

Before Hearing Commissioners

under: the s134 of the Gambling Act 2003

in the matter of: Application for renewal of casino venue licence

between: **Dunedin Casinos Limited**
Applicant

and: **Gambling Commission**
Respondent

Statement of evidence of Dominique Fiona Doody (nee Dowding)

Dated: 5 September 2024

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STATEMENT OF EVIDENCE OF DOMINIQUE FIONA DOODY (NEE DOWDING)

INTRODUCTION

- 1 My full name is legal name is Dominique Fiona Doody, but I use my maiden name, Dowding, in business.
- 2 I am Chief Executive Officer (*CEO*) of Dunedin Casinos Limited (*DCL*). DCL trades as Grand Casino today.
- 3 I have worked in gambling for over ten years in Class 4 venues, TAB venues, and now at the Grand Casino. Prior to my role at DCL, I worked in the private and public sectors in consulting, energy, entertainment, finance, facilities management, property, technology, tourism, and hospitality. I have been a professional director on several governance and advisory boards within the private and public sectors.
- 4 I am also the Chair of Business South (a merged entity of the Otago Employers Association and Otago Chamber of Commerce).
- 5 I am familiar with the application to which these proceedings relate and I am authorised to give this evidence for DCL.

SCOPE OF EVIDENCE

- 6 My evidence will deal with the following:
 - 6.1 My role as CEO at DCL;
 - 6.2 A brief history of the casino;
 - 6.3 Governance;
 - 6.4 The business and operations;
 - 6.5 Host responsibility;
 - 6.6 The Dunedin Casinos Charitable Trust; and
 - 6.7 Compliance matters.

MY ROLE AS CEO

- 7 I joined Dunedin Casinos in February 2020 as Chief Executive Officer. I was mandated to run the organisation, ensure a culture of compliance existed, improve the client experience, engage with the community, and manage our licence renewal and organisation fiscally on behalf of the board and organisation.

- 8 From a leadership perspective, I manage the day-to-day business activities and am across all organisational issues. I also manage the VIP hosting programme, VIP Hosted events, business and community engagements, board meetings, and workshops. Attending events lets me know our customers fully and inform our operations if we have any concerns or signs of problem gambling.
- 9 We are incredibly proud of the strong culture of AML and HRP Compliance that we operate today. The health and welfare of our clients and staff are paramount to us. We have invented various internal monitoring processes to ensure we conduct best practices, which allows us to be highly proactive in detecting changes in behaviours and spending that show early signs of problem gambling.
- 10 Corporately, we support our local community via charitable contributions and sponsorships of entertainment, sports, and business awards throughout the city. This is in addition to our charitable contribution, which operates through the independent Dunedin Casino Charitable Trust and makes an enormous difference to our community.
- 11 As Chair/Director of Business South, I am also involved and fully engaged with local businesses across Otago, Otago University, Business NZ and local and central government.

THE HISTORY OF THE CASINO

- 12 DCL was incorporated in December 1996, and the initial shareholders on opening were as follows:
 - 12.1 Class A Shareholders - Earl and Lani Hagaman – 42%.
 - 12.2 Class B Shareholders - Christchurch Casinos Limited – 33%.
 - 12.3 Class C Shareholders – S. McLauchlan, Rosebury Trust, Drivers Road Trust Company Ltd., W. Leslie, Robert Scott Family Trust, Y. Cummings and the See-Through Trust – 25%.
- 13 All shareholders were (and still are) New Zealand residents.
- 14 DCL received a Premises Licence in 1999 and an Operator's Licence in 2004. Aspinall's NZ Limited, through its shareholding in Christchurch Casino, was the operator under a management contract for DCL.
- 15 Rod Wooley was appointed General Manager in April 1998 and responsible for the day-to-day management in association with the

operator and reported to the DCL Board. DCL opened its doors in October 1999.

- 16 The Aspinall Management Agreement concluded in March 2004, and from April 2004, DCL bought a company called Maxims Management Limited that owned the operator's licence for the casino. DCL changed Maxims Management Limited's name to Dunedin Casinos Management Limited, which is a wholly owned subsidiary of DCL that now operates the casino.
- 17 Since then, DCL has had three General Managers, and I am the current CEO of the organisation. I report directly to the DCL board, which is chaired by Geoff Thomas and comprised of Lani Hagaman, Stuart McLauchlan, and Peter Treacy (representing Christchurch Casino Limited).

GOVERNANCE

- 18 Governance and the framework of rules, processes, and authority are at the core of DCL's activities.
- 19 The 12 Governance pillars within the DCL Charter are established by the DCL board, reviewed, and updated annually to ensure the inclusion of best practice developments.
- 20 Some critical examples of governance provisions contained within the DCL Charter include:
 - 20.1 The review of corporate strategy and objectives;
 - 20.2 Review of the AML Risk Statement Annually;
 - 20.3 Host Responsibility Expectations;
 - 20.4 Ensuring that the monitoring of health and safety duties are fully complied;
 - 20.5 Ensuring that decision-making authorities within the company are clearly defined and understood (through a formal Delegation of Authority Policy) and that the intent of applicable regulations and Host Responsibility obligations are fully complied with;
 - 20.6 Monitoring financial results against the annual business plan, including the capital expenditure plan;
 - 20.7 The review and ratification of the company's Organisational, Compliance and Operational risk management and codes of conduct; and

20.8 The Performance Evaluation of the Chief Executive.

- 21 While the DCL board is responsible for confirming governance parameters, the CEO ensures adherence with these and is charged with the company's day-to-day management and leadership.
- 22 The board is informed on company affairs through periodic reports prepared by the CEO and other key managers, including gaming, compliance, finance, food & beverage, marketing, finance, human resources, information technology services and security and surveillance managers.
- 23 The board meets formally every two months, although additional meeting(s) are arranged if matters require earlier consideration.
- 24 At an informal level, the CEO and the Chairman retain frequent contact on strategic and operational issues.
- 25 Throughout the year, individual managers are scheduled to attend board meetings (such appearances may include successive meetings depending on the issues at hand). This has proven to be an effective means of having an open and frank conversation where the board's view can be emphasised, and that of the respective manager understood, rather than communications simply being through the CEO.
- 26 There are other various reports that the board requires be submitted to it throughout the year, including in relation to:
 - 26.1 Organisational structure review;
 - 26.2 Remuneration and performance;
 - 26.3 Report on anti-money laundering and independent audit;
 - 26.4 Internal control reviews, as well as those for risk management; and
 - 26.5 Insurance review and recommendations.

