decision to the High Court. An appeal must be made within 15 working days of the date of notice of the Commission's decision, or any longer period that the High Court may allow.



Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

16 August 2019

