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## **VARIATION AGREEMENT**

## **APPROVED LICENSING AGREEMENT**

(ADELAIDE CASINO)

## **BETWEEN**

## MINISTER FOR CONSUMER AND BUSINESS SERVICES

("Minister")

-AND-

# SKYCITY ADELAIDE PTY LTD

(ACN 082 362 061)

("Licensee")



CROWN SOLICITOR
Level 9, 45 Pirie Street, Adelaide SA 5000

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**AGREEMENT** dated

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2017

### **PARTIES**:

MINISTER FOR CONSUMER AND BUSINESS SERVICES ("Minister")

AND

SKYCITY ADELAIDE PTY LTD (ACN 082 362 061) ("Licensee").

## **RECITALS**

- A. The Treasurer of South Australia ("Treasurer"), for and on behalf of the State of South Australia, and the Licensee, were parties to the Approved Licensing Agreement made on 27 October 1999 (as subsequently varied from time to time, the "ALA") pursuant to section 16(1) of the Casino Act 1997 ("Casino Act").
- B. Pursuant to the *Administrative Arrangements Act 1994*, the Casino Act was committed to the Minister for Gambling by proclamation on 4 December 2001, and all contractual rights and liabilities formerly vesting in the Treasurer under the ALA vested in that Minister.
- C. Pursuant to the Administrative Arrangements Act 1994, the Casino Act was committed to the Minister for Business Services and Consumers (now the Minister for Consumer and Business Services) by proclamation on 21 October 2011, and all contractual rights and liabilities formerly vesting in the Minister for Gambling under the ALA vested in that Minister.
- D. Section 16(5) of the Casino Act permits the ALA to be varied by a later agreement, but except as provided by section 16(7) of the Casino Act, a variation has no effect unless approved by the Independent Gambling Authority.
- E. The parties wish to vary the ALA on the terms of this agreement.

## **OPERATIVE PART**

#### 1. INTERPRETATION

#### 1.1 Definitions

In this agreement, unless a contrary intention appears:

"ALA" means the Approved Licensing Agreement referred to in the recitals, as varied and restated by an agreement made on 11 October 2013 between the Minister and the Licensee;

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"Casino Act" means the Casino Act 1997;

"Variation Date" means the day after the Authority approves, for the purposes of section 16(5) of the Casino Act, the variations made by this agreement to the ALA.

#### 1.2 Interpretation

In this agreement, unless a contrary intention appears:

- 1.2.1 a reference to a clause number is a reference to all its sub-clauses, paragraphs and subparagraphs;
- 1.2.2 words in the singular number include the plural and vice versa;
- 1.2.3 words of one gender include any other gender;
- 1.2.4 a reference to the Schedule is a reference to the schedule to this agreement;
- 1.2.5 where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- 1.2.6 a reference to a party includes its successors and assigns;
- 1.2.7 a reference to an agreement or other instrument includes a reference to it as varied or replaced from time to time; and
- 1.2.8 a term defined in the Casino Act (unless otherwise defined in this agreement) has the same meaning when used in this agreement.

## 2. **CONDITION**

#### 2.1 Condition

Clauses 3 and 4 have no effect unless and until the Authority has approved, for the purposes of section 16(5) of the Casino Act, the variations made by this agreement to the ALA.

#### 2.2 Effect of Non-Satisfaction

If the condition in clause 2.1 is not satisfied within 60 days after the date of this agreement or any longer period agreed in writing by the parties before the original period expires, this agreement terminates automatically.

## 2.3 No Compensation

Neither party is entitled to any compensation from the other in consequence of or in connection with the termination of this agreement under clause 2.2 or the non-satisfaction of the condition to which that clause refers.

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### 3. VARIATION OF ALA

#### 3.1 Variation

With effect on and from the Variation Date, the ALA is varied in accordance with the Schedule.

#### 3.2 Confirmation of ALA

The terms of the ALA, as varied by this agreement, are confirmed.

### 4. EFFECT OF VARIATIONS

To avoid doubt, the variations made by this agreement to the ALA do not affect:

- 4.1 the obligations of either party under or in connection with the ALA to the extent that those obligations:
  - 4.1.1 were required to be performed before the Variation Date; or
  - 4.1.2 arise (whether before, on or after the Variation Date) out of an act or omission of either party, or any other event or circumstance, occurring or existing before the Variation Date; or
- 4.2 the corresponding rights of the other party.

### 5. **DISCLOSURE**

The Licensee agrees to the disclosure of this agreement in either printed or electronic form and either generally to the public, or to a particular person as a result of a specific request.