THE BUSINESS

- 27 Dunedin Casino is a boutique casino whose members and patrons come because we are safe. They always have somebody to talk to or with, and they know that we monitor them for their gambling, health, and welfare. Members see us as their club.
- 28 The casino operates seven days a week, with current market times of Sunday through Thursday, 12 pm to 12 am, and Friday and Saturday, 12 pm to 2 am.

- 29 When regular major events such as the All Blacks, FIFA Women's World Cup or concerts are on, our total capacity is 180 slot machines and 12 tables. Still, given that these have been few and far between since COVID, we generally operate 150 machines and ten tables to meet the market demand.
- 30 To support this activity, we operate a 44-seat Restaurant and Bar known as the Grand Bar and Café, and we have a small private dining room for 25 people downstairs, known as Room 118, that caters to birthdays, private functions, members' functions and cocktail-making classes.

The staff

- 31 Dunedin Casino employs 70 full-time, 24 part-time, and six casuals, for a total staff of 100 (as shown in the updated Grand Casino Structure Chart attached at **Appendix 1**). Unfortunately, the COVID-19 pandemic significantly affected casinos; ours was the same, making 45 people redundant and reducing our hours. Given the existing demand, our machines have currently decreased from 180 to 150 and our tables from 12 to 10. We hope that once the market picks up again, we can return to full capacity in terms of staffing and hours and return to our licenced amount of 180 machines and 12 tables.
- 32 We are proud that over 23% of our staff have been with us for longer than 10+ years, and our staff turnover rate is considered low. This helps us maintain consistency in our delivery, customer experience, and compliance obligations.
- 33 Throughout the public submissions on the casino's venue renewal, our staff are accurately depicted as caring about our patron's health and welfare; they think of us as a safe and clean environment and genuinely feel protected. Others view us as a place to gather within rather than be isolated at home, and we are proud of this.
- 34 Being within a small town with a talent shortage makes our employees highly desirable, especially to government agencies that can offer a 9-to-5 workplace, which we cannot. Hence, we ensure that we test against the market regularly and pay slightly above it. We provide free meals during shifts and additional benefits throughout the year, including laundry services for their uniforms, vouchers, Easter Parties, casino events, and restaurant discounts for friends and family at times.

Visitation

- 35 Our visitation has yet to return to the pre-COVID-19 days, especially with the city's downturn in significant events, tourism numbers, and trans-Tasman flights no longer occurring since 2019.

- 36 Host responsibility and care are part of our culture, and this includes monitoring patrons not only for their gambling but for their drinking by counting drinks and imposing limits for those who cannot drink responsibly. We have a zero-tolerance policy toward drugs on site, we prohibit gang-affiliated parties, and we all monitor our client's health and well-being in gambling and personal terms.
- 37 Our visitation numbers for 2023/24 April to March were:
- 37.1 142,575 patrons;
 - 37.2 173 refused entries for dress;
 - 37.3 94 refused entries for age;
 - 37.4 678 refused entries for intoxication;
 - 37.5 6 refused entries for behaviour; and
 - 37.6 64 refused entries other.
- 38 Overall, our patrons are extremely friendly and polite, and they want to have a great time in a great atmosphere with pleasant and friendly staff. Within this controlled environment, when we must act, we act decisively, ensuring that we deal with the matter calmly and professionally to respect the patron involved and the other customers whose nights may be being disrupted.

HOST RESPONSIBILITY

- 39 The board oversees and monitors the company's host responsibility and problem gambling programmes and initiatives. The board views this obligation as paramount to the casino's operation.
- 40 The key to that is the company's accepted responsibility to always provide a safe entertainment environment for visitors and staff. DCL is acutely aware of the potential harm of problem gambling and intoxication, and its fundamental obligations to prevent and minimise such harm.
- 41 Regardless of their role, staff training involves all new employees attending host responsibility induction training to levels HR1 and HR2 plus refresher courses.
- 42 Supervisory staff from the Gaming, Food and Beverage, Security and Surveillance teams also participate in extended training. This includes detailed information on identifying potential problem gamblers and those demonstrating the effects of excessive alcohol consumption. It also informs staff of the processes to follow for

visitors requesting assistance. Advanced training is provided to those responsible for conducting interactions and interventions.

- 43 DCL hold Dunedin Community Liaison Meetings as required by its current venue licence conditions and appreciate that other groups in the community have more than a passing interest in problem gambling. These groups are a necessary support system for our clientele when an issue arises.
- 44 The casino coordinates the meetings, which are held quarterly and at the attendees' request. Representatives from Asian Problem Gambling, Problem Gambling Foundation, Dunedin City Council, Te Kaika (Māori Health organisation) and the DIA attend these meetings. Sadly, the Salvation Army's funding contract was terminated in early 2024. We found the Salvation Army services exceptional in addressing the issues that problem gamblers have and in rehabilitating their gambling behaviour.
- 45 Management's response to the increasing demands associated with anti-money laundering and harm minimisation has resulted in changes within the executive team structure to better attend to visitor welfare and our compliance obligations. In the new structure that occurred in 2022 we introduced a Compliance Department that manages AML and HRP compliance (an updated Grand Casino Structure Chart is attached at **Appendix 1**). Initially, the Security and Surveillance Manager was responsible for this. This change organisationally has increased our monitoring of clients' gambling, increased the number of interventions and interactions that we deliver and has given us the ability to intervene earlier for those who are gambling irresponsibly.
- 46 While a comprehensive staff training programme dealing with potential issues of harm is a fundamental requisite, the company has, over recent years, engaged in several technological initiatives as further tools to assist this process.
- 47 Such investments have enabled the casino to monitor and generate alerts and to help identify adverse patterns of play.
- 48 The start of this journey was developing our Customer Relationship Management system, which I drove and that interacts with our Grand Casino member app. We have now added several AML-related aspects to this system and hired another firm to assist us with live business and behavioural intelligence via data capture, which will be live in September.
- 49 Other tools in this area include the introduction of a pre-commitment solution for players (which allows players to set a limit on the money they spend at the casino) and, more recently, developing and implementing facial recognition technology.

Enhancements in risk minimisation are continually tested and developed or bought to improve our programme of care and responsibility to our clients.

