

**IN THE MATTER** of the Gambling Act 2003

**AND** on an application by **SKYCITY AUCKLAND LIMITED** for a series of approvals relating to the redesignation of the Gambling Area at the Auckland casino and the redevelopment of levels 5 and 6

**BEFORE THE GAMBLING COMMISSION**

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

Date of Application: 2 August 2010

Date of Decision: 17 September 2010

Date of Notification  
of Decision: 6 October 2010

**DECISION ON AN APPLICATION BY SKYCITY AUCKLAND LIMITED  
FOR A SERIES OF APPROVALS RELATING TO THE REDESIGNATION OF THE GAMBLING  
AREA OF THE AUCKLAND CASINO AND THE REDEVELOPMENT OF LEVELS 5 AND 6 OF  
THE CASINO AND HOTEL**

**Introduction**

1. SKYCITY Auckland Limited ("**SCAL**") applied to the Gambling Commission (the "**Commission**"), under section 139(1)(d) Gambling Act 2003 (the "**Act**"):
  - (a) to vary condition 9 of its casino venue licence to redesignate the gambling area of the Auckland casino (to allow parts of level 5 of the Hotel to be included within the designated gambling area);
  - (b) to vary conditions 5, 6 and 7 of its casino venue licence, to reflect the broader range of areas, in respect of which (consequent to the new definition of the gambling area under condition 9) construction or design changes must be notified to the Commission; and
  - (c) for approval of the associated construction and design changes to levels 5 and 6 under (the varied) licence conditions 6 and 7.
2. Submissions were sought on SCAL's proposal from the Secretary for Internal Affairs (the "**Secretary**"), Ministry of Health, Problem Gambling Foundation ("**PGF**"), Gambling

Helpline ("GH"), Salvation Army and Gambling Watch. Submissions were received from the Secretary, PGF and GH.

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

**3 Purpose**

The purpose of this Act is to—

- (a) control the growth of gambling; and
- (b) prevent and minimise the harm caused by gambling, including problem gambling; and
- (c) authorise some gambling and prohibit the rest; and
- (d) facilitate responsible gambling; and
- (e) ensure the integrity and fairness of games; and
- (f) limit opportunities for crime or dishonesty associated with gambling; and
- (g) ensure that money from gambling benefits the community; and
- (h) facilitate community involvement in decisions about the provision of gambling.

**4 Interpretation**

...  
**casino venue**, in relation to a licensed casino,—

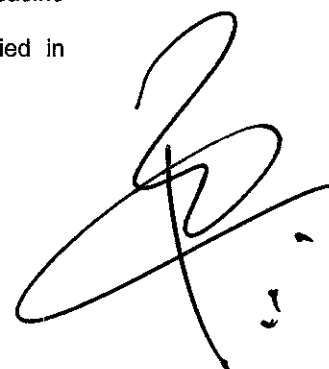
- (a) means the area defined as constituting the casino in the casino venue licence; and
- (b) includes any building or room in which games are conducted and played and in which money counting, surveillance, storage, and other activities related to the conduct and playing of games are carried on

...  
**gambling area means,—**

- (b) for a casino venue, that part of the venue that is specified by the Gambling Commission under section 139 or the Casino Control Authority under the Casino Control Act 1990 as an area where casino gambling is permitted or, if the Gambling Commission does not specify an area under that section or the Casino Control Authority has not specified an area, the casino venue

**139 Conditions of casino licence**

- (1) The Gambling Commission may specify the conditions of a 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).



## 4. The relevant licence conditions are:

**SCAL venue licence**

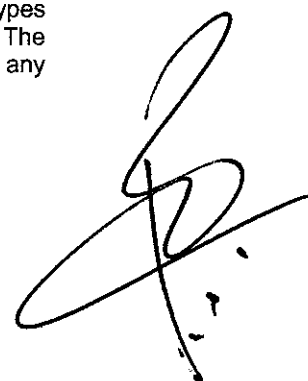
5. The Licence Holder shall lodge and maintain with the Commission and the Secretary updated as built architectural floor plans of Levels 2 and 3 of the Casino Venue showing walls, structures and dimensions. Updated as built architectural floor plans shall be lodged with the Commission and the Secretary if the Licence Holder makes alterations to Levels 2 or 3 of the Casino Venue requiring building consent from a territorial authority.
6. The Licence Holder must obtain the approval of the Commission prior to:
- (a) construction or design changes to Levels 2 or 3, including the Gambling Area but excluding the SKYCITY Theatre and foyer area, restaurant and bar areas outside the Gambling Area, and the back of house areas used by staff (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 2 or 3, including the Gambling Area (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 2 or 3, including the Gambling Area but excluding SKYCITY Theatre and foyer area, restaurant and bar areas outside the Gambling Area, and the back of house areas used by staff. 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.

