

original approval from Oct  
in 2014

**Phillip Batsakis**

**From:** Debra Tegoni  
**Sent:** Friday, 11 September 2015 10:47 AM  
**To:** Jason O'Connor; Jacinta Maguire (Careri); Phillip Batsakis  
**Subject:** FW: China Union Pay & Related Transactions - Legally Privileged & Confidential - Not For Forwarding [CM-LEGAL.FID240]  
**Attachments:** Casino Control Act (Section 68).pdf  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

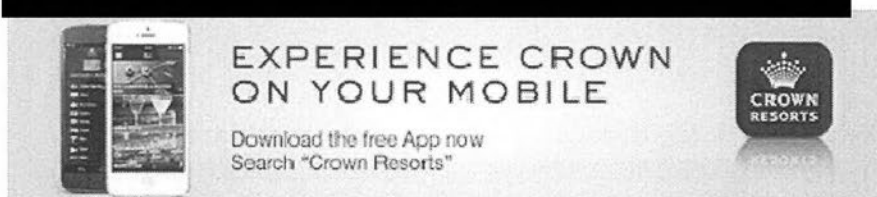
All

Please see below as discussed.

Kind regards

**Debra Tegoni** | Executive General Manager, Legal & Regulatory Services | Crown Melbourne Limited

www: [www.crownmelbourne.com.au](http://www.crownmelbourne.com.au)



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**From:** Debra Tegoni [mailto: [REDACTED]]  
**Sent:** Friday, 17 October 2014 1:41 PM  
**To:** Jason O'Connor  
**Cc:** Phillip Batsakis; Jacinta Maguire (Careri)  
**Subject:** China Union Pay & Related Transactions - Legally Privileged & Confidential - Not For Forwarding [CM-LEGAL.FID240]

Jason,

Further to our conversation today, I thought that I should point out and clarify the relevant provisions of the *Casino Control Act (Vic) 1991* that we have previously discussed in the context of this issue.

See attached section 68(2)(c). This provision states that, other than is provided/permitted under the remaining parts of section 68, Crown is not permitted “in connection with any gaming or betting in the casino... to provide money or chips as part of a transaction involving a credit card or a debit card”.

This was the provision I was talking about that we would have to defend in circumstances where the transitions were questioned.

We would argue that subsection 68(8) allows us to provide credit to a person who is not ordinarily resident in Australia on a premium player arrangement or as a Junket and so is effectively an exception to the above prohibition. Technically, however and as discussed, a credit card transaction is where credit is provided by the bank.

If we are providing chips as part of a credit or debit card transaction for those that are not international customers there may be additional risks involved.

In either situation (international or local customers) we would need to rely on the fact that the transaction is not "in connection with any gaming or betting in the casino" given that such transactions occur at the hotel (albeit maybe argued to be completed at the Cage).

Obviously we may fail in any defence in this manner but the way in which we agreed to undertake these transactions are designed to mitigate the risks. This is predominantly why we agreed to limit CUP card transactions to international patrons staying at the hotel etc.

To the extent we are accepting other cards for other patrons – debit and credit – we need to be aware of the restriction of section 68(2)(c).

If you have any further queries please feel free to contact me.

Thank you.

Kind regards

**Debra Tegoni** | Executive General Manager, Legal & Regulatory Services | Crown Melbourne Limited

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Casino Control Act 1991  
No. 47 of 1991  
Part 5—Casino Operations

s. 67

S. 66(3)  
inserted by  
No. 114/2003  
s. 12.1.2  
(Sch. 5  
item 82).

- (3) A function of the Commission under this section may be performed by any commissioner.

**67 Operation of security equipment etc.**

A casino operator must ensure that all casino installations, equipment and procedures for security and safety purposes are used, operated and applied at all relevant times for the preservation and maintenance of those purposes.

Penalty: 50 penalty units.

**68 Credit etc.**

- (1) In this section—

*cheque* means a cheque (other than a traveller's cheque) that—

- (a) is drawn on an account of an authorised deposit-taking institution for a specific amount payable on demand; and
- (b) is dated but not post-dated.

S. 68(1)(a)  
amended by  
No. 11/2001  
s. 3(Sch.  
item 10.3).

S. 68(2)  
amended by  
No. 36/1994  
s. 20(k).

- (2) Except to the extent that this section otherwise allows, a casino operator must not, and an agent of the operator or a casino employee must not, in connection with any gaming or betting in the casino—
- (a) accept a wager made otherwise than by means of money or chips; or
- (b) lend money or any valuable thing; or
- (c) provide money or chips as part of a transaction involving a credit card or a debit card; or
- (d) extend any other form of credit; or

Casino Control Act 1991  
No. 47 of 1991  
Part 5—Casino Operations

s. 68

- (e) except with the approval of the Commission, wholly or partly release or discharge a debt.
- (3) A casino operator may establish for a person a deposit account to which is to be credited the amount of any deposit to the account comprising—
- (a) money; or
  - (b) a cheque payable to the operator; or
  - (c) a traveller's cheque.
- (4) The operator may issue to a person who establishes a deposit account and debit to the account chip purchase vouchers or money, not exceeding in total value the amount standing to the credit of the account at the time of issue of the vouchers or money.
- (5) The operator may, in exchange for a cheque payable to the operator or a traveller's cheque, issue to a person chip purchase vouchers of a value equivalent to the amount of the cheque or traveller's cheque.
- (6) A cheque accepted by the operator may, by agreement with the operator, be redeemed in exchange for the equivalent in value to the amount of the cheque of any one or more of the following—
- (a) money;
  - (b) cheque payable to the operator;
  - (c) chip purchase vouchers;
  - (d) chips.

S. 68(2)(e)  
amended by  
No. 114/2003  
s. 12.1.2  
(Sch. 5  
item 83).

Casino Control Act 1991  
No. 47 of 1991  
Part 5—Casino Operations

s. 69

S. 68(7)(a)  
amended by  
Nos 11/2001  
s. 3(Sch.  
item 10.4),  
114/2003  
s. 12.1.2  
(Sch. 5  
item 83).

(7) The casino operator—

- (a) must, within the time specified by the Commission by notice in writing given to the operator for the purposes of this subsection, deposit a cheque with an authorised deposit-taking institution accepted by the operator under this section; and
- (b) must not agree to the redemption of such a cheque for the purpose of avoiding compliance with paragraph (a).

Penalty: 50 penalty units.

S. 68(8)  
inserted by  
No. 73/1996  
s. 10,  
amended by  
No. 114/2003  
s. 12.1.2  
(Sch. 5  
item 83).

(8) Despite subsection (2), a casino operator may provide chips on credit to a person who is not ordinarily resident in Australia for use while participating in—

- (a) a premium player arrangement with the casino operator; or
- (b) a junket at the casino—

if the casino operator and the person satisfy the requirements of any relevant controls and procedures approved by the Commission under section 121 in respect of a premium player or a junket player (as the case may be).

S. 69  
amended by  
Nos 36/1994  
s. 9, 17/1996  
s. 29,  
repealed by  
No. 114/2003  
s. 12.1.2  
(Sch. 5  
item 84),  
new s. 69  
inserted by  
No. 72/2007  
s. 57.

**69 Responsible Gambling Code of Conduct is a condition of licence**

It is a condition of a casino licence that the casino operator implement a Responsible Gambling Code of Conduct that has been approved by the Commission.