

Consolidated Casino Agreement

Incorporating:

**First
Second
Third
Fourth
Fifth
Sixth
Seventh
Eighth
Ninth
Tenth
Eleventh**

Variation Agreements and the Master Security Agreement

VICTORIAN CASINO CONTROL AUTHORITY
("Authority")

CROWN CASINO LTD.
ACN 006 973 262
("Company")

MELBOURNE CASINO PROJECT

CASINO AGREEMENT

TABLE OF CONTENTS

1.	DIVISION INTO PARTS.....	2
	PART 1 - PRELIMINARY	2
2.	DEFINITIONS	2
3.	COMMENCEMENT OF CERTAIN PROVISIONS.....	15
4.	VARIATION.....	15
5.	CONDITIONS PRECEDENT	15
	PART 2 - DEVELOPMENT AND COMPLETION.....	17
6.	DOCUMENTS TO BE SUBMITTED TO THE AUTHORITY.....	17
7.	MELBOURNE CASINO WORKS.....	19
8.	SAFETY PROCEDURES	20
9.	VARIATIONS	21
10.	APPROVAL BY THE AUTHORITY.....	21
11.	TIME FOR APPROVAL	22
12.	DIRECTOR OF CASINO SURVEILLANCE	22
13.	PROVISION OF FACILITIES FOR INSPECTORS	23
14.	SITE ACCESS.....	23
15.	RECTIFICATION AND SUSPENSION OF THE WORKS IN RELATION TO THE MELBOURNE CASINO.....	24
16.	PROJECT ADVISORY MEETINGS	25
17.	MULTIPLE COPIES OF PLANS.....	25
18.	DEVELOPMENT OF THE TEMPORARY CASINO	25
	PART 3 - COMPLETION	26
19.	OPENING OF THE MELBOURNE CASINO.....	26
20.	COMPLETION.....	26

PART 4 - CORPORATE STRUCTURE AND RELATED MATTERS	27
21. WARRANTIES OF THE COMPANY	27
22. CONDITIONS RELATING TO COMPANY STRUCTURE.....	27
23. INSPECTION OF RECORDS.....	34
24. ATTENDANCE AT COMPANY MEETINGS	35
25. DISCLOSURE	35
PART 5 - GRANT OF THE CASINO LICENCE	36
26. GRANT OF CASINO LICENCE	36
27. GAMES	38
28. CASINO OPERATING PRACTICES.....	39
PART 6 - ENCUMBRANCES AND ASSIGNMENTS.....	39
29. ENCUMBRANCES.....	39
30. PERMITTED ENCUMBRANCES	42
PART 7 - TERMINATION	42
31. TERMINATION OF THIS DOCUMENT	42
PART 8 - COMPLEMENTARY AGREEMENTS	46
32. COMPLEMENTARY AGREEMENTS	46
PART 9 - GENERAL.....	47
33. COMPANY RELIES ON OWN JUDGMENT	47
34. INDEMNITY.....	49
35. INSURANCE	49
36. CONFIDENTIALITY	50
37. APPROVALS	51
38. DAY OF PAYMENT.....	52

39.	NOTICES	52
40.	COSTS AND STAMP DUTY	53
41.	NO WAIVER	53
42.	GOVERNING LAW	55
43.	ASSIGNMENT	55
44.	FURTHER ASSURANCES	55
45.	COUNTERPARTS	56
46.	SEVERABILITY	56
47.	INTERPRETATION	56
48.	GENERAL OBLIGATIONS	58
SCHEDULE :		
1	CASINO LICENCE	60
2	COMPLEMENTARY AGREEMENTS	61
3	WARRANTIES OF THE COMPANY	62
4	QUARTERLY REPORT TO AUTHORITY	64
5	INFORMATION REQUIRED TO BE SUBMITTED TO THE COMMISSION ..	65
6	SOLVENCY REPORT	68

MELBOURNE CASINO PROJECT

CASINO AGREEMENT

AGREEMENT dated 21 September 1993

BETWEEN **VICTORIAN CASINO CONTROL AUTHORITY** a statutory authority established under the *Casino Control Act* with its office at 459 Collins Street, Melbourne ('**Authority**'¹)

AND **CROWN CASINO LTD.** ACN 006 973 262 with its registered office at Hudson Conway House, 311 Glenferrie Road, Malvern, Victoria ('**Company**')

RECITALS

- A. The Authority has power to grant a casino licence under the provisions of the *Casino Control Act*.
- B. The Company has made application for a casino licence and pursuant to such application has provided information and submissions, including the Melbourne Casino Complex Development Proposals and the Temporary Casino Complex Development Proposals, to the Authority.
- C. The Authority has, in accordance with sections 9 and 10 of the *Casino Control Act*, carried out investigations and enquiries in relation to the Company and other persons required to be investigated.
- D. Subject to the terms and conditions of this document and the Management Agreement, the Authority has agreed to grant the Casino Licence to the Company.
- E. The Casino Licence will enable the Company to operate a casino from temporary premises.
- F. The Minister, acting for and on behalf of the State, and the Company have entered into the Management Agreement pursuant to section 15 of the *Casino Control Act* as a condition precedent to the grant of the Casino Licence to the Company.
- G. The Minister has given approval to the Authority pursuant to sections 14 and 142 of the *Casino Control Act* to provide an undertaking to the Company as to exclusivity, to

¹ Clause 2.1 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005 provides as follows:
"As from 1 July 2004, all references in the Casino Agreement to "Authority" should be read and construed as a reference to the "Commission"

2.

enter into this document and to act for and on behalf of the State in respect of certain matters referred to in this document.