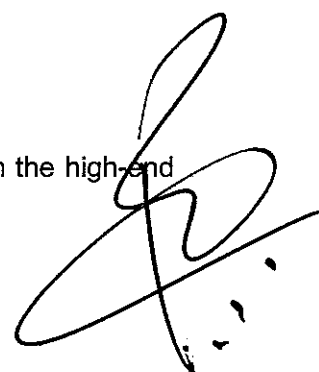
The Executive Director may approve the proposed changes to the construction or design if he or she is satisfied that there are no adverse impacts in relation to the matters specified in (a)-(e) above. If the Executive Director is not satisfied, he or she will refer the proposal to the Commission for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

9. The Licence Holder may operate on casino gaming tables the game types and game mix(es) 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.



### Submissions by SCAL

8. SCAL set out the nature of the proposed changes, in summary, as follows:
- (a) It wants to undertake a major redevelopment of its VIP facilities. The redevelopment would involve the removal of the VIP gambling areas on level 3; the creation of new VIP gambling facilities on level 5 of the casino complex (which is currently used solely by the hotel operation); and building a new level 6. The level 6 facility would be "integrated with" level 5, but would not contain any gambling areas.
  - (b) As part of the redevelopment, there would be a large gambling area on level 5, including a buffet, cashiering facilities, toilets and smoking deck. There would also be four smaller, private gaming salons on level 5, as well as four accommodation suites and three standard rooms.
  - (c) A new level six would be constructed, with a production kitchen, small restaurant, bar, small business centre and a large terrace. The main gaming area on level 5 would be connected to level 6 by an internal lift and staircase.
  - (d) During the construction period, it would continue to use its current gambling area. Designating the proposed new parts of the gambling area as part of the gambling area with immediate effect would be problematic, because those areas would be subject to the extra restrictions of a gambling area before they were in use. Therefore, it sought a variation of condition 9 to include both a "standard" (or current) and an "alternative" (or additional future) gambling area. The "standard" area would be the current gambling area and the "alternative" gambling area would be the proposed area, to take effect after SCAL provides the Commission and Department Inspectorate with a minimum of ten days notice of its intention to use the additional area.
  - (e) The alternative area concept was a mechanism by which it hoped to gain approval now for permanent changes that would only take effect at a later date. Once it had triggered the designation of the "alternative" area by notice, it would no longer have a need for the decommissioned parts of the current gambling area and the Commission could, on its own initiative, vary condition 9 to recognise the new position.
9. SCAL submitted, in summary, as follows:
- (a) The reason for the redevelopment is to maintain competitiveness in the high-end international market.

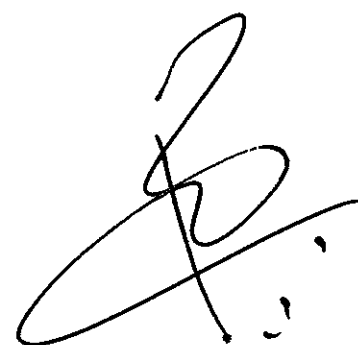
A large, stylized handwritten signature in black ink, located in the bottom right corner of the page. The signature is cursive and appears to be a name, possibly 'J. J. J.', with a large loop at the top and a horizontal line at the bottom.

- (b) It does not currently have the ability to offer a private room with exclusive gaming facilities to an individual or small VIP group. If a player wishes to reserve a private table, then either a table is reserved in the Pacific Room (with other customers playing at other tables) or the International room is opened exclusively for that player or group, denying access to other patrons during that time.
- (c) It is within the Commission's power to designate the new gambling areas on level 5 as part of the Gambling Area under condition 9 of the venue licence, because level 5 is within the "casino venue" as defined by the venue licence.
- (d) Considered together with the Grand Hotel, the changes would not detract from any of the conjunct facilities discussed in the original undertakings at the time the licence was granted.
- (e) There would not be any adverse impact on the integrity and fairness of games.
- (f) There would be adequate security and surveillance.
- (g) There would be no adverse impact on harm minimisation. The facilities would be for table games. The VIP areas would have higher levels of staff supervision than other parts of the casino and the smaller salon style rooms would allow staff to monitor customers' length of play more easily and to provide appropriate interventions when required. The proposed new gambling areas would also have a number of non-gaming leisure activities (such as TVs, a business lounge, enhanced food and beverage) and there would be a lot of natural light.
- (h) There would be no increase in the opportunities for casino gambling. Although there would be an increase in the total size of the gambling area, there would be no increase in table numbers, gaming machine numbers, player spaces or the size of the gaming tables.
- (i) The proposals are consistent with the scheme of the Act and the requirements under section 139 are satisfied.
- (j) The proposed new gambling area would include a cashiering facility in accordance with the requirements of condition 12 of the venue licence and condition 21 of SKYCITY Management Limited's operator's licence.

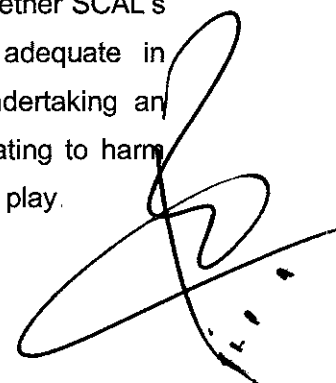
#### **The Secretary's submissions**

10. The Secretary submitted, in summary, as follows:

- (a) The Secretary has no issues with the proposed new level 6.