## EXECUTED AS A DEED.

THE COMMON SEAL of the MINISTER FOR )
CONSUMER AND BUSINESS SERVICES )

was hereto affixed in the presence of:

Witness

[Print Name: MATTHE )

CANDELAHIL (

COMMON SPEAL SPEAL

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EXECUTED by SKYCITY ADELAIDE PTY LTD (ACN 082 362 061)	}
in accordance with section 127 of the	)
Corporations Act 2001 (Cth)	Joan
Director	Director/Secretary
G.E. STEPHENS	Joanna Lee Wong
Name (please print)	Name (please print) Director

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## APPROVAL OF AUTHORITY

The Independent Gambling Authority approves, for the purposes of section 16(5) of the Casino Act, the variations made by this agreement to the ALA.

THE COMMON SEAL of the INDEPENDENT
GAMBLING AUTHORITY was, by its authority, hereto affixed in the presence of:

Member

Member/Secretary

GAMBLING 13916836 AU 139168 AU 13916

2017.

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## **SCHEDULE**

#### **VARIATIONS TO ALA**

#### The ALA is varied as follows:

- 1. By deleting the figures "12,000" in the definition of the value "B" in the formula set out in subparagraph (b)(iii)(B) of the definition of "Premium Customer" in clause 1.1.17 and substituting "8,000".
- 2. By inserting in the definition of "Premium Customer" in clause 1.1.17, at the end of paragraph (b):

or

- 3. By inserting in the definition of "Premium Customer" in clause 1.1.17, immediately after paragraph (b) (as varied):
  - (c) for the time being has the benefit of a Guest Pass (as defined in clause 8.7.5),
- 4. By inserting in clause 8.7.2, immediately after "Premium Customer" where first appearing: other than a person who is a Premium Customer by reason only of having the benefit of a Special Event Guest Pass (as defined in clause 8.7.6)
- 5. By deleting clause 8.7.3(b) and substituting:
  - (b)(i) if the Sponsoring Premium Customer is a Premium Customer by reason only of having the benefit of a General Guest Pass (as defined in clause 8.7.6) no other person currently has the benefit of a permission under clause 8.7.2 in connection with the same Sponsoring Premium Customer; or
    - (ii) otherwise not more than 3 other people currently have the benefit of a permission under clause 8.7.2 in connection with the same Sponsoring Premium Customer.
- 6. By deleting clause 8.7.5 and substituting:
  - 8.7.5 Without detracting from the Licensee's rights under clause 8.7.2, the Licensee may grant a permission (in this clause 8.7, a "Guest Pass") for a particular person who does not otherwise qualify as a Premium Customer (in this clause 8.7, a "Guest") to gamble in a premium gaming area if (and only if):
    - (a) the Guest is a South Australian resident:
      - (i) whom the Licensee reasonably believes, taking into account the amounts that he or she regularly gambles outside South Australia, would likely be capable of qualifying as a Premium Customer under sub-paragraph (b)(iii) of the definition of "Premium Customer" in clause 1.1.17, if he or she elected to transfer that patronage to the Adelaide Casino;
      - (ii) whom the Licensee reasonably believes is likely, if he or she is granted a Guest Pass, to qualify as a Premium Customer under sub-paragraph (b)(iii) of the definition of "Premium Customer" in clause 1.1.17 by reason of the amounts he or she gambles in the premium gaming area over the life of the Guest Pass;
      - (iii) who is a member of an elite sporting or other group the presence of which, and of other such groups (as well as

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- individuals of the kind referred to in the following subparagraph), in the premium gaming area, would reasonably be expected to make Premium Customer status, and the privileges attached to that status, more attractive; or
- (iv) who is a well-known individual or an individual of influence whose presence, and that of other such individuals (as well as groups of the kind referred to in the preceding sub-paragraph), in the premium gaming area, would reasonably be expected to make Premium Customer status, and the privileges attached to that status, more attractive;
- (b) the Licensee has no reason to believe (having subjected the Guest to the screening procedures required under clause 8.7.11) that the Guest is a problem gambler or a potential problem gambler; and
- (c) the Licensee complies with clause 8.7.6.

