

FW: Confidential and Legally Privileged

From: Matt Sanders [REDACTED]
To: Jason O'Connor [REDACTED] William MacKay
Date: Thu, 09 Aug 2012 14:08:21 +1000

A win!!!

Regards
Matt.

From: Michelle Fielding
Sent: Thursday, August 09, 2012 2:07 PM
To: Matt Sanders
Cc: Debra Tegoni; William MacKay
Subject: RE: Confidential and Legally Privileged

Yes, that's correct.

Regards

Michelle Fielding | General Manager - Compliance | Crown Melbourne Limited
t: [REDACTED] w:
www.crownmelbourne.com.au

From: Matt Sanders
Sent: Thursday, August 09, 2012 2:01 PM
To: Michelle Fielding
Cc: Debra Tegoni; William MacKay
Subject: RE: Confidential and Legally Privileged

Hi Michelle

Thank you for the below.

For the sake of clarity, is the view that if we comply with the 4 points below, we would be able to process the transaction within the cage?

- a) Sell and provide chips from a credit card;
- b) To International Patrons only (who are not ordinarily resident in Australia);
- c) Who are participating in a Junket or Premium Player arrangement; and
- d) You can then deposit those chips into the patron's deposit account in the normal course of dealing.

Regards
Matt.

From: Michelle Fielding
Sent: Thursday, August 09, 2012 1:48 PM
To: Matt Sanders
Cc: Debra Tegoni
Subject: Confidential and Legally Privileged

Matt

You asked Debra and I, whether it was possible to debit or hold a patron's credit card as

either:

- A. Surety for the issuance of credit; or
- B. For the purpose of selling chips to a patron.

As previously discussed, it would be preferable to have these transactions occur 50 meters away from any entrance to the casino. The business' preference is to keep the transactions at the Cage (and on the casino floor).

In summary:

1. The law prevents the taking of a cash advance from a credit card both on the gaming floor and within 50m of an entrance to the Casino (s 81AA of the *Casino Control Act (CCA)*);
2. The law further prevents the provision of cash or chips as part of a transaction involving a credit card or debit card (s 68(2) CCA);
3. However, Crown is provided with a specific exemption to s 68(2), where the following two conditions are satisfied:
 - a. The chips are provided on credit to a person not ordinarily resident in Australia; **and**
 - b. That person is participating in a Junket or Premium Player arrangement.

There is therefore a risk that the Regulator may take the view that to take advantage of exemption it must be the casino operator providing the credit and not the bank. We would argue in reply (if the matter arises), that the chips are being sold on credit as facilitated by and for the benefit of the Casino Operator and accordingly, in our view, the exemption should apply.

3(a) above does not specify that the provision of credit must be the casino operator's extension of credit (rather than a bank for instance).

Noting the above risks, you could in summary:

- a) Sell and provide chips from a credit card (or use the card as surety);
- b) To International Patrons only (who are not ordinarily resident in Australia);
- c) Who are participating in a Junket or Premium Player arrangement; and
- d) You can then deposit those chips into the patron's deposit account in the normal course of dealing.

Crown cannot provide the patron a cash advance (as, for example, a surety) from their credit card (see point 1. above) and accordingly, can **only** operate this facility if you include the step of selling the chips to the patron.

Please let me know if you would like to discuss further.

Regards

Michelle Fielding General Manager - Compliance | Crown Melbourne Limited

www.crownmelbourne.com.au

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