A large, stylized handwritten signature in black ink, located in the bottom right corner of the page. The signature is cursive and appears to be a personal name, possibly 'J. Smith' or similar, though the letters are highly stylized and difficult to decipher.

- (b) The proposed changes were within the "casino venue" as defined by the casino venue licence.
- (c) In the event that the Commission approved the proposed construction and design changes, he has no concerns about the amendments to licence conditions 5, 6 and 7 and no concerns with the introduction of the proposed variation to condition 9 (regarding the gambling area).
- (d) He has not identified any issues regarding integrity and fairness of games nor effectiveness of security and surveillance.
- (e) He has doubts about whether the staff in the reception area of level 5 would be able to monitor adequately all persons entering the gambling area(s) of that floor. The floor is divided into two wings. Not all gambling areas are within sight of the reception and not all gambling areas have their own reception.
- (f) He agreed with SCAL's comments regarding non-gambling options and natural light, but raised the following concerns regarding harm prevention, minimisation and responsible gambling:
- That fewer people are exposed to table games than to gaming machines may account for the lower incidence of harm experienced. As a result, those who do gamble on table games may be as likely to suffer harm as gamblers who gamble on electronic gaming machines. He referred, for example, to the Australian Productivity Commission's Report which categorised table gambling, along with gaming machines and wagering as a "less safe form of gambling".
  - The new facilities might lead to increased availability or accessibility of gambling opportunities for VIP customers, compared to the current situation where they stay on a different floor from or different building to the gambling area. Research revealing that those who live closer to casinos are more likely to be problem gamblers suggests that proximity has an influence on problem gambling.
  - Increased accessibility could have a negative effect on problem gambling behaviour such as continuous play. He has concerns about whether SCAL's existing harm prevention and minimisation measures are adequate in preventing continuous play, with his Department currently undertaking an investigation into whether SCAL has met all its obligations relating to harm prevention and minimisation, particularly in relation to continuous play.



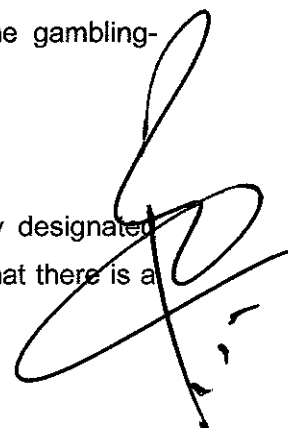
- (g) He noted SCAL's suggestion that VIP gambling spaces are safer due to higher levels of staff supervision, but was concerned that the large amounts of money gambled by VIPs might make it more difficult for staff to approach them with concerns about their gambling.
- (h) He considered that on the basis of the Commission's past approach to section 12 issues, it seemed unlikely that the proposal would lead to an increase in the opportunities for casino gambling.

#### **PGF's submissions**

11. PGF opposed the application. It submitted that the new VIP areas would increase the opportunities for casino gambling, and the risk of problem gambling, for the following reasons:
- (a) The total size of the gambling area would increase and an additional area would become part of the gambling area.
  - (b) New groups of people would be put at risk by the location of gambling opportunities within the hotel proper. For example, guests staying in the hotel for a seminar or conference might be exposed to gambling when they otherwise would not.
  - (c) Problem gamblers, whom it frequently assists in mapping out movements and routes so as to avoid exposure to gambling, might inadvertently be exposed to gambling when staying, or meeting up with friends, in the hotel.
  - (d) SCAL's application specifically states that more high level gamblers are likely to gamble at any one time in the reorganised facility. This is contrary to the statutory purpose of minimising harm because high-spend gamblers include among them a higher proportion of problem gamblers; the inevitably higher losses of high-spend gamblers tend to have more harmful consequences than for other casino gamblers.
  - (e) As a consequence of approving this application, the number of gamblers, the amount that they gamble, the amount of gambling activity and the proportion of gamblers who are problem gamblers would increase as would the gambling-related harm.

#### **GH's submissions**

12. GH submitted that the new VIP area appeared to be within the currently designated casino premises and would not result in increased opportunities. It noted that there is a

A large, stylized handwritten signature in black ink, located in the bottom right corner of the page. The signature is written over the text of paragraph 12.

paucity of research regarding the effect of casino gambling on gambling and problem gambling. In the absence of evidence to the contrary, as long as SCAL continued to maintain all other conditions of its licence in relation to harm prevention, minimisation and security measures, it did not object to the proposed variation of the licence conditions.