#### 8.7.6 The Licensee:

- (a) must, when granting a Guest Pass, stipulate the period, from the date of grant, for which the Guest Pass is granted;
- (b) may grant a Guest Pass for any period, not exceeding 6 months, from the date on which it is granted;
- (c) may grant a Special Event Guest Pass only to a person to whom clause 8.7.5(a)(iii) or clause 8.7.5(a)(iv) applies;
- (d) must, when granting a Special Event Guest Pass, stipulate the Nominated Special Event for which the Special Event Guest Pass is granted;
- (e) may not grant a Special Event Guest Pass for a period that extends beyond the duration of the Nominated Special Event for which the Special Event Guest Pass is granted;
- (f) may not grant more than 200 Special Event Guest Passes for a particular Nominated Special Event over the entire duration of the Nominated Special Event;
- (g) may not, where 2 or more Nominated Special Events are taking place simultaneously, grant a Special Event Guest Pass if, as a result of the Licensee granting it, more than 200 people would have the benefit of Special Event Guest Passes at that time;
- (h) may grant a General Guest Pass only to a person to whom clause 8.7.5(a)(i) or clause 8.7.5(a)(ii) applies;
- (i) may not grant a General Guest Pass if, as a result of the Licensee granting it, more than 1000 people would have the benefit of General Guest Passes at that time; and
- (j) may not grant to a particular person more than 2 General Guest Passes in any period of 36 consecutive months.

In this clause 8.7.6 and the following provisions:

(k) "General Guest Pass" means a Guest Pass that is not a Special Event Guest Pass;

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- (I) "Nominated Special Event" means a Special Event which the Licensee has nominated as a "Nominated Special Event" for the purposes of this agreement by prior written notice to the Minister;
- (m) "Special Event" means an event or function that the Licensee holds or puts on in the premium gaming area at which additional attractions, over and above those routinely offered in the premium gaming area, are provided for the benefit of Premium Customers, and which may (but need not) take place in conjunction with a sporting, cultural or other event that is unrelated to the Licensee or the Casino Business; and
- (n) "Special Event Guest Pass" means a Guest Pass that is granted for a period of 3 days, or less, from the date on which it is granted.
- 8.7.7 There may not be more than 10 Nominated Special Events in any period of 12 consecutive months.
- 8.7.8 If a Nominated Special Event is cancelled or suspended, the Licensee must immediately revoke all Special Event Guest Passes granted for that Nominated Special Event and notify the Minister that the Nominated Special Event has been cancelled or suspended.
- 8.7.9 A Guest Pass will lapse and have no further operation on the expiration of the period for which it was granted.
- 8.7.10 If the Licensee has reason to believe that the person with the benefit of a Guest Pass is a problem gambler or a potential problem gambler, the Licensee must immediately revoke that Guest Pass.
- 8.7.11 The Licensee must subject a person to whom it proposes to grant, or to whom it has granted, a Guest Pass to the same initial screening, and (except in the case of a Special Event Guest Pass holder) ongoing monitoring, procedures for actual or potential gamblers that it employs from time to time in relation to other South Australian resident Premium Customers.
- 8.7.12 To avoid doubt, a Guest Pass is not to be transferable, and will be valid only for the person to whom it was granted.
- 8.7.13 The Licensee must provide the following reports to both the Minister and the Authority:
  - (a) a report, certified as correct by the Licensee's senior manager with responsibility for gaming, specifying, for each Quarter (as defined in clause 13A.2):
    - the number of Guest Passes offered (separately for each Class, and cumulatively);
    - (ii) the number of Guest Passes accepted (separately for each Class, and cumulatively);
    - (iii) the number of Guest Passes lapsed (separately for each Class, and cumulatively); and
    - (iv) the number of Guest Passes revoked (separately for each Class, and cumulatively); and
  - (b) a report, certified as correct by the Licensee's senior manager with responsibility for host responsibility, detailing, for each Quarter (as defined in clause 13A.2), the monitoring and assessment activities

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undertaken in accordance with the host responsibility program during the Quarter in relation to actual or prospective recipients of Guest Passes,

each report to be provided within 14 days after the end of the Quarter to which it relates. For the purposes of this clause 8.7.13, General Guest Passes and Special Event Guest Passes are separate "Classes" of Guest Passes.

- 8.7.14 Without limiting any other provision of the regulatory regime, the Licensee must make and keep, and make available to the Minister, the Authority or the Commissioner immediately on request, all records that are necessary to enable the Minister, the Authority or the Commissioner, as applicable, to monitor the Licensee's compliance with its obligations under this clause 8.7.
- 8.7.15 Nothing in this clause 8.7 detracts from:
  - (a) the right of the Licensee to revoke a permission granted under clause 8.7.2 or clause 8.7.5 as it considers appropriate; or
  - (b) the operation of any provision of the regulatory regime under which an individual's access to the casino premises or to gaming facilities can be denied or restricted.

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