- 50 The expenditure associated with these changes has been significant, running into over \$1M over the past 2-3 years and hundreds of man-hours.
- 51 While the casino is committed to pursuing best practice systems, we understand that they are technology-based and may not work exactly as intended at times. Hence, the continued focus on staff training and development in identifying those deemed to be at risk is an operational fundamental at the very heart of providing a safe entertainment venue.
- 52 We acknowledge that while striving to get it right, we may not always do so. However, the experience is never lost; we can only learn from it and improve.

THE CHARITABLE TRUST AND OTHER CONTRIBUTIONS

- 53 DCL distributes a range of funds to its charitable trust (as required by condition 14 of its casino venue licence), and directly through other charitable corporate donations not related to the licence conditions.
- 54 Separately, and as discussed in the next section of my evidence, DCL pays the Problem Gambling Levy and other gaming duties to the Government (as required by legislation).

The Dunedin Casinos Charitable Trust

- 55 Condition 14 of the casino venue licence requires DCL to establish and support financially an independent charitable trust. DCL must pay to that charitable trust:
- 55.1 For the purposes of funding the treatment of gambling disorders by persons and organisations in the community and related activities, no less than \$52,000 a year; and
- 55.2 For the purposes of community and sport funding in Dunedin and the Otago region, a sum equivalent to 1% of the turnover of the gaming machines in the Casino after deducting goods and services tax, to a maximum of \$110,000 a year.
- 56 DCL does this through the Dunedin Casinos Charitable Trust. The Trust Deed is attached at **Appendix 2**. As per the Trust Deed, the Charitable Trust makes payments to charities for the following charitable purposes:

- 56.1 For the funding of treatment of gambling disorders by persons and organisation in the community and related activities.
 - 56.2 For the relief of poverty.
 - 56.3 The advancement of education.; or
 - 56.4 The advancement of religion.; or
 - 56.5 The advancement of sport.; or
 - 56.6 Any other charitable purpose beneficial to the community.
- 57 Conditions 15 and 16 of the casino venue licence require DCL to make information publicly available relating to the charitable trust which it does on its website.¹

Direct corporate donations made by DCL

- 58 In addition to the payments DCL is required to make to its charitable trust, DCL provide directly between \$100,000 to \$130,000 per annum to local environmental organisations, arts, sports, business awards and charities. Further, DCL provide another \$20,000 or so in auction prizes and vouchers on top of this to support other local sports and community organisations.
- 59 Some of these organisations have benefited significantly from DCL's contribution as because of a general lack of funding. They include:
- 59.1 The Wildlife Animal Hospital Dunedin;
 - 59.2 Otago Cricket (men's and women's cricket teams);
 - 59.3 Orokonui Eco Sanctuary;
 - 59.4 Rock Tenors Show throughout the South Island;
 - 59.5 Otago Rugby;
 - 59.6 Blue September Golf Tournament we put on to raise money for Prostrate Cancer; and
 - 59.7 Various charities and clubs via vouchers for dinner and other auction prized (including Zonta, local schools raising money for trips or equipment, Golf Clubs raising money for St. John or various charities, and bowling clubs).

¹ <https://grandcasino.co.nz/grand-gestures/dunedin-casino-charitable-trust/>

The Charitable Trust conditions in the casino venue licence

- 60 DCL understands that this application for renewal of its casino venue licence provides an opportunity to review the licence's charitable trust conditions.
- 61 The Gambling Commission has previously considered all of the casino charitable trust conditions in its decision GC18/21, and considered that rather than undertaking a co-ordinated set of uniform amendments to all casino venue licences, the better course was to address these individually on renewal of their venue licences. I agree with this approach as a 'one size fits all' approach is not appropriate as each casino operated in a different context.
- 62 The Dunedin City Council's submission sought an increase in the percentage that goes to the Charitable Trust. DCL considers that the public (including Dunedin City Council) may not be aware of the additional direct corporate sponsorships it provides to local organisations. In total, DCL contributes per annum of over \$260,000 to the local community (through both the charitable trust and direct contributions). We want to continue to be able to make our own decisions about where the local community would benefit the most from our support.
- 63 DCL is also one of the only casinos in the country with a maximum cap on the amount it is required to give its charitable trust every year. I understand that it was negotiated at the time of the original licence being issued.
- 64 The Grand Casino has experienced volatile trading conditions that have greatly affected our business over recent years due to the retraction in consumer spending. As noted elsewhere in this evidence, there has been a significant downturn in the city's events, tourism numbers, and spending generally since the COVID-19 pandemic which has impacted the casino's trading and revenue.
- 65 Since then, the Grand Casino has had to significantly reduce staff numbers and has also, as a temporary measure, reduced its electronic gaming machines from 180 to 150, and tables from 12 to 10 in order to meet current market demand and ensure it can maintain financial viability to continue to operate.
- 66 This downturn will correct itself and the economy will recover, at which point DCL will return to its normal operating conditions, with all machines and tables operating again. However, the timing on this is uncertain.
- 67 Further, the Grand Casino is one of the smallest casinos in the country. This must be taken into consideration when considering its charitable trust conditions. While SkyCity Queenstown is of a

similar scale to the Grand Casino, the Grand Casino operates quite differently. Key differences include:

- 67.1 As the Grand Casino is not part of the SkyCity group (where costs are centralised), the costs of running the casino are significantly higher. The Grand Casino does not have a parent company centralising operating costs for things such as marketing, accounts, compliance measures etc. It does not benefit from such economies of scale and must front all of these costs itself.
 - 67.2 The Grand Casino is located in Dunedin which provides a significantly smaller catchment area in terms of population and tourism to attract customers, particularly compared to the likes of Queenstown and Christchurch.
- 68 In this sense, while DCL is not opposed to structural changes being made to its charitable trust conditions, these need to provide certainty so DCL can continue to navigate these difficult times. As such, the maximum cap on the amount DCL is required to give its charitable trust every year ought to be maintained. This ensures that its obligations to the charitable trust are not unreasonably onerous and also ensures the Grand Casino is able to continue to make its additional direct corporate donations directly to our community.
- 69 DCL understand that the Commission has indicated a desire for uniformity (particularly in terms of the basis of calculation) for the charitable trust conditions across all of the casinos. DCL has reflected on this and are prepared to accept that the charitable trust conditions be amended:
- 69.1 To be calculated on the basis of a sum equivalent to 0.7% of Casino Win² (which is consistent with the recent changes to both SkyCity Auckland and Christchurch Casino's venue licence conditions); and
 - 69.2 That a set maximum contribution per year to the charitable trust remains, but that this maximum is increased from \$110,000 (as it is currently) to \$150,000. A maximum contribution cap is required for DCL due to our size and location compared to the other casinos and to give us financial certainty and confidence in our trading position.
- 70 DCL also consider it is appropriate that the drafting of condition 14 also be consolidated and simplified. In particular, DCL agrees with the Commission's suggestion in its decision GC18/21 that the introduction of the Problem Gambling Levy has likely superseded the

² As defined in section 12M of the Gaming Duties Act 1971.

need for charitable trusts to fund the treatment of gambling disorders. DCL would prefer that all of its charitable trust funds be targeted to local community purposes.