#### **SCAL's submissions in response**

13. In reply to the Secretary's submissions, SCAL submitted that:

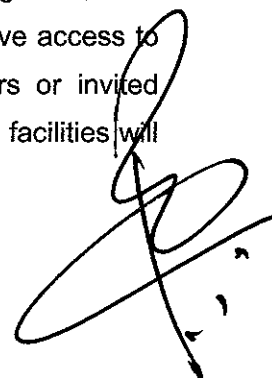
- (a) Public entry to level 5 will be by way of lift, which will require electronic swipecard access. Access cards will only be held by VIP members, international guests and relevant staff. That said, it is possible that a card holder could on occasion lend his or her card to another person or that a non-card holder could access level 5 on the coat-tails of a card holder.
- (b) The proposed reception area on level 5 is designed to ensure that all persons who access the floor are monitored and greeted to ensure that they are entitled to be there. The reception area is located in an area with direct line of sight of the corridor through which all visitors to the floor must pass before they reach the gambling areas.
- (c) The hotel rooms and suites on level 5 will not be available to VIP guests travelling with family members aged under 20.
- (d) With reference to the Secretary's concern that guests staying in the four suites and three rooms on level 5 of the hotel will be exposed to increased availability or accessibility of gambling, it disagrees with the Secretary's assumption that, because there is empirical support for a link between accessibility and harm in the wider community, such a link also applies to proximity of gaming facilities and hotel rooms within a casino. It is difficult to see how guests staying in hotel rooms on the same floor as the proposed gaming facility are likely to be at greater risk of experiencing gambling harm than those staying on another floor of the hotel or in the Grand Hotel adjacent to the casino.
- (e) Most of the studies cited by the Secretary provide empirical support for a positive link between accessibility within the community and harm. The Secretary cited one study which showed a positive link between proximity to a casino and problem gambling prevalence rates. However, two large scale studies cited in the appendix of the Australian Productivity Commission's 2010 Report (which the Secretary relied on), showed no link between casino proximity and problem gambling prevalence rates. The Secretary did not refer to this research.

summary, none of the empirical evidence relates to the issue of accessibility within gambling venues, and it would be dangerous to extrapolate the findings from unrelated studies.

- (f) It understands that the Secretary has concerns about the effect increased accessibility might have on “continuous play” and notes that casino inspectors are currently in the process of completing an investigation into incidents involving lengthy play periods at Auckland casino. It notes from the Secretary’s submissions that the investigations are incomplete. It considers the concerns regarding continuous play should more properly be dealt with on completion of the Secretary’s inquiries. It does not believe that the issue of extended play sessions relates in any way to its current application and in its view it would be unfair if a yet-to-be completed investigation were to affect its development proposals.

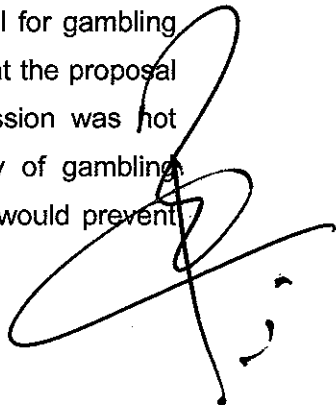
14. In reply to PGF’s submissions, SCAL submitted that:

- (a) PGF does not articulate how an increase in the size of the gambling area and establishing a new location within the casino premises in which casino gambling may be conducted will increase casino gambling opportunities.
- (b) This application is similar to previous applications that the Commission has considered, which involved increases to overall size of gambling area, but which involved no increase in table numbers, machine numbers, player spaces or the size of tables, and so did not increase the theoretical maximum level of permitted gambling activity. The Commission has said that there is merit in the view that opportunity is concerned principally with the theoretical maximum level of permitted gambling activity, irrespective of the attractiveness or accessibility of the potential activities.
- (c) Any increase in yield management from the tables will be derived from existing rather than new opportunities. Neither the new location nor the additional gambling area would create additional gambling opportunities.
- (d) PGF’s concern that new groups of people would be put at risk by locating gambling opportunities in the hotel for the first time is groundless. The VIP facilities will be restricted to members and invited guests. Hotel guests, their visitors and those taking part in conferences or seminars will not have access to the new facilities as PGF suggests unless they are VIP members or invited international guests. The access restrictions mean that the new VIP facilities will be less visible to the general public than those in the current location.

A large, stylized handwritten signature in black ink, located in the bottom right corner of the page. The signature is cursive and appears to be written over the end of the text in paragraph (d).

- (e) Contrary to PGF's claim that a growth in the volume of VIP gambling will increase gambling-related harm, it believes that there will be no increase in harm and that some aspects of the development will assist SCAL's host responsibility initiatives.