AGREEMENT

1. DIVISION INTO PARTS

This document is divided into Parts as follows:

PART 1	-	PRELIMINARY
PART 2	-	DEVELOPMENT AND COMPLETION
PART 3	-	COMPLETION
PART 4	-	CORPORATE STRUCTURE AND RELATED MATTERS
PART 5	-	GRANT OF THE CASINO LICENCE
PART 6	-	ENCUMBRANCES AND ASSIGNMENTS
PART 7	-	TERMINATION
PART 8	-	COMPLEMENTARY AGREEMENTS
PART 9	-	GENERAL

PART 1 - PRELIMINARY

2. DEFINITIONS

In this document, unless the context otherwise requires or the contrary intention appears, terms defined in the *Casino Control Act* have the same meanings and the following terms have the meanings indicated if they start with a capital letter:

'**Agent**'² means National Australia Bank Limited ACN 004 044 937 and any successor to it as agent under the Facility Agreement;

'**Agreement Act**' means the bill referred to in clause 3.2(a) of the Management Agreement when that bill is passed and comes into operation as an Act of Parliament as contemplated by that clause;

'**Ancillary Facilities**' means all facilities ancillary to the Temporary Casino or the Melbourne Casino (as the case may be) identified in the Development Proposals to be constructed on or located within the Temporary Casino Site or the Site, including an hotel, restaurant, retail, recreation, entertainment and car parking facilities, residential and office accommodation, staff facilities, staff car parking, coach storage facilities and open space areas;

'**Assets and Rights**' means all the present and future undertaking, property, assets and rights of or held by the Company;

² Successor to NAB is ANZ Capel Court Limited under clause 3.5 of the Master Security Agreement

'**Associate**' has the same meaning as in sections 10 to 17 of the *Corporations Act*;³

'**ASX**' means Australian Stock Exchange Limited;

'**Audit Committee**' means the audit committee of the Company;⁴

'**Audit Committee Charter**' means the charter approved by the board of the Company and which sets out the composition, functions and responsibilities of the Audit Committee;⁵

'**Australian Accounting Standards**' means:

- (a) accounting standards as defined in (or having effect under the *Corporations Act* as if they were accounting standards defined in) section 9 of the *Corporations Act*;⁶
- (b) the requirements of the *Corporations Act* in relation to the preparation and content of accounts⁷; and
- (c) generally accepted accounting principles and practices in Australia consistently applied, except those principles and practices inconsistent with (a) or (b);

'**Authorisation**' includes a consent, approval, licence, permit, franchise, permission, filing, registration, resolution, direction, declaration and exemption;

'**Authority**' means the Victorian Casino Control Authority;

'**Bank Guarantees**' means the guarantees or letters of credit to be provided by the Company pursuant to clauses 18.1 and 22.9 of the Management Agreement;

'**Business Day**' means a day (other than a Saturday or Sunday) on which banks (as defined in the *Banking Act 1959* (Commonwealth)) are generally open for business in Melbourne;

³ Amended by clause 2 of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

⁴ Inserted by clause 2.2 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁵ Inserted by clause 2.2 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁶ Amended by clause 2(a) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

⁷ Amended by clause 2(a) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

'**Casino Asset**' means an asset or undertaking of the Company which forms part of the Secured Property and which consists of:

- (a) the Casino Licence;
- (b) the Melbourne Casino;
- (c) the Temporary Casino;
- (d) all gaming equipment used in the Melbourne Casino or the Temporary Casino;
- (e) all revenue derived from the Melbourne Casino or the Temporary Casino (other than revenues which have been deposited or are standing to the credit of the Debt Protection Account or the Debt Service Reserve Account (each as defined in the Facility Agreement) in accordance with the Facility Agreement and any Authorised Investments (as defined in the Facility Agreement) from either of those accounts (or the proceeds of any such Authorised Investment);
or
- (f) all other assets of the Company necessary for the operation of the Melbourne Casino or the Temporary Casino;

and a reference to the '**Casino Assets**' includes any part of them;

'**Casino Control Act**' means the *Casino Control Act 1991* (Victoria);

'**Casino Licence**' means a casino licence as defined in the *Casino Control Act* in relation to the Temporary Casino and the Melbourne Casino in the form of the licence set out in Schedule One;

'**Casino Supervision and Control Charge**' means:

- (a) for the period from the Licensing Date until 30 June 1994, \$5,000,000; and
- (b) for each Financial Year from 1 July 1994 until 30 June 1997, \$5,000,000;

'**Company**' means Crown Melbourne Ltd⁸. ACN 006 973 262, which will be the casino operator for the purposes of the *Casino Control Act*;

'**Commission**' means the Victorian Commission for Gambling Regulation;⁹

⁸ Amended by clause 2(b) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

⁹ Inserted by clause 2.2 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005. Clause 2.1 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005 provides as follows:

'Commissioning' means the checking, testing and acceptance of the operational readiness of and the procedures for the various components of the Melbourne Casino or the Temporary Casino as the case may be (including all staff, facilities and equipment) by the Authority;

'Complementary Agreement' means each of the agreements listed in Schedule Two;

'Completion' means the completion of the construction, the Fit-Out and the Commissioning of the Temporary Casino or the Melbourne Casino, as the case may be, as specified in the Completion Standards and as determined pursuant to clause 20, and **'Complete'** and **'Completed'** have corresponding meanings;

'Completion Standards' means:

- (a) for construction, when all the requirements under this document and the *Casino Control Act* in relation to the Melbourne Casino or the Temporary Casino have been complied with;
- (b) for Commissioning, when all the procedures for the various components of the Melbourne Casino or the Temporary Casino (including all staff, facilities and equipment) are in place or immediately and reliably available to the Company such that the Melbourne Casino or the Temporary Casino, as the case may be, can be operated securely and so that there is no risk to the integrity of operation or compromise in the amenity of the Melbourne Casino or the Temporary Casino, as the case may be, which is not acceptable to the Authority; and
- (c) for Fit-Out, when all of the Fit-Out is installed in place and operational with the exception only of minor omissions and maintenance items which, in the reasonable opinion of the Authority, do not affect the security, integrity, operation or amenity of the Melbourne Casino or the Temporary Casino;

'Compliance Committee' means the compliance committee of the Company;¹⁰

'Compliance Committee Charter' means the charter approved by the board of the Company and which sets out the composition, functions and responsibilities of the Compliance Committee;¹¹

'Construction Agreement' means the proposed building agreement between the Company and a proposed builder substantially in the form of the draft agreement a

"As from 1 July 2004, all references in the Casino Agreement to "Authority" should be read and construed as a reference to the "Commission"

¹⁰ Inserted by clause 2.2 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

¹¹ Inserted by clause 2.2 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

copy of which has been signed on behalf of the Authority and the Company and dated the date of this document for the purposes of identification;

'**Contractor's Deed**' has the same meaning as in the Supplemental Development Agreement;

'**Control Acts**' means the *Building Control Act 1981* and the *Planning and Environment Act*;

'**CUB**' means Carlton and United Breweries Limited ACN 004 056 106;

'**Deal with**' means deal with property in any way other than enter into an arm's length agreement to sell dependent for effect on the Authority's consent, including, but not limited to, offer for sale, grant an option in respect of, create or Dispose of a right in respect of, render or permit to be subject to an Encumbrance, convert, deposit, compromise and allow a counterclaim or right of act-off to arise in respect of;

"**Deed of Undertaking and Guarantee**"¹² means the agreement under which, amongst other things, the Holding Company and other related companies guarantee to the Authority and the State, the due and punctual performance of certain obligations owed by members of the Group to the Authority and the State;

'**Design and Construction Programme**' means the programme for the design documentation, construction, Fit-Out, Commissioning and Completion of the Temporary Casino Complex or the Melbourne Casino Complex (as the case may be) set out in Schedule One of the Management Agreement, as amended from time to time with the prior written approval of the State;

'**Development Agreement**' means the agreement dated 30 August 1993 between the Company and Hudson Conway Management Limited ACN 006 742 294 providing for the procuring of the construction of the Melbourne Casino Complex;

'**Dispose of**' means sell, transfer, assign, alienate, surrender, dispose of, deposit, Lease, part with possession of and enter into any agreement or arrangement to do or allow any of these things;

'**Director of Casino Surveillance**' means the person appointed under section 94 of the *Casino Control Act*;

'**Documentation**' means any document or proposal which the Company is required to submit to the Authority under clauses 6, 7, and 8;

'**Drawings**' means the plans, designs and working drawings relating to the Temporary Casino Complex or the Melbourne Casino Complex (as the case may be) provided by

¹² Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

the Company to the Authority and described in Schedule Two of the Management Agreement;

'Encumbrance' means a mortgage, charge, pledge, lien, assignment, hypothecation, retention of title (other than a retention of title in respect of trading stock), or any other right (including, without limitation, under a trust, agency, hire purchase, sale and repurchase, sale and leaseback or flawed asset arrangement) of a creditor to have its claims satisfied prior to other creditors with, or from the proceeds of or by recourse to any asset and includes any agreement, arrangement or document conferring such a right or having substantially the same economic effect;

'Equity Funding Agreement (Federal)' means the agreement dated 30 August 1993 between Danwick Pty Limited ACN 059 321 667, The Federal Hotels Limited ACN 004 108 249 and Hudson Conway Limited ACN 009 556 629;

'Facility Agreement'¹³ means the \$300,000,000 multi-option facility agreement dated 30 August 1993 between the Company, the Financiers and the Agent;

'Finance Documents' means the Facility Agreement and the Financiers' Securities;

'Financial Year' means from 1 July to 30 June (inclusive);

'Financiers'¹⁴ means National Australia Bank Limited, Australia and New Zealand Banking Group Limited, Hong Kong Bank of Australia Limited, R & I Bank of Western Australia Limited and State Bank of New South Wales Limited and their successors, assigns and substitutes;

'Financiers' Securities'¹⁵ means the following securities given to the Agent as agent for the Financiers:

- (a) a first registered fixed and floating charge over the undertaking and all the assets of the Company including a mortgage over the Casino Licence;
- (b) a mortgage of the Site Lease and a mortgage of the Temporary Casino Leases;
- (c) each other security given to the Agent or the Financiers as security for the liabilities of the Company under the Facility Agreement;

¹³ The Security Sharing Deed dated 30 July 1997 and the Funding Documents (as defined in the Security Sharing Deed) replace the Facility Agreement under clause 3.5 of the Master Security Agreement

¹⁴ The Secured Creditors (as defined in the Security Sharing Deed) succeed the Financiers under clause 3.5 of the Master Security Agreement

¹⁵ The Securities (as defined in the Security Sharing Deed) replace the Financiers' Securities under clause 3.5 of the Master Security Agreement

'Fit-Out' means the application of finishing material, gaming equipment, furniture, fittings, furnishings and such other built-in and loose items required to bring any part of the Temporary Casino or the Melbourne Casino (as the case may be) to Completion to a stage to enable Commissioning to take place;

'Fixed and Floating Charge' means the second registered fixed and floating charge given by the Company in favour of the Minister on behalf of the State;

'Force Majeure Event' has the same meaning ascribed to that term in the Management Agreement;

'Founding Shareholders Agreement' means the agreement dated 30 August 1993 between each Sponsor, CUB and the Company providing for the subscription for Shares by the Sponsors and Carlton & United Breweries Limited;

'Further Amendment Act' means the bill referred to in clause 3.2(b) of the Management Agreement when that bill is passed and comes into operation as an Act of Parliament as contemplated by that clause;

'Gambling Regulation Act' means the *Gambling Regulation Act 2003* (Victoria) as amended from time to time;¹⁶

'Gross Gaming Revenue' means the total of all sums, including cheques and other negotiable instruments whether collected or not, received in any period by the Company from the conduct or playing of games within the Temporary Casino or the Melbourne Casino (as the case may be) less the total of all sums paid out as winnings during that period in respect of such conduct or playing of games;

'Group' means the Company and its Subsidiaries and any other entity which the directions of the Company are required to consolidate in the consolidated profit and loss accounts and balance sheets of the Company under the *Corporations Act*;¹⁷

'Guarantee and Indemnity for Development Agreement' means the guarantee and indemnity dated 30 August 1993 by Hudson Conway Limited ACN 009 556 629 to the Company;

"Holding Company"¹⁸ means the Company's ultimate holding company, within the meaning of that expression as defined in section 9 of the *Corporations Act*¹⁹, but read

¹⁶ Inserted by clause 2.2 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

¹⁷ Amended by clause 2(a) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998 and clause 2(c) of the Eleventh Variation to the Casino Agreement dated 22 October 2007

¹⁸ Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

as though the reference in paragraph (b) to 'no body corporate' were a reference to 'no body corporate incorporated in Australia';

"Holding Company Group"²⁰ means:

- (a) the Holding Company;
- (b) the Holding Company's Subsidiaries (including without limitation, the Company and its Subsidiaries); and
- (c) any other entity which the directors of the Holding Company are required to consolidate in the consolidated profit and loss accounts and balance sheets of the Holding Company under the *Corporations Act*,²¹

'Lease' means an agreement or arrangement under which property is or may be used, occupied, retained, operated or managed by a person for consideration (of whatever form) including, but not limited to, a lease, licence, charter, hire purchase or hiring arrangement;

'Licensing Date' means the date which is 2 Business Days after the conditions precedent in clause 5.1 are satisfied;

'Licensing Payment Amounts' means the amounts payable under clause 26.1(b);

'Management Agreement' means the agreement between the Minister acting for and on behalf of the State, and the Company entered into pursuant to section 15 of the *Casino Control Act*;

'Master Security Agreement'²² means the agreement of even date between the State, the Authority, the Company, the Agent and the Sponsors relating, among other things, to the priority of the Encumbrances given by the Company;

'Melbourne Casino' means those areas identified in the Drawings for the Melbourne Casino Complex as the areas which constitute a casino and includes the areas in which money counting, surveillance, storage and other activities related to the conduct and playing of games are carried on;

¹⁹ Amended by clause 2(d) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

²⁰ Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

²¹ Amended by clause 2(e) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

²² Master Security Agreement is replaced by the Master Security Agreement dated 30 July 1997

'Melbourne Casino Complex' means the Melbourne Casino and Ancillary Facilities to be constructed on or located within the Site in accordance with the provisions of this document and the Management Agreement;

'Melbourne Casino Complex Development Proposals' means the proposals of the Company in relation to the construction, development and establishment of the Melbourne Casino Complex a copy of which has been signed on behalf of the Authority and the Company for the purposes of identification;

'Minister' means the Minister for the time being administering the *Casino Control Act*;

'Mortgagee' means any person with any Encumbrance (whether as mortgagee, chargee or otherwise) affecting or in relation to the Assets and Rights of the Company;

'Ninth Variation Date' means the date of the Ninth Variation Agreement between the Commission and the Company varying the terms of this document;²³

'Note Agreement' means the deed dated 24 December 1993 between the Company, Permanent Trustee Australia Ltd and National Australia Bank Limited;²⁴

'Note Agreement (Series 2)' means the deed dated 15 August 1996 between the Company, Permanent Trustee Australia Limited and National Australia Bank Limited;²⁵