PROBLEM GAMBLING LEVY AND OTHER DUTIES

- 71 The Problem Gambling Levy (the *PGL*) is a mandatory payment for all casinos set by the Government every three years to ensure the industry can implement and fully fund the Ministry of Health's (*MOH*) strategic objectives on a shared responsibility model. The strategy includes:³
- 71.1 measures to promote public health by preventing and minimising the harm from gambling; and
 - 71.2 services to treat and assist problem gamblers and their families and whanau; and
 - 71.3 independent scientific research associated with gambling, including (for example) longitudinal research on the social and economic impacts of gambling, particularly the impacts on different cultural groups.
- 72 The MOH directly funds 48 problem gambling service providers through this levy to achieve its strategic objections.
- 73 The PGL payable by the casino is currently at 0.87% of the casino win figure. DCL pays over \$133,000 annually to the IRD through the PGL that is then distributed by the MOH to the problem gambling organisations under contract. The PGL paid by DCL for the past 10 years is set out below:

Dunedin Casinos Limited
Problem Gambling Levies Paid during the past 10 years

Financial Year ending March	PG Levy (exl GST)
2015	\$ 120,098.41
2016	\$ 125,613.27
2017	\$ 141,397.94
2018	\$ 159,362.36
2019	\$ 164,567.43
2020	\$ 118,985.36
2021	\$ 100,350.19
2022	\$ 94,756.22
2023	\$ 136,100.68
2024	\$ 133,805.89
TOTAL	\$ 1,295,037.75

³ As required under section 317 of the Gambling Act 2003.

74 DCL also pays casino duties calculated at 4% of casino win figure.

COMPLIANCE RECORD

75 Dunedin Casino's board and management take our Licence, AML, and Host Responsibility obligations very seriously and as such, pursue best practices as an organisation in all of these areas.

76 We have a culture of compliance, and staff go through an induction process depending on role and responsibilities:

AML Alpha Online Training.	All Board, Management, Supervisors/Area Managers, Cage and Security and Surveillance.
AML ACAMS Training.	CEO, Compliance Manager and AMLCO
AML Solutions Training.	CEO, Compliance Manager, and AMLCO.
AML Department Training.	Specialist training for departments at the Manager and Supervisory level.
AML Specialist Training.	When training is required for a team that has made any mistakes,
Host Responsibility 1.	All staff, including management.
Host Responsibility 2.	Floor Staff, including floor management.
Host Responsibility Refresher.	All staff, including management.

77 Our AML performance has improved drastically since 2022, when we set up an experienced Compliance Department reporting directly to the CEO and then added an AML Compliance Officer underneath this position to ensure our monitoring and oversight followed the three lines of defence best practice guidelines. Since then, we have had a very good DIA Audit in 2024 and have created systems to ensure we deliver a high standard of AML compliance.

78 To ensure we operate at a high best practice standard, we utilise the same methodology for AML for HRP and VIP. For example, we monitor a programme, risk assessment, and reporting to ensure we quickly identify any issues.

79 With Host Responsibility, we have created our system that monitors the clients daily, weekly, monthly, and quarterly across various matrices, including but not limited to Hours, Visit Frequency, Turnover, Loss, and Average Daily Turnover. Based on this information, interventions and interactions are called for and given a due date to be completed.

80 We take our compliance and licence obligations extremely seriously and always look for ways to improve our monitoring systems.

- 81 We would like to take this opportunity to address (and in one instance correct) a few recent specific incidences of potential non-compliance:

Associated Person Mr Geoffrey Purdon

- 81.1 In the DIA's response to the application, it is inferred that Mr Purdon (DCL Security and Surveillance Manager) was involved in a breach involving Dunedin Casino staff members playing poker at a private residence back in 2015. However, Mr Purdon was in fact the informant to the DIA in this incident. Mr Purdon has been in contact with the DIA who have confirmed they would be happy to amend that reference to clarify Mr Purdon's involvement.

Christine Keenan Case⁴

- 81.2 In October 2006, DCL was found in breach of section 309(1) of the Act and the conditions of its operator's licence by failing to offer Ms Keenan information or advice about problem gambling, including a description of the self-exclusion procedure available to her. The casino was suspended from operating for two days.
- 81.3 Since this incident, DCL's HRP practices have been reviewed and significantly improved. We now have a robust three-pronged approach to these discussions. The first step when talking to the client is to ensure we give them a problem gambling pack that explains the services and options available to them to get help or to help themselves via exclusions. The second is to talk through the counselling services available to them, and the final stage is to speak to them about taking a self-exclusion or a casino ban. We also explain thoroughly that they are banned from all casinos during this period, and they must attend counselling and be approved to come back for re-entry to occur.
- 81.4 Once a player is excluded, we notify all casinos and place it on our Facial Recognition and systems as being excluded. We make no contact with this player during this period.
- 81.5 With the current HRP processes in place, I am confident that an incident such as this would not occur again.

Operational Improvements Suggested by DIA

- 81.6 All operational improvements or suggestions have been implemented and monitored through assurance testing to ensure we comply with all procedural issues raised over the years by the DIA. We have also improved all AML and HRP

⁴ GC29/06.

operational issues raised in various visits or audits to achieve best practice standards throughout the organisation.

MYSTERY SHOPPER EXERCISES

- 82 We have had three mystery shopper exercises undertaken by the DIA in 2014 and 2016, which have assisted us in improving our systems and processes. Today, we have a very high standard of monitoring for time on site and an even tighter regime to monitor Eftpos declines and visits to the cash desk and unusual behaviour or amounts of money.
- 83 Grand Casino has also introduced its own mystery shopper programme that we commit to doing once a year. We will continually test and improve our procedures to ensure high compliance.