### Analysis

15. In order to undertake its proposed redevelopment, SCAL applied for a variation of condition 9 to accommodate the proposed new gambling area; consequent variations to conditions 5, 6 and 7, and approval of the necessary construction and design changes under conditions 6 and 7.
16. In relation to the new gambling area under condition 9, the Commission first considered whether it had the power to redefine the gambling area in the manner sought by SCAL. In decision GC05/09, which dealt with an application by Dunedin Casinos Limited to operate a restaurant and bar facility behind the casino, the Commission considered that it did not have the power to extend a casino venue but could reconfigure gambling areas within the casino venue.
17. A redesignation of the gambling area to include parts of level 5 would not extend the casino venue. SCAL's casino venue licence defines the casino venue as the block bounded by Hobson St, Wellesley Street West, Federal Street and Victoria Street West, less four specific exclusions, namely the underground car park, the Sky Tower, the bus station and the walkway between the Sky Tower and the casino complex. The Commission was satisfied that level 5, as the site of the proposed new gambling areas, was within the casino venue.
18. The Commission next considered whether the requirements for a variation to a licence condition under section 139(2) were satisfied. The Commission considered that the likely increased supervision under the proposed changes contributed to the purposes of the facilitation of responsible gambling (section 3(d)) and the integrity and fairness of the games (section 3(e)). The Commission also considered that the proposed changes were consistent with purposes set out in sections 3(a), 3(c), 3(f), 3(g) and 3(h) and that they were consistent with the Act, taking into account the fact that the Act preserved existing casino licences and chose to impose restrictions only on the granting of new casino licences and the expansion of existing opportunities, not on turnover or levels of activity.
19. The key issue was whether the development would increase the potential for gambling harm (sections 3(b), 139(2)). A majority of the Commission considered that the proposal did not increase the potential for harm. One member of the Commission was not sufficiently persuaded that there was no causal link between proximity of gambling opportunity and potential for harm to be satisfied that the developments would prevent
- 

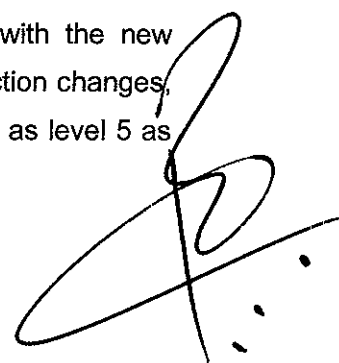
and minimise the potential harm caused by gambling, including problem gambling, and abstained.

20. In reaching its decision regarding the potential for harm, the Commission noted the following:

- (a) In the circumstances, including electronically restricted access, it was highly unlikely that problem gamblers who had received assistance to map out routes to avoid gambling would find themselves on level 5 of the casino having simply intended to stay the night or take part in a seminar.
- (b) The proximity of hotel rooms to gambling facilities must be considered in light of the fact that evidence of a relationship between proximity to a casino and harm did not establish that harm was caused by proximity (as opposed to problem gamblers seeking proximity to gambling facilities).
- (c) Ease of access to gambling must also be balanced against the increased opportunities for non-gambling activities, provided both by the hotel rooms (for those guests staying in them) and other services offered on levels 5 and 6.
- (d) The fact that VIP gamblers spend more (and, therefore, lose greater amounts of money) than other gamblers did not necessarily mean that they were at greater risk of harm individually or as a group. The relationship between losses and harm is not absolute but highly relative to individual circumstances. It was not appropriate to assume that VIP gamblers suffered more harm than other casino patrons in the absence of evidence or research regarding the relative incidence of harm suffered by VIP gamblers (being losses relative to means and other circumstances). None had been provided.
- (e) VIP gambling is likely to trigger many indicators of harm, including continuous play and amount of loss, but, for the reason just given, it is important to bear in mind that these indicators are just that – indicators set by reference to the conduct of normal patrons – rather than harm itself. The casino has responsibilities under its Host Responsibility Programme to monitor closely the gambling activities of those who trigger harm indicators (and to take action when for potential for harm is seen); it is not required to ensure that the indicators are never triggered.
- (f) There was validity however in the Secretary's concern about possible reluctance of casino staff to intervene appropriately with VIP clientele, notwithstanding SCAL's submission that the staff who work with VIP clientele have extra harm minimisation training and that the higher ratio of staff to clientele and the greater

number of interactions through both table games (as opposed to gaming machines) and other services, such as food and beverage requests, would allow staff to more easily monitor play and intervene where necessary. The Commission records its expectation that SCAL will ensure that its staff undertakes all appropriate interventions in accordance with the requirements of the approved Host Responsibility Programme, notwithstanding any commercial pressure arising from the nature of VIP gambling. SCAL can expect serious consequences to follow if it is found in the future to have elevated its commercial interests over those responsibilities.

- (g) Whether the current Host Responsibility Programme is adequate, having regard to things such as continuous play, will be addressed when the programme is reviewed periodically. The sorts of concerns raised would apply more generally to the casino operation and are not uniquely affected by the specific proposal.
21. The final matter that the Commission considered under section 139(2), was that the varied condition must not permit an increase in the opportunities for casino gambling (section 139(2)(d)). PGF submitted that the changes would increase the opportunities for gambling, because the purpose of the application is to accommodate more high-spend gamblers who wish to gamble in private at any one time. The Commission has noted previously, including in a recent decision in relation to SCAL, decision GC25/09, that opportunities for casino gambling are concerned with potential activity, not the likely appeal of an existing opportunity (or potential activity). The Commission considered that a variation of condition 9 to provide for the new level 5 gambling areas would not create more opportunities to gamble. Any increase in the likelihood that more gamblers might take up those opportunities at any given time was not an increase in the opportunities themselves, which would remain the same.
22. The Commission next considered the proposed variations to conditions 5, 6 and 7. The Commission considered that these changes were a necessary consequence of the variation to the defined gambling area in condition 9, as they would bring the new VIP areas within the range of areas that require notification to and/or approval by the Commission regarding construction and design changes. For this reason, the variations to conditions 5, 6 and 7 were consistent with the Act and would contribute to both the purposes of the Act and the efficient and effective administration of the Act. However, in view of the integration of the new level 6 leisure and dining facilities with the new gambling facilities on level 5, Commission oversight of design and construction changes, as provided for in conditions 5, 6 and 7, will be extended to level 6 as well as level 5 as proposed by SCAL.