'Operations Agreement' means the agreement dated 30 August 1993 between the Company and Crown Management Pty Ltd ACN 059 301 610 providing for the conduct of the operations of the Temporary Casino and the Melbourne Casino;

'Permitted Encumbrance' means an encumbrance of the kind permitted under clause 29.1;

'Planning Amendments' means the planning scheme amendments referred to in clause 9 of the Management Agreement;

'Planning and Environment Act' means the *Planning and Environment Act 1987* (Victoria);

²³ Inserted by clause 2.2 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

²⁴ Inserted by clause 2(a) of the Fourth Variation Agreement to the Casino Agreement dated 7 March 1995

²⁵ Inserted by clause 2.1(a)(i) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

'**Premium Payment**' means \$10,000,000 being the amount determined by the Treasurer of the State under section 112A of the *Casino Control Act* as the amount payable by the Company under the Management Agreement;

'**Public Authority**' means any government or minister or any governmental, semi-governmental or judicial entity, department, instrumentality or authority;

'**Receiver**' means receiver, receiver and manager or agent for a mortgagee in possession, according to the nature of the appointment;

'**Related Party**' means the Sponsors and any Subsidiary of the Company;

'**Relevant Legislation**' means the *Casino Control Act*, the Agreement Act and the Further Amendment Act;

'**Secured Property**' means at any time, any present or future right, property or undertaking of the Company, (other than an amount which has been deposited to, or which is standing to the credit of, the Debt Service Reserve Account or the Debt Protection Account (each as defined in the Facility Agreement) and any Authorised Investment (as defined in the Facility Agreement) from either of those accounts (or the proceeds of any such Authorised Investment)) under the Facility Agreement, of whatever kind or wherever situated which is subject at that time to both:

- (a) the Fixed and Floating Charge; and
- (b) any one or more of the Financiers' Securities;

and a reference to '**Secured Property**' includes any part of it;

'**Senior Executive Manager**' includes:

- (a) The Company's chief executive officer howsoever described;
- (b) The Company's chief financial officer howsoever described;
- (c) The Company's chief operating officer howsoever described;
- (d) Any director of the Company who is an executive officer of the Company; and
- (e) The Company's heads of the following areas:
 - (i) Gaming;
 - (ii) Surveillance;
 - (iii) International and Domestic VIP business; and

(iv) Compliance;²⁶

'**Share**' means a fully paid ordinary share in the capital of the Company;²⁷

'**Shareholders Agreement - Crown Management Pty Ltd**' means the agreement dated 30 August 1993 between Hudson Conway Limited ACN 009 556 629, Mulawa Casinos Pty Ltd ACN 060 766 001, The Federal Hotels Limited ACN 004 108 249 and Crown Management Pty Limited ACN 059 301 610;

'**Site**' has the same meaning as in the Management Agreement;²⁸

'**Site Lease**' means the lease of part of²⁹ the Site from the Minister for Finance on behalf of the State to the Company;

'**Site Lease Supplemental Agreement**' means the agreement between the Minister for Finance, the Company and the Agent;

'**Solvency Report**' means a report prepared in accordance with Australian Auditing Standard AUS904 'Engagement to Perform Agreed Upon Procedures' and paragraphs 21(a) to (e), 23 and 24 of Australian Auditing Standard AUS708 'Going Concern' and in a form approved by the Authority from time to time;³⁰

'**Sponsors**' mean Hudson Conway Limited ACN 009 556 629 and The Federal Hotels Limited ACN 004 108 249 and for the purposes of clause 22.1(a) such other person as the Authority may approve;

'**Sponsor's Guarantees**' means the guarantees of even date by Hudson Conway Limited ACN 009 556 629 in favour of the Authority and in favour of the State;

'**State**' means the State of Victoria;

'**State's Nominated Representative**' means the person appointed from time to time by the minister for the time being administering the *Planning and Environment Act* in accordance with clause 6.4 of the Management Agreement;

²⁶ Inserted by clause 2.2 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

²⁷ Amended by clause 2(f) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

²⁸ Amended by clause 2.1(b) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

²⁹ Amended by clause 2.1(c) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

³⁰ Amended by clause 2(a) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998

'Subsidiary' means any body corporate which would be a subsidiary within the meaning of Division 6 of Part 1.2 of the *Corporations Act* or any entity which would be a subsidiary under *Australian Accounting Standard AAS24*,³¹

"Supplemental Casino Agreement"³² means the agreement under which the Holding Company guarantees to the Authority, the due and punctual performance of obligations owed by each member of the Holding Company Group to the Authority;

'Supplemental Development Agreement' means the agreement of even date between the Authority, the Company, the Sponsors and Hudson Conway Management Limited ACN 006 742 294 which is supplemental to the Development Agreement;

'Supplemental Operations Agreement' means the agreement of even date between the Authority, the Company, the Sponsors and Crown Management Pty Ltd ACN 059 301 610 which is supplemental to the Operations Agreement;

'Supplemental Sponsors' Agreement' means the agreement of even date between the Authority, the Company and the Sponsors which is supplemental to the Founding Shareholders Agreement;

'Temporary Casino' means those areas identified in the Drawings for the Temporary Casino Complex as the areas which constitute a casino and includes the areas in which money counting, surveillance, storage and other activities related to the conduct and playing of games are carried on;