SUBMISSIONS

- 84 DCL responded to the submissions received on the application in its further submission filed on 21 June 2024. I will not repeat the contents of that submission. However, I do wish to highlight that we are overwhelmed by the community's support of our application.
- 85 The submissions highlight the positive impact the Casino has on the local community and economy and the Casino's role in providing entertainment, employment, and financial support to the region. This reflects our significance as a key player in Dunedin's social and economic landscape.
- 86 Various testimonials and statements commended the Casino for its philanthropic endeavours, support for local sports and events, and ethical business practices.
- 87 Most submissions also focused on our organisation's high professionalism, our responsibilities in compliance and problem gambling, and our role as a safe and secure environment that cares about their health and welfare.
- 88 As discussed in the DCL's further submission, we understand that many of the concerns raised in the submissions of Te Whatu Ora, PGF Services, National Māori Gambling Harm Minimisation Public Health Collective, and Asian Family Services in relation to its harm minimisation efforts have been addressed by the amendments made to the HRP and approved by the Commission on 19 June 2024. The now-approved HRP outlines the harm minimisation strategies (including continuous play period and breaks) as agreed by all casinos and the Gambling Commission. The amended HRP came into effect on 22 July 2024.

CONCLUSIONS

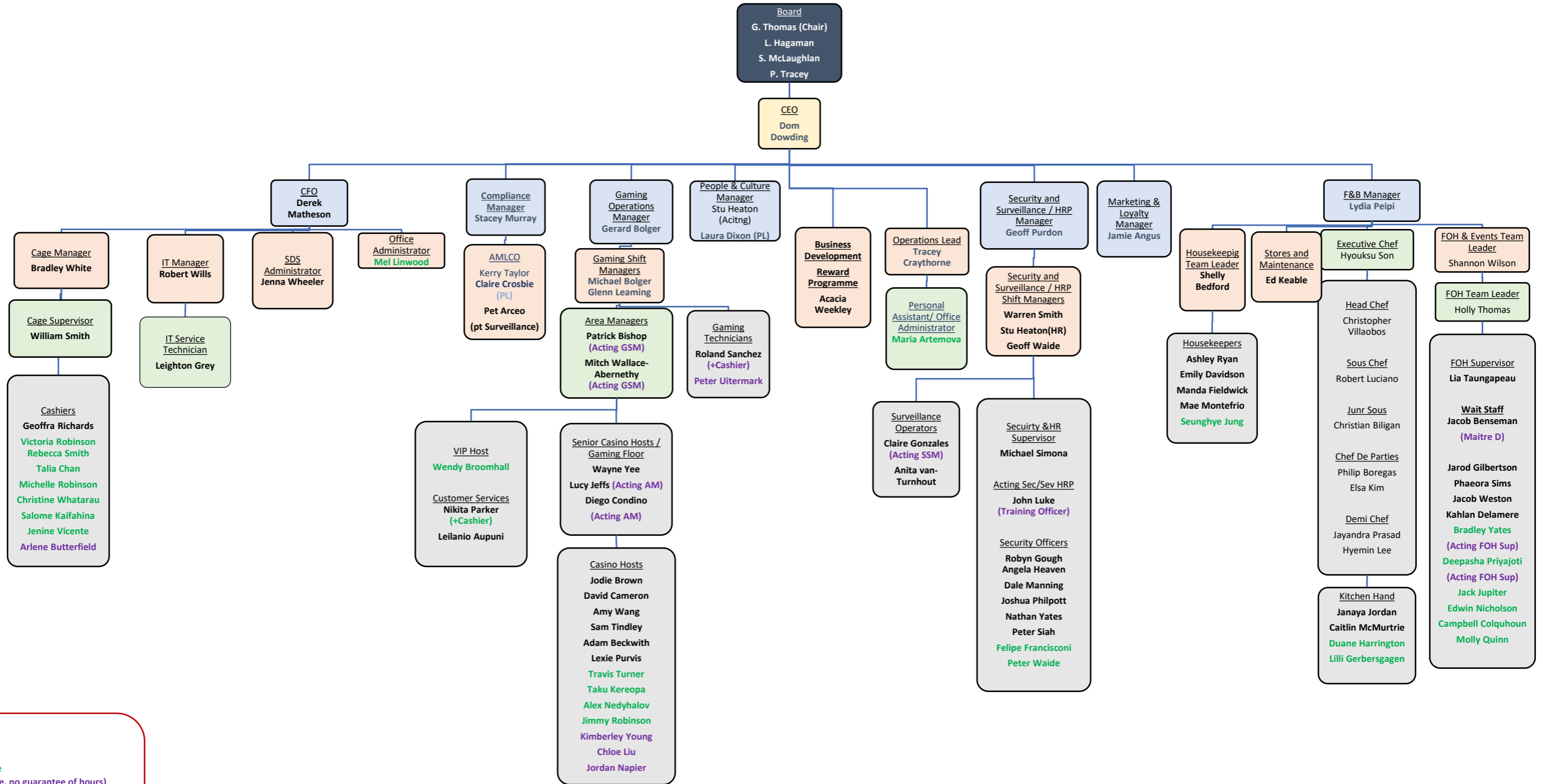
- 89 In summary, to date, DCL has proven itself as an excellent casino operator with the following attributes:
- 89.1 A high level of consistency and shared purpose of preventing gambling harm within the board and management culture of the organisation;
 - 89.2 The benefits of experience within the board and senior management team of DCL;
 - 89.3 AML and Host Responsibility practices and capabilities, which are at the very core of our operations;
 - 89.4 An excellent working relationship with the various regulatory agencies and Problem Gambling treatment providers and
- 90 A successful business that is:
- 90.1 a part of and supportive of the community.
 - 90.2 a significant tourist attraction for Dunedin as we bring to our city over 2,500 people who stay and enjoy what the city has to offer.

Dated: 5 September 2024

Dominique Dowding

APPENDIX 1 – UPDATED GRAND CASINO STRUCTURE CHART

Grand Casino Structure Chart – as at 24 June 2024



Key:
 Full Time
 Part Time
 Casual (i.e. no guarantee of hours)
 (RES) = Incumbent has resigned
 (PL) = Incumbent on Parental Leave
 (SEC) = Incumbent on secondment

APPENDIX 2 – DUNEDIN CASINOS CHARITABLE TRUST DEED

POLSON HIGGS NOMINEES LIMITED

and

DUNEDIN CASINOS LIMITED

TRUST DEED

ANDERSON LLOYD

LAWLINK

SOLICITORS

DUNEDIN, QUEENSTOWN & CHRISTCHURCH

NEW ZEALAND

Tel: 64 3 477 3973

Fax: 64 3 477 3184

E-mail: lawyers@andersonlloyd.co.nz

Private Bag 1959

Dunedin

THIS TRUST DEED is made the 16 day of June 2000

PARTIES:

1. **POLSON HIGGS NOMINEES LIMITED** a duly incorporated company having its registered office at Dunedin (called "the Trustee")
2. **DUNEDIN CASINOS LIMITED** a duly incorporated company having its registered office at Dunedin (called "the Founding Donor")

BACKGROUND:

- A. The Founding Donor is desirous of creating a charitable trust for the benefit of various charities.
- B. The Trustee has agreed to administer the Trust.
- C. The Trustee is holding the sum of \$100.00 for the purposes of this Deed for the charities (as hereinafter defined).
- D. The parties hereto wish to record the terms upon which such moneys are held and any further moneys held by the Trustee from time to time under the terms of this Deed may be held.

