



# Crown Resorts Limited

## Memorandum

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**To:** The Board of Directors  
**From:** Mary Manos  
**Date:** 12 November 2020  
**Subject:** **Future Junket Relationships**

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Dear Directors

At yesterday's Board meeting, the Board considered the Future Junket Relationships paper which included a financial analysis of the potential impact to the Company should dealings with junket operators cease.

Among other matters, it was noted that:

- the Company aspires to be best in class and not deal with unsuitable counterparties;
- the cessation of dealings with junket operators would substantially reduce the risk of the Company dealing with unsuitable counterparties;
- a reduction in the risk of dealing with unsuitable counterparties is imperative;
- the Crown Melbourne Consolidated Casino Agreement which requires that *"the Company will endeavour to maintain the Melbourne Casino as the dominant Commission Based Player Casino in Australia"*;
- any immediate actions taken by the Company may have implications for the competitive landscape and impact stakeholder interests; and
- it would be necessary for the Company to, as a matter of urgency, consult with each of the Company's gaming regulators to ascertain their respective views before implementing a decision to cease dealing with junkets having regard to the terms of existing agreements in place with each of those gaming regulators.

The Board considered the terms that should apply to a decision by Crown to cease dealing with junket operators.

In this context, the Board **RESOLVED** to procure that each of Crown Melbourne, Crown Sydney and Crown Perth:

1. permanently cease dealing with all junket operators, subject to item 2;
2. promptly consult with their respective gaming regulators in Victoria, New South Wales and Western Australia to ascertain their respective views before implementing a decision to cease dealing with junkets having regard to the terms of existing agreements in place with each of those gaming regulators and competitive neutrality principles and to determine whether they have any objections to Crown taking the decision at 1 above; and
3. any future dealings with junket operators would only occur with a Junket Operator if that junket Operator is licensed or otherwise approved or sanctioned by all gaming regulators in the States in which the Company operates.