'Temporary Casino Complex' means the Temporary Casino and Ancillary Facilities to be constructed on or located within the Temporary Casino Site in accordance with the provisions of this document and the Management Agreement;

'Temporary Casino Complex Development Proposals' means the proposals of the Company in relation to the construction, development and establishment of the Temporary Casino Complex a copy of which has been signed on behalf of the Authority and the Company for the purposes of identification;

'Temporary Casino Leases' means:

- (a) the lease from the Port of Melbourne Authority to the Company; and
- (b) the sub-lease between the Urban Land Authority, Allco Nominees (Vic) Pty Ltd ACN 006 837 289 and the Company;

³¹ Amended by clause 2(g) of the Eleventh Agreement to the Casino Agreement dated 22 October 2007

³² Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

'Temporary Casino Leases Supplemental Agreements' means:

- (a) the agreement between the Port of Melbourne Authority, the Company and the Agent; and
- (b) the Temporary Casino Sub-Lease Supplemental Agreement;

'Temporary Casino Site' means that part of the World Trade Centre on the land bounded by Spencer Street, Flinders Street Extension and the River Yarra identified in the Plan of Survey annexed to the lease referred to in paragraph (a) of the definition of Temporary Casino Leases;

'Temporary Casino Sub-Lease Supplemental Agreement' means the agreement between the Urban Land Authority, Allco Nominees (Vic) Pty Ltd ACN 006 837 289, the Company and the Agent;

'Total Assets' means the aggregate of all assets of the Group which according to Australian Accounting Standards are defined, or would be regarded, as assets³³;

"Total Group Assets"³⁴ means the aggregate of all assets to the Holding Company Group which according to Australian Accounting Standards are defined, or would be regarded, as assets;

"Total Group Liabilities"³⁵ means the aggregate of all liabilities of the Holding Company Group which according to Australian Accounting Standards are defined, or would be regarded, as liabilities;

'Total Liabilities' means the aggregate of all liabilities of the Group which according to Australian Accounting Standards are defined, or would be regarded, as liabilities³⁶;

'Transaction Document' means each of this document, the Management Agreement, the Casino Licence, the Site Lease, the Temporary Casino Leases, the Fixed and Floating Charge, the Sponsor's Guarantees, the Master Security Agreement, the Site Lease Tripartite Agreement, the Temporary Casino Lease Supplemental Agreements, the Supplemental Sponsors' Agreement, the Supplemental Development Agreement, the Contractor's Deed, the Bank Guarantees, the Supplemental Operations

³³ Amended by clause 2(a) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998

³⁴ Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

³⁵ Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

³⁶ Amended by clause 2(a) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998

Agreement, the Deed of Undertaking and Guarantee and the Supplemental Casino Agreement³⁷;

'**Trust Deed**' means the deed dated 24 December 1993 between the Company and Permanent Trustee Australia Ltd relating to the issue by the Company of unsecured notes;³⁸

'**Trust Deed (Series 2)**' means the deed dated 15 August 1996 between the Company and Permanent Trustee Australia Limited relating to the issue by the Company of unsecured notes;³⁹

'**Underwriting Agreement**' means both the underwriting agreements of 13 August 1993 and 23 August 1993 between the Company, E.L. & C. Baillieu Limited ACN 006 519 393, Rothschild Australia Securities Limited ACN 008 591 768, Macquarie Underwriting Limited ACN 001 374 572, Ord Minnett Securities Limited ACN 003 245 234, James Capel Australia Limited ACN 002 786 272 and the Sponsors; and

'**Warranties**' means the representations and warranties of the Company set out in Schedule Three.

3. **COMMENCEMENT OF CERTAIN PROVISIONS**

This clause and clauses 2, 5, 6.3, 33, 34, 36, 37, and 39-48 (inclusive) commence on the date of this document.

4. **VARIATION**

Subject to the prior approval in writing of the Minister, the parties may from time to time by agreement in writing vary any provision of this document.

5. **CONDITIONS PRECEDENT**

5.1 The provisions of this document other than the clauses referred to in clause 3 are conditional upon the satisfaction of the following conditions precedent:

(a) execution of:

- (i) the Transaction Documents except for the Casino Licence and the Bank Guarantees;
- (ii) the Finance Documents;

³⁷ Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

³⁸ Inserted by clause 2(a) of the Fourth Variation Agreement to the Casino Agreement dated 7 March 1995

³⁹ Inserted by clause 2.1(a)(ii) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

- (iii) the Development Agreement;
 - (iv) the Operations Agreement;
 - (v) the Construction Agreement;
 - (vi) the Founding Shareholders Agreement;
 - (vi) the Underwriting Agreement;
 - (vii) the Equity Funding Agreement (Federal);
 - (viii) the Shareholders Agreement - Crown Management Pty Ltd; and
 - (ix) the Guarantee and Indemnity for Development Agreement;
- (b) each of the conditions precedent in each document referred to in paragraph (a) being satisfied other than:
- (i) conditions precedent contained in paragraph (14), (15), and (28) of part 1 of Appendix A to and clause 4.2 of the Facility Agreement and those conditions precedent in Appendix A to the Facility Agreement that are factual or procedural matters that cannot be satisfied until the time of drawdown; and
 - (ii) the issue of the Casino Licence;
- (c) approval of the Planning Amendments; and
- (d) the coming into operation of those parts of the Agreement Act and the Further Amendment Act which relate to the construction, Fit-Out, Commissioning, Completion and operation of the Melbourne Casino Complex and the Temporary Casino Complex each in the form and substance reasonably satisfactory to the Company to enable the Company to comply with its obligations under the Transaction Documents.
- 5.2 The Authority will provide written notice to the Company and to the Minister of satisfaction of the conditions specified in clause 5.1 within 2 Business Days of the satisfaction of all of those conditions.
- 5.3 Each party shall use its best endeavours to ensure the satisfaction of the conditions in clause 5.1 as soon as possible after the execution of this document, and in any event no later than the date specified in clause 5.4.
- 5.4 This document shall terminate upon the Management Agreement terminating under clause 5.2 of that agreement.

PART 2 - DEVELOPMENT AND COMPLETION**6. DOCUMENTS TO BE SUBMITTED TO THE AUTHORITY**

- 6.1 The Company must as soon as possible, but within 10 weeks from the Licensing Date submit to the Authority for its approval the following items:
- (a) a schedule identifying the proposed nature and degree of access (including pedestrian and vehicular) to all facilities by people who may be attending the Melbourne Casino together with a report on the vehicular part of that proposal;
 - (b) a detailed development master plan or plans clearly indicating the intentions of the Company for the development of the Melbourne Casino;
 - (c) all final schematic design drawings in relation to the Melbourne Casino;
 - (d) a proposal detailing the intended method of carrying out all phases of the development of the Melbourne Casino including the type of contract documentation to be used, the system (including the provision for review and approval by the Authority where required by the Authority) for the calling of tenders and appointment of sub-contractors, nominated sub-contractors, trade contractors and the method for completing construction, Fit-Out and Commissioning of the Melbourne Casino; and
 - (e) such other documents, drawings or information reasonably required by the Authority in relation to the Melbourne Casino.
- 6.2 As soon as practicable, but in any event no later than 3 months after Completion of the Melbourne Casino, the Company must prepare and supply the Authority with:
- (a) a list of and 3 copies of all equipment and construction warranties in relation to the Melbourne Casino provided in favour of the Company;
 - (b) 3 copies of instructions and maintenance manuals in relation to the Melbourne Casino for:
 - (i) all hydraulic systems;
 - (ii) all mechanical systems; and
 - (iii) all electrical systems; and
 - (c) 3 copies of as built drawings for all services in relation to the Melbourne Casino including:
 - (i) hydraulic drawings;
 - (ii) mechanical drawings;

- (iii) electrical drawings;
- (iv) civil works drawings; and
- (v) architectural drawings.

6.3 The Company must by ^{40 41 42} 8 December 1994⁴³ enter into a contract substantially in the form of the Construction Agreement with a builder approved by the Authority acting reasonably providing for the construction of the Melbourne Casino Complex.

6.4 The Company must procure the execution of the Contractor's Deed before or at the time that the Company enters into the contract referred to in clause 6.3.⁴⁴

6.5 Provision of Information and Documents

(a) The Company must:

- (i) within 14 days of receiving a request from the Authority; and in any event
- (ii) by 24 May 1996, being the date by which the Company must make available the Gaming Floor and Back of House areas -

provide to the Authority the documents and information referred to in clause 6.1 of the Casino Agreement in accordance with paragraph (b) of this clause.

(b) The Company complies with its obligations pursuant to paragraph (a) of this clause if:

- (i) the Company provides the documents or information requested by the Authority;
- (ii) the Company advises:
 - (A) that it is unable, at that stage, to provide the information and/or documents;

⁴⁰ Amended by clause 2.1(a) of the Variation Agreement to the Casino Agreement dated 19 November 1993

⁴¹ Amended by clause 2.1 of the Second Variation Agreement to the Casino Agreement dated 31 March 1994

⁴² Amended by clause 2.1 of the Third Variation Agreement to the Casino Agreement dated 25 May 1994

⁴³ Amended by clause 2.1(a) of the Fifth Variation Agreement to the Casino Agreement dated 7 March 1995

⁴⁴ Amended by clause 2.1(b) of the Variation Agreement to the Casino Agreement dated 19 November 1993

- (B) the reasons for the Company's inability to provide the information and/or documents; and
 - (C) the date by which the Company anticipates being able to provide the information and/or documents; and
 - (D) the Authority does not, within 10 days of the receipt of the advice pursuant to this paragraph give a notice to the Company that the documents and/or information must still be provided in response to the Authority's request; or
- (iii) it advises the Authority that, in respect of the documents and/or information requested by the Authority, there has been no variation to or amendment of the documents or information previously provided by the Company to the Authority.
- (c) The Company may respond to a request from the Authority by a combination of the alternatives referred to in paragraph (b) of this clause as is appropriate in the circumstances.
- (d) The Authority may make requests pursuant to paragraph (a) of this clause from time to time as it considers appropriate in its absolute discretion.⁴⁵
- 6.6 The Company acknowledges, undertakes and agrees that the Company is not permitted to terminate the Construction Agreement without the approval of the State in accordance with clause 9.3 of the Supplemental Development Agreement and without the approval of the Authority in accordance with clause 32.1 of this document.^{46 47}

7. MELBOURNE CASINO WORKS

The Company must, at least 14 days prior to the commencement of any part of the Melbourne Casino, submit to the Authority for approval all working drawings and specifications relating to any such part, and in particular the following details:

- (a) drawings of the floor layouts for the Melbourne Casino showing the placement of gaming tables and closed circuit television cameras and other surveillance facilities;

⁴⁵ Amended by clause 2.1(b) of the Fifth Variation Agreement to the Casino Agreement dated 7 March 1995

⁴⁶ Amended by clause 2.1(c) of the Fifth Variation Agreement to the Casino Agreement dated 7 March 1995

⁴⁷ Amended by clause 2.1(d) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

- (b) drawings of the reflected ceiling showing the location of catwalks (if any), closed circuit television cameras, viewing panels, lights and other fittings and services;
- (c) plans of cashiers' cages, count rooms and all security areas, including access thereto;
- (d) plans of secure areas and facilities to be used for inspectors appointed under the *Casino Control Act*, police and the Company's surveillance and security staff;
- (e) the electrical installations, in particular for the:
 - (i) closed circuit television system for both surveillance of the Melbourne Casino and for use by inspectors appointed under the *Casino Control Act*;
 - (ii) alarm system;
 - (iii) telephone installations;
 - (iv) emergency link to local police headquarters;
 - (v) auxiliary power and lighting provisions; and
 - (vi) fire protection systems and flood control plans for the preceding items in paragraph (e);
- (f) the master-key system proposed; and
- (g) the proposed construction, supply or Fit-Out of the preceding items.

8. **SAFETY PROCEDURES**

The Company must, at least 14 days before the Company intends to open the Melbourne Casino for use by the public, submit to the Authority for its approval details of the following matters so far as they relate to that part of the Melbourne Casino which the Company intends to open:

- (a) fire and flood safety and damage control procedures;
- (b) emergency control procedures;
- (c) crowd control procedures;
- (d) armoured vehicle transfer arrangements; and
- (e) vehicle control and parking arrangements.

9. VARIATIONS

- 9.1 The Company must submit to the Authority details of any variations to the Drawings and the working drawings and specifications to be provided pursuant to the Control Acts, the Management Agreement or this document where any such variation in any way relates to the Melbourne Casino.
- 9.2 The Company must not make any such variations without the prior approval in writing of the Authority.

10. APPROVAL BY THE AUTHORITY

- 10.1 If the Company is required by this document to submit to the Authority any documents or proposal for approval the Company must not proceed with carrying out any works or taking any action described in or contemplated by the documents or the proposal until the Authority has approved the documents or proposal or the documents or proposal have otherwise been dealt with in accordance with this clause 10.
- 10.2 If the Company is required by this document to submit to the Authority any documents or proposal for approval, the Authority may:
 - (a) approve the documents or proposal;
 - (b) subject to clause 10.6, approve the documents or proposal subject to any condition or conditions;
 - (c) require amendment as specified to the documents or proposal; or
 - (d) reject the documents or proposal.
- 10.3 If the Authority imposes conditions, requires amendment or rejects the documents or proposal pursuant to clause 10.2 the Company may, within 7 days of notification of the condition, amendment or rejection, make a further submission to the Authority as to why the condition should not be imposed, the amendment not be made or the documents or proposal not be rejected.
- 10.4 If the Company makes a further submission to the Authority as provided for in clause 10.3, the Authority shall give the further submission reasonable consideration and may:
 - (a) approve the documents or proposal;
 - (b) subject to clause 10.6, approve the documents or proposal subject to any condition or conditions;
 - (c) require amendment as specified to the documents or proposal; or
 - (d) reject the documents or proposal.

10.5 If:

- (a) the Authority approves the documents or proposal, the Company must proceed with the work in accordance with the approved documents or proposal;
- (b) the Authority imposes conditions in relation to the approval of the documents or proposal, the Company must comply with those conditions; or
- (c) the Authority requires amendment to the documents or proposal, the Company must, within 14 days of notification of the requirements, submit to the Authority further documents or a further proposal amended in accordance with the requirements and such documents or proposal shall be dealt with in accordance with this clause 10.

10.6 In imposing any conditions to any approval under clause 10 of any document or proposal the Authority must not act unreasonably having regard to the effect of the Melbourne Casino Complex Development Proposals, the Temporary Casino Complex Development Proposals, the Planning Amendments and the design and planning objectives of the State.

11. TIME FOR APPROVAL

11.1 If the Company submits any documents or proposal to the Authority, the Authority must respond in writing to the Company in the manner contemplated in clause 10 within 14 days of receiving the documents or proposal from the Company or such further period agreed between the Authority and the Company.

11.2 If the Authority has not responded in writing to the Company as required by clause 10 within 14 days or such further period as agreed, the Authority will be taken to have given its approval.

11.3 Clauses 11.1 and 11.2 apply only in relation to clauses 6 - 20 inclusive.

12. DIRECTOR OF CASINO SURVEILLANCE

12.1 The Authority must ensure that all documents and proposals which are submitted to the Authority for approval under this document and which must also be approved by the Director of Casino Surveillance under section 59 of the *Casino Control Act