

Xavier Walsh

From: Matthew Luttick
Sent: Tuesday, 5 June 2018 11:59 AM
To: Alan McGregor; Peter Herring; Edwin Aquino
Cc: Xavier Walsh; Michelle Fielding
Subject: RE: LEGALLY PRIVILEGED - FW: URGENT: Bonus Jackpots [CM-COMP.FID1871]
Attachments: 4905_001.pdf

Hi Alan

As discussed refer attached for Feb when gross value of bonus jackpots was \$7.8m.

Kind regards

Matthew Luttick | Financial Controller | Crown Melbourne Limited

www.crownmelbourne.com.au



Please consider our environment before printing this email.

From: Alan McGregor
Sent: Tuesday, 5 June 2018 11:44 AM
To: Matthew Luttick; Peter Herring; Edwin Aquino
Cc: Xavier Walsh; Michelle Fielding
Subject: FW: LEGALLY PRIVILEGED - FW: URGENT: Bonus Jackpots [CM-COMP.FID1871]

Matt, Pete, Edwin,

We have a meeting shortly (1.30pm this afternoon) to discuss Bonusing and Bonus Jackpots and a response due to the VCGLR. It would be very useful to have what each of the components of Bonus Jackpots are worth, both in terms of their gross and tax value to Crown.

Apologies for the late notice, but can you please have a look and send me a summary asap?

Thanks

Alan McGregor
 CFO - Australian Resorts





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From: Peter Herring
Sent: Tuesday, 5 June 2018 8:58 AM
To: Michelle Fielding; Barry Felstead; Joshua Preston; Xavier Walsh; Mark Mackay; Alan McGregor
Subject: RE: LEGALLY PRIVILEGED - FW: URGENT: Bonus Jackpots [CM-COMP.FID1871]

Michelle,

I have reviewed again and updated below in red.

Regards

Pete

From: Michelle Fielding
Sent: Monday, 4 June 2018 4:44 PM
To: Barry Felstead; Joshua Preston; Xavier Walsh; Mark Mackay; Alan McGregor
Cc: Peter Herring
Subject: LEGALLY PRIVILEGED - FW: URGENT: Bonus Jackpots [CM-COMP.FID1871]

Hi Gents

See below a DRAFT response for your review. We need to get this back to Jason as soon as possible (likely tomorrow).

Hi Jason

The matters concerning Tracy's query were clarified in an email sent from me to you on Saturday, enclosing Matt's email to Tracy in November last year, which followed a meeting between them and provided additional reports. Matt's email also asked Tracy to let him know if she needed anything further.

Regarding the definitions from the Bonusing Report and your query as to what points earned outside gaming machines can be redeemed on machines, the categories are as follows:

1. Pokie Credit Rewards (Welcome Back / Free Credits Program)
 - Based on Pokie Points earned on a Gaming Machine during a patron's last visit, will determine the patron's reward value
 - Senior Pokie Credit Reward receive a bonus \$3 at specific levels
2. Mail Outs
 - These are Bonus Pokie Credit Offers sent via mail to Crown Reward Members for varying amounts
3. Pokie Credits (Matchplay)
 - These are Pokie Credits received by exchanging Crown Rewards points for Pokie Credits at any gaming machine
4. Random Riches (Carded Lucky Rewards)

- Rewards based on earning Pokie Points on a gaming machine for specific groups of Crown Rewards Members

Miscellaneous

5. Jackpot Payments
 - Pokie Credit payments as Pokie Credits from Lucky Time Jackpots
6. Consolation
 - Consolation payments e.g. issued from Lucky Time Jackpots or Lucky Numbers
7. Pokie Credit Tickets
 - Promotional Pokie Credit Game Tickets issued to players for redemption at Gaming Machines
8. Bonus Jackpots
 - Based on Pokie Points earned on Gaming Machines
 - o Carpark 25 Pokie Points in a day
 - o Valet Parking for Black and Platinum Crown Rewards - 1,000 Pokie Points
 - o Hotel Night Benefits Crown Rewards Rewards Black - 1,000 Pokie Points
 - o Hotel Night Benefits Crown Rewards Rewards Platinum - 1000 Pokie Points
 - o Dining Rewards, the amount issued is based on Pokie Points earned on Gaming Machines during a visit example:
 - Receive \$7.50 Dining Reward by earning 150 points on gaming machines in a day

Hopefully the above listing answers most of the queries in your email, however, additional information is provided below.

Please let me know if you have any further queries or concerns.

Regards

Michelle Fielding | Group General Manager – Regulatory and Compliance | Crown Resorts Limited

[REDACTED] | w:
www.crownmelbourne.com.au

From: Jason Cremona [REDACTED]
Sent: Thursday, 31 May 2018 5:18 PM
To: Michelle Fielding
Cc: Tracy Shen
Subject: RE: URGENT: Bonus Jackpots [CM-COMP.FID1871]

Michelle,

Just at the outset, I spoke to Tracy re the response we apparently received from Matt Asher. We are unable to locate this response. No excuse that we should have followed this up a lot sooner, but it would be good if you can send me the email response that Matt provided in November last year that addressed the bonuses question/s to tidy up the loose end.

Regarding the discussion with Peter, thanks for organizing. It is difficult sometimes to retrace your understanding of things from 15 years ago!

Just to clarify my understanding of the discussion, I noted the following dot points. Can you please advise if I am correct in my interpretation:

- Bonus Jackpots deducted from Gaming Revenue are specific to amounts earned or awarded on a gaming machine. No amounts earned outside of the gaming machine, such as hotel rewards (if applicable) can be

redeemed on a gaming machine and/or deducted from Gaming Revenue; That is correct, but for exceptions noted at points 2, 3 & 7 above;

- Crown do provide 'extra bonus promotions' to players (mail outs as an example) that a person can redeem when gaming on a gaming machine **This is correct**; These are not necessarily 'earned' but are paid out at the machine; That is correct, **examples noted above are points 2 & 7**;
- Bonus jackpots are only accumulated and deducted from gaming tax AFTER being redeemed/used and NOT when earned. **All bonusing is only deducted at the time of redemption**.
- A patron cannot redeem 'loyalty points earned' for credits on a gaming machine. **This is incorrect – note point 3 above**. Bonuses must be earned or provided with a specific condition to earn the bonus, ie; returning to Crown to earn X bonus credits. That is correct;
-

A couple of action points too:

- Peter said that bonus prize/points are not 'linked to signature club'. Can you get him to expand on this? **Neither Pete or I recall this – however, to clarify, they generally are related**.
- Can I also get an explanation of each of the 'Bonus Jackpots' outlined on the Bonus Jackpot Analysis Report. These include Free credits Program, Mail Outs, Matchplay, 'Jackpot Payments', Random Riches Promotion, Consolation BJ and each of the bonuses under the 'Bonus Jackpots' banner. Essentially with the explanation I am looking for information regarding a brief description of the bonus, how prize earned, how prize redeemed, etc. **See listing above**;
- On the DACOM Bonus Jackpot Analysis Report, what does %TRO mean? **The %TRO column on the Bonus Jackpot Analysis Report is Turnover divided by the Bonusing Amount**.
- Does the VCGLR get any 'notification' of a new bonus jackpot, if it is facilitated through an existing bonus jackpot system? Or does each new 'bonus' require some sort of system change and/or approval? **With reference to approvals, any changes to the approved EMS system requires VCGLR approval and individual variants to the offer are not a change to the EMS**.

I am under a bit of pressure to get this information together, so if this can be provided asap, that would be awesome.

Jason Cremona CPA
Manager, Licence Management & Audit
 Licensing Division

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