THIS DEED RECORDS and it is declared as follows:

SECTION I

- 1.1 That this Deed shall be construed as and take effect as a declaration of trust made in New Zealand.
- 1.2 In this Deed unless the context otherwise required:
 - (a) "General Trust Fund" means:
 - (i) The said sum of \$100.00 paid to the Trustee by the Founding Donor.
 - (ii) All moneys, land, properties, mortgages and other assets both real and personal which may at any time hereafter be paid, conveyed, transferred or handed over to the Trustee for the general purposes of charities by the Founding Donor and any person or persons, firm or

company which at any time may be added to and form part of the General Fund hereby established.

(iii) The investments and property from time to time representing such money, investments and property and accretions thereto or any part or parts thereof.

(b) "Charities" means:

Those charities for the time being accepted by the Trustee as being suitable for the purposes of this Deed and currently approved by the appropriate fiscal authority in New Zealand as being for charitable purposes and being:

(i) For the relief of poverty; or

(ii) The advancement of education; or

(iii) The advancement of religion; or

(iv) The advancement of sport; or

(v) Any other charitable purpose beneficial to the community.

(vi) For the funding of treatment of gambling disorders by persons and organisations in the community and related activities.

(c) "Specific Charity" means any charity or group of charities specifically nominated by the Founding Donor or a Donor and approved by the Trustee and approved by the appropriate fiscal authority as being for a charitable purpose or purposes. The Committee on Problem Gambling Management is deemed to be a Specific Charity.

(d) "Charitable Trustees" means those persons appointed by the Founding Donor's nominee pursuant to the provisions of Section III hereof.

(e) "Authorised Investments" means any of the investments set forth in Section IV hereof.

(f) "Specified Investments" means any investments in real or personal property held by the Trustee and originally donated by the Founding Donor or any donor whether or not on such terms as the Trustee may agree to.;

(g) "Trustee" means the said Polson Higgs Nominees Limited or any trustee for the time being subsequently appointed.

(h) "Donor" means any person, including the Founding Donor, donating moneys or other real or personal property to the Trustee or creating any benefit in favour of the Trustee to be held on the terms of this Deed.

- (i) "Donation" means any moneys or real or personal property transferred or assigned to or otherwise to be held for or by the Trustee for and upon the trusts of this Deed.
 - (j) "Trust Funds" means the total of the General Trust Fund.
- 1.3 The title of the charitable trust created pursuant to this Deed shall be the **DUNEDIN CASINOS CHARITABLE TRUST** (hereinafter referred to as "the Trust").

SECTION II

- 2.1 The Trustee may accept any donation from any Donor and the Trustee shall hold such Donation on the terms of the General Trust Fund.
- 2.2 On receipt of any donation the Trustee shall invest or cause to be invested such donation (and shall have the power to so invest) in Authorised Investments.
- 2.3 The Trustee shall have an absolute discretion to refuse to accept a donation if:
 - (a) Such donation might affect the charitable status of the Trust;
 - (b) The investments as directed by the Donor might affect the charitable status of the Trust;
 - (c) Such donation would be contrary to the spirit and intention of the Trusts established by this Deed.

OR for such other reason as the Trustee in its sole and uncontrolled discretion shall consider proper.

AND the Trustee shall not be bound or obliged to give any reason in the exercise of such discretion.

SECTION III

CHARITABLE TRUSTEES

- 3.1 The Trustee shall appoint Charitable Trustees at the direction of the Chairperson of Directors for the time being of Dunedin Casinos Limited to advise the Trustee on:
 - (a) The bodies, societies, or other charities that are recommended as Charities for the purposes of this Deed.

- (b) The compilation of lists of charities being charities in the opinion of the Charitable Trustees that are suitable for receiving distributions in any one year and the amendment of such lists and any order of preference for payments thereto.
 - (c) Any other matter, act or thing relevant to the donations, the income from the General Trust Fund and the charities.
- 3.2 The Trustee shall call meetings of the Charitable Trustees at least once in each calendar year and at such other times as:
- (a) The Trustee may decide.
 - (b) Any two of the Charitable Trustees may determine by notice given to the Trustee to that effect.
- 3.3 The quorum for a meeting of the Charitable Trustees shall be two Charitable Trustees and such meeting shall appoint a Chairperson from their number and in the case of an equality of votes on the appointment of Chairperson, that person longest in office shall be Chairperson and if there shall be more than one, then that person decided by lot.
- 3.4 At least seven days notice in writing shall be given to all Charitable Trustees of any meeting of them unless all the Charitable Trustees unanimously waive such notice requirement. Such notice shall specify the place, date and time for the meeting.
- 3.5 At any meeting of Charitable Trustees, any decision shall be made by a majority vote and for the purpose of voting, each Charitable Trustee shall have one vote. The Chairperson shall have a second or casting vote.
- 3.6 Minutes shall be kept of all meetings of the Charitable Trustees and such minutes shall be made available to the Trustee.
- 3.7 The Trustee shall be entitled to attend and speak at all meetings of the Charitable Trustees but shall not be entitled to vote thereat.
- 3.8 Any Charitable Trustee may resign from such position by notice in writing to the Trustee.
- 3.9 Any further Charitable Trustees may be appointed by the Trustee at the direction of the Chairperson of Directors for the time being of Dunedin Casinos Limited. This power of appointment is however subject to and conditional upon the approval of the Casino Control Authority.
- 3.10 The number of Charitable Trustees shall be not less than three and not more than five.
- 3.11 The Trustee may remove, on the advice of the Chairperson of Directors for the time being of Dunedin Casinos Limited, any Charitable Trustee without being obliged to give any reason therefor and may accept the retirement of any Charitable Trustee at

any time. This power of removal is however subject to and conditional upon the approval of the Casino Control Authority.

- 3.12 The Charitable Trustees shall be entitled to an indemnity from the Trustee in respect of all costs expenses and claims properly incurred in the carrying out of their functions **PROVIDED THAT** in the case of out of pocket disbursements such indemnity shall be limited to those items approved in writing by the Trustee.
- 3.13 The first Charitable Trustees shall be:

DAVID JOHN HENRY

GILLIAN HILARY BREMNER

RON MCMILLAN ESPLIN

STEVE MARK DAVIE

SIR CLIFFORD GEORGE SKEGGS all of Dunedin, and the first Chairperson shall be the said **SIR CLIFFORD GEORGE SKEGGS**.

SECTION IV

DISTRIBUTION OF MONEYS

- 4.1 For the purpose of clause 4.2 of this Deed, the Trustee may (after receiving the advice of the Charitable Trustees) establish a list or lists of charities (whether by region or otherwise).
- 4.2 At least once in each calendar year and at such other times as the Trustee may determine and after consultation with the Charitable Trustees, the Trustee shall distribute to Charities or Specific Charities such moneys as the Trustee considers proper and which are available from the General Trust Fund for distribution **PROVIDED HOWEVER** that distributions in favour of the Committee on Problem Gambling Management shall not exceed 50% of such distributions in any one financial year **AND PROVIDED FURTHER HOWEVER** that any distribution shall be conditional upon the prior approval of the Charitable Trustees.
- 4.3 Subject to any direction to the contrary by any relevant Authority (other than the Founding Donor) and after receiving the advice of the Charitable Trustees the Trustee shall have full power and discretion in respect of the General Trust Fund:
- (a) To establish such reserves of income or capital as it shall consider appropriate; and
 - (b) To capitalise any income from any income year to form part of the capital of the Trust Funds or to carry the same forward as undistributed income; and
 - (c) To distribute income or capital in such amounts (if any) and in such manner as it shall see fit.

SECTION V

POWERS OF TRUSTEE

- 5.1 To sell all or any part of the Trust Funds whether real or personal either by public auction or private contract to whomsoever and in such manner and subject to such terms and conditions as the Trustee shall in its absolute and uncontrolled discretion think fit.
- 5.2 To let any property forming part of the Trust Funds or any part or parts thereof either from year to year or for any term of years or otherwise at such rent and subject to such covenants and conditions as the Trustee in its absolute discretion thinks fit and also to accept surrenders of leases and tenancies and generally to manage the same as it thinks fit.
- 5.3 To postpone the sale, calling in and conversion of the Trust Funds whether real or personal or any part thereof for so long as it thinks fit notwithstanding that it may be of a wasting speculative or reversionary nature.
- 5.4 To appropriate and partition any real and personal property forming part of the Trust Funds in or towards the share of any charity sharing in the Trust Funds hereinbefore contained and for such purpose to fix the value of any real or personal property so appropriated as it thinks fit and every such valuation appropriation and partition shall be binding and final.
- 5.5 To settle and determine all questions whatsoever which may arise in relation to the Trust Funds or any part thereof and also to determine whether any money for the purpose of these presents is to be considered as income or capital and what expense ought to be paid out of the income or capital respectively and also to apportion blended funds **AND PROVIDED THAT** the Trustee may have regard to the following:
- (1)
 - (a) Any bonus shares which may accrue to the Trust Funds may be treated for all purposes and forming part of the capital of the Trust Fund notwithstanding that the resolution creating such bonus shares declares them to be income.
 - (b) Any proceeds of the sale of rights or entitlements accruing in respect of shares may be treated as capital or as income as the Trustee shall decide.
 - (2) In order to ascertain the net annual income the Trustee may:
 - (a) Instead of commencing the accounting period to ascertain such income at a specified date to adopt any annual accounting period used immediately prior to that date and continue that accounting period

current at that date and apportion the income so ascertained on the basis that it had accrued evenly over the accounting period:

- (b) Instead of making up accounts as at the date of any partial distribution hereunder make up accounts at the end of the accounting period current at the date or dates of distribution as aforesaid and apportion the income so ascertained on the basis that it had accrued evenly over the account period;
 - (c) Account for income solely or partly on a cash basis instead of on an accrual basis and not apportion income wholly or partly.
- 5.6 To accept money from time to time on deposit with allowance for interest or otherwise in such manner and on such terms as the Trustee shall in its absolute discretion think fit.
- 5.7 To open bank accounts or other accounts with any bank, firm, company or person and for such purpose to delegate the right to operate on any such account to any person or persons without being liable for the acts of any such person in so operating such accounts and generally to enter into and arrange such banking arrangements and accommodation as may be necessary for the administration of the Trust Fund.
- 5.8 To act or appoint one of its employees or such other person as the Trustee shall consider suitable to act as a Director or an officer or in any other capacity with any Company in which any part of the Trust Funds is invested.
- 5.9 In respect of and in connection with this Deed, any matter in relation to this Deed and its services as Trustee pursuant to the Deed, the Trustee shall be entitled to remuneration and also all costs, charged and expenses (including travelling expenses) reasonably incurred by or on behalf of the Trustee. Without limiting the generality of the foregoing, such matters and services include:
- (i) Any action taken by or required of the Trustee pursuant to the provisions of this Deed or of any Deed collateral or supplemental hereto;
 - (ii) The carrying out by the Trustee of any right, power, duty or privilege by this Deed;
 - (iii) The remuneration of any Charitable Trustee from the Trust Funds and the reimbursement of his/her expenses;
 - (iv) The employing of any chartered accountant, solicitor, barrister or other expert from whom the Trustee seeks any advice, reports, comments or other information;
 - (v) Any other matter from time to time the Trustee shall consider necessary and proper.
- 5.10 The Trustee may retire at any time on sixty days notice to the Chairperson of Directors for the time being of Dunedin Casinos Limited subject to the appointment of

a suitably qualified Trustee as replacement therefore such replacement Trustee to be approved by the said Chairperson of Directors of Dunedin Casinos Limited and in default thereof by the Court. The Replacement Trustee must also be conditional upon the prior approval of the Casino Control Authority.

- 5.11 If the Trustee for any reason ceases to be Trustee or is unable or unfit to continue to act as Trustee (excepting only on the retirement of the Trustee) then the Chairperson of Directors for the time being of Dunedin Casinos Limited shall be entitled to appoint a new Trustee and failing such appointment the power to appoint a new Trustee shall be by the Court.