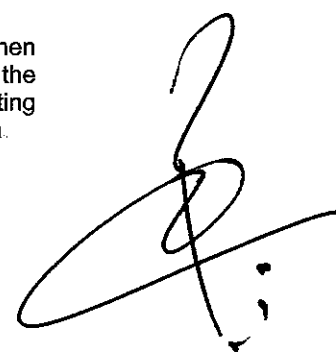


23. Finally, the Commission considered SCAL's application for approval under the (varied) conditions 6 and 7 for the necessary design and construction changes to undertake the redevelopment of level 5 and 6. The Commission considered the same factors that applied to the variation of condition 9 were relevant to an assessment of impacts the alteration might have on the condition 7 factors of:
- (a) the integrity and fairness of the 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.
24. The Commission did not consider that the construction and design changes would have an adverse impact on the factors listed in condition 7. Although the Secretary raised doubts about the ability of the reception staff to monitor access to the individual level 5 gambling areas, the Commission's understanding is that casino staff on reception will not permit **anyone** under 20 to have any access to level 5. If all persons under 20 are excluded from the floor as the Commission expects, doubts about visibility of the entrances to the individual areas are of less concern. The Commission expects that operational details for supervision of the new area will be addressed in the next revision of the casino's Host Responsibility Programme.

#### **Decision of the Commission**

25. The Commission:
- (a) amended licence condition 9 of SCAL's venue licence, under section 139(1)(d) of the Act, to add an alternative Gambling Area in the Auckland casino, to accommodate the proposed new VIP gambling areas. Licence condition 9 now provides as follows:
    - 9. The current Gambling Area for the casino venue is delineated in the plan attached as Schedule 1 to these conditions. The additional Gambling area for the casino is delineated in the plan attached as Schedule 2 to these conditions.
    - 9A. The additional Gambling Area will come into effect only when the Licence Holder has provided the Commission and the Inspectorate with a minimum of 10 working days notice in writing of its intention to use the designated additional Gambling Area.

The Gambling Area is depicted on the **attached** plans.



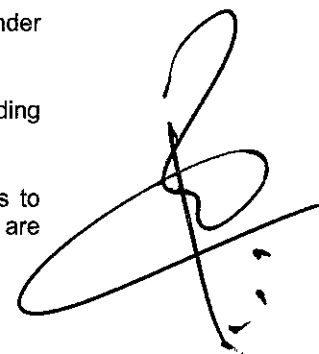
- (b) amended licence conditions 5, 6 and 7 to reflect the new areas in respect of which construction and design plans and changes must be notified (or applied for) as follows:

5. The Licence Holder shall lodge and maintain with the Commission and the Secretary updated as built architectural floor plans of Levels 2, 3, 5 and 6 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 the casino venue requiring building consent from a territorial authority.
6. The Licence Holder must obtain the approval of the Commission prior to:
  - (a) construction or design changes to Levels 2, 3, 5 and 6 of the casino venue, including the Gambling Area but excluding the SKYCITY Theatre and foyer area, restaurant and bar areas outside the Gambling Area, hotel rooms and the back of house areas used by staff (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 2, 3, 5 and 6 of the casino venue, including the Gambling Area (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 2, 3, 5 and 6 of the casino venue, including the Gambling Area but excluding SKYCITY Theatre and foyer area, restaurant and bar areas outside the Gambling Area, hotel rooms and the back of house areas used by staff. 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.

The Executive Director may approve the proposed changes to the construction or design if he or she is satisfied that there are

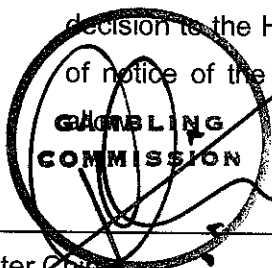


no adverse impacts in relation to the matters specified in (a)-(e) above. If the Executive Director is not satisfied, he or she will refer the proposal to the Commission for determination.

- (c) approved the construction and design changes for the new level 5 and 6 under conditions 6 and 7.

### Right of Appeal

26. Pursuant to section 235 of the Act, a person affected by this decision may appeal that 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

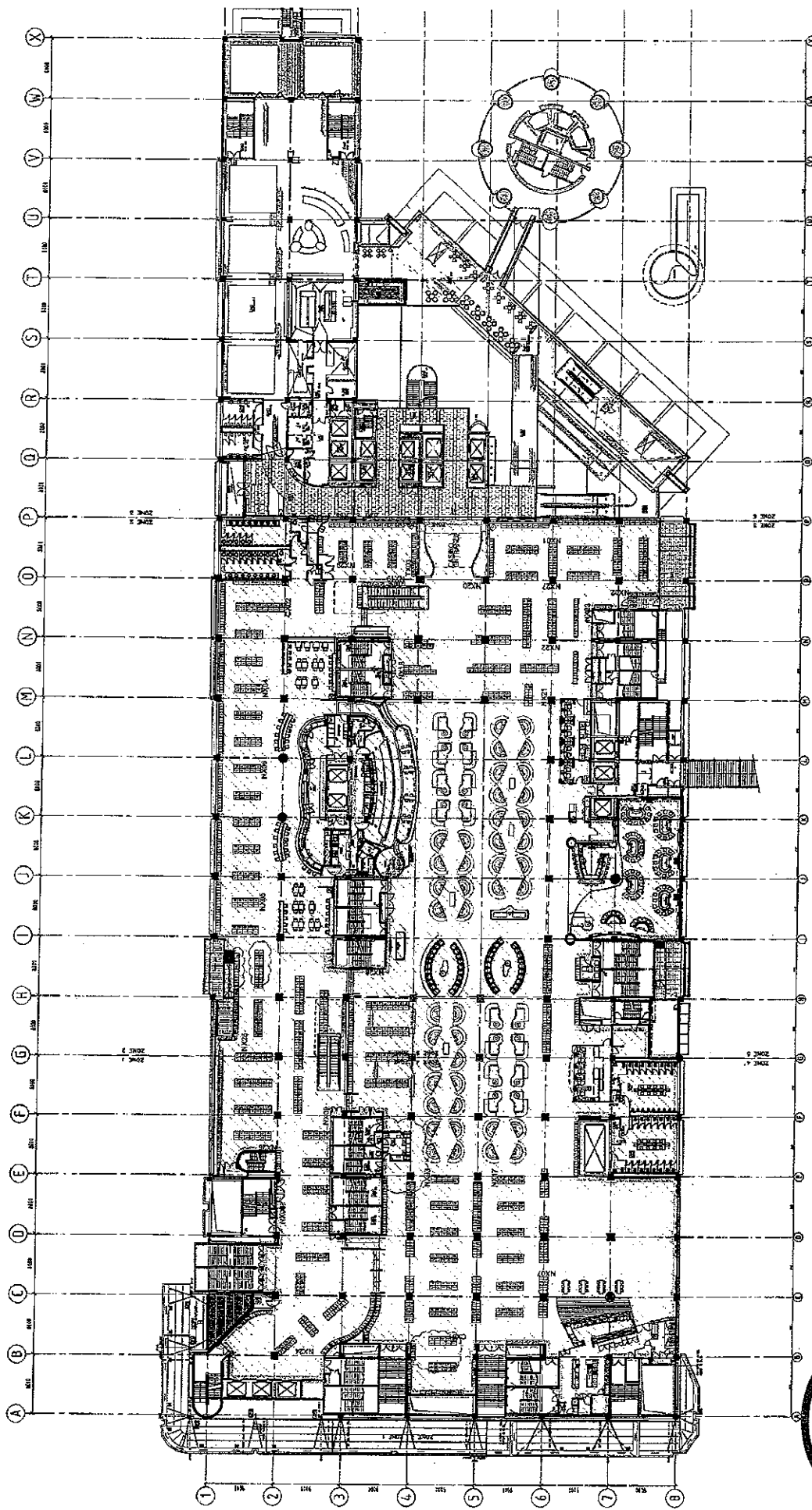


Peter Chin  
Chief Gambling Commissioner

for and on behalf of the  
Gambling Commission

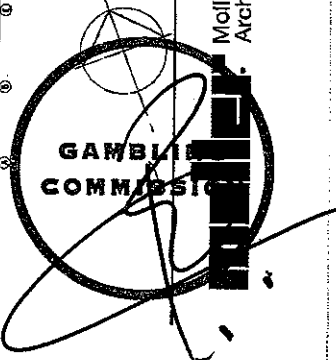
6 October 2010

# Schedule 1



**SCHEDULE**  
**COMMENTS**  
 1. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 2. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 3. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 4. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 5. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 6. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 7. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 8. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 9. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 10. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 11. SEE SCHEDULE 1 FOR SKY CITY SKYLINE  
 12. SEE SCHEDULE 1 FOR SKY CITY SKYLINE

GAMING AREA: 6,029m<sup>2</sup> (64,831 SQ. FT)



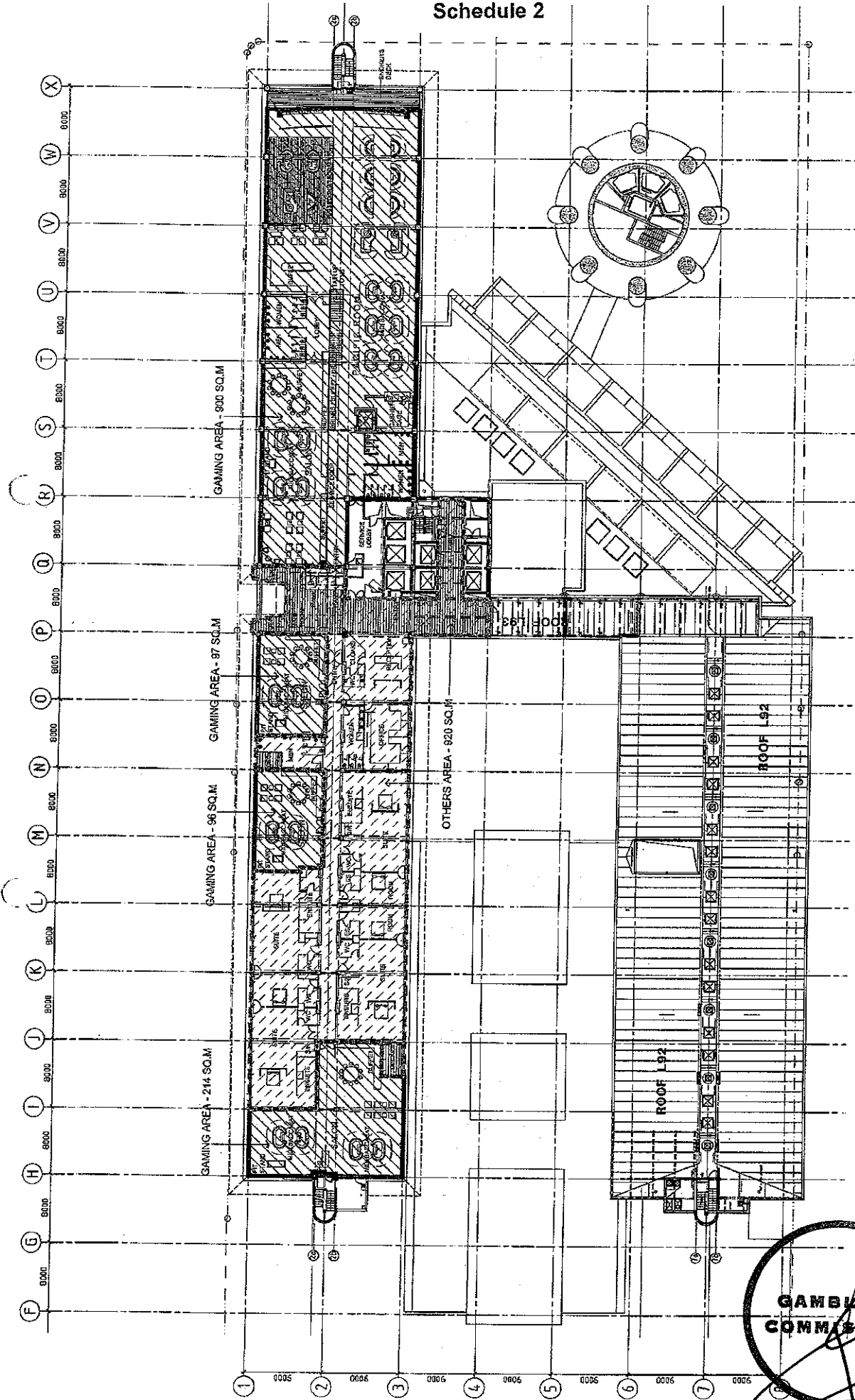
<b>PROJECT AND PRODUCT</b> Sky City Entertainment Group Gaming Layouts		<b>DRAWING TITLE</b> Level 2 Gaming Layout SKYCITY	
<b>CLIENT AND PROJECT</b> Sky City Entertainment Group Gaming Layouts		<b>REVISIONS</b> No. Description 1. Initial 2. Final	
<b>SCALE</b> 1:1000		<b>DATE</b> 10/10/2010	
<b>PROJECT NO.</b> 10000		<b>REVISION NO.</b> 0000	







Schedule 2



PROJECT NO.	SK05-AREAS
DATE	04/20/15
SCALE	AS SHOWN
DESIGNER	MOELLER ARCHITECTS
CLIENT	SKY CITY ENTERTAINMENT GROUP

SKY CITY VIP GAMING  
LEVEL H5  
AREAS CALCULATION

DATE: 04/20/15  
DRAWN BY: [Name]  
CHECKED BY: [Name]  
APPROVED BY: [Name]

PROJECT INFORMATION  
OWNER: Sky City Entertainment Group  
ARCHITECT: Moeller Architects  
DATE: 04/20/15

Client and Project  
Sky City Entertainment Group  
VIP Gaming

MOELLER ARCHITECTS  
1000 15th Street  
Denver, CO 80202  
303.733.1100  
www.moellerarchitects.com

MOELLER ARCHITECTS