SECTION VI

MISCELLANEOUS

INCIDENTAL PROVISIONS RELATING TO TRUSTEE POWERS OF INVESTMENT

- 6.1 Any moneys subject to the trusts herein contained which might or ought to be invested may at the discretion of the Trustee be invested in the name of the Trustee or of its nominees in any of the Authorised Investments or may be placed on deposit either at call or for a fixed term in the name of the Trustee or its nominee at any Bank or Merchant Banks (as approved by the Trustee) and the Trustee may at any time vary such investments for others of a like nature and from time to time deal with or dispose of all such investments.

SUPPLEMENTAL POWERS OF TRUSTEE

- 6.2 Additional to the provisions of the law relating to trustees and to facilitate the discharge of its duties hereunder, it is expressly declared that the Trustee and the Charitable Trustees in relation to this Deed may without liability for loss obtain, accept and act on or decline and elect not to act on:
- (a) The opinion or advice of or any information obtained from any barrister, solicitor, valour, stockbroker, surveyor, auctioneer, chartered accountant or other expert whether obtained by the Trustee or Charitable Trustees or otherwise and whether purporting to be conveyed by writing, telegram, teleprinter, message, radiogram, cablegram or other similar mode of communication and although the same may contain some error or shall not be authentic;
 - (b) The audited accounts of the Trust Funds;
 - (c) Any interim accounts prepared on behalf of the Trustee.

DISCRETION AS TO POWERS

- 6.3 Save as herein otherwise expressly provided, the Trustee shall as regards all trusts, powers, authorities and discretions vested in it by this Deed, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and as to the commencement, prosecution, variation, discontinuance or compromise of any action, proceeding or claim and provided it shall not have acted fraudulently, it shall be in no way responsible for any loss costs damages expenses or inconvenience that may result from the exercise or non-exercise thereof.

DELEGATION BY TRUSTEE

- 6.4 The Trustee whenever it thinks it expedient, may:
- (a) Delegate at any time or times and to any person or persons any of the trusts, powers, authorities, or discretions vested in the Trustee by this Deed which can not conveniently be exercised by it or through its employees, upon such terms and conditions and under such regulations (including the giving of power to sub-delegate) as the Trustee may think fit and the Trustee shall not be responsible for any loss incurred by any misconduct or default on the part of such delegate or sub-delegate;
 - (b) Instead of acting through its permanent employees, employ in the carrying out of any of the trusts, powers, authorities or discretions hereby vested in it or in the conduct of the Trust pay an agent to transact all business and do all acts required to be done under this Deed including the receipt and payment of money;
 - (c) Delegate from time to time and at any time to any one of its officers any of the trusts, powers, authorities and discretions vested in the Trustee by this Deed which owing to the place in which they are to be or may require to be exercised, can not conveniently be exercised by the Trustee; and
 - (d) Apply to the Court for directions in relation to any question arising hereunder.

INDEMNITY OF TRUSTEE

- 6.5 Without prejudice to the right of indemnity by law given to trustees, the Trustee and every attorney, manager, agent or other person appointed by the Trustee pursuant to this Deed shall be entitled to be indemnified out of the Trust Funds in respect of all liabilities and expenses incurred by it or him/her in the execution or purported execution of the trusts hereof or any powers, authorities or discretions vested in it or him/her pursuant to this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted or in any way relating to

the Trust Funds other than a claim arising out of a wilful default or wilful breach of trust and the Trustee may retain and pay out of any moneys in its hands arising from the trust of this Deed, all sums necessary to effect such indemnity and also the remuneration and disbursements of the Trustee as herein provided and the Trustee shall have a charge on the Trust Funds for all moneys payable to it under this clause or otherwise howsoever arising out of and in connection with this Deed.

FIDUCIARY RELATIONSHIP

- 6.6 (a) Nothing in this Deed shall be deemed to prohibit any Trustee or its holding company or any of its subsidiaries or any of the subsidiaries of its holding company (all hereinafter in this clause where the context permits being included in the expression "the Trustee") or its directors or officers from investing in any of the Authorised Investments or any Specified Investments and in particular and without prejudice to the generality of the foregoing, it is expressly declared that the Trustee may so act on its own account or as executor, administrator, trustee, receiver, committee, guardian, attorney or agent or in any other fiduciary vicarious or professional capacity nor shall the acting in such capacity as aforesaid be deemed a breach of any of the obligations hereby established or otherwise imposed or implied by law out of a fiduciary relationship between the Trustee on the one hand and charities on the other hand.
- (b) Nothing in this Deed shall prohibit the Trustee from undertaking any financial or agency service in respect of the Trust and the Trustee shall be entitled to its normal charges in respect of the same.

TRUSTEE MAY CONCUR IN MODIFICATIONS

- 6.7 The Trustee may at any time concur in making an alterations, modifications, variations or additions to this Deed if in the opinion of the Trustee:
- (i) the same is made to correct a manifest error;
 - (ii) is of a formal or technical nature;
 - (iii) is necessary to give the Trustee any further powers or discretions consistent with the terms of this Deed including a revision of the Trustees power of investment to make allowance for the continuing development of financial and security markets;
 - (iv) is to allow the Trusts herein created to continue to be approved or to be approved by any relevant fiscal authority.

PROVIDED THAT no such alteration, modification, variation or addition shall be made if its nature of effect would be such as to derogate from the exclusive charitable

nature of these presents AND PROVIDED FURTHER THAT such alteration, modification, variation or addition is conditional upon the prior approval of the Casino Control Authority.

6.8 Should the Trust Fund be dissolved or wound up or should for any reason the General Trust Funds cease to be able to be applied exclusively for charitable purposes in accordance with the provisions hereof, then the General Trust Funds shall be paid over or distributed to one or more charitable organisations approved by the Trustee after consultation with the Charitable Trustees having charitable objects for purposes within New Zealand.

6.9 Notwithstanding anything hereinbefore contained on any dissolution or winding up of the Trust or distribution pursuant to clause 6.8 hereof, in no circumstances shall any part of the Trust Funds be paid or applied to any Donor unless such Donor is a person otherwise falling within clause 6.8 hereof.

IN WITNESS WHEREOF these presents have been executed the day and year first hereinbefore written.

The common seal of POLSON HIGGS)
NOMINEES LIMITED was)
hereunto affixed in the presence of:)

John - Janta
John - Director

Wells

Clark

Dunedin

The common seal of DUNEDIN)
CASINOS LIMITED was hereunto)
affixed in the presence of:)

[Signature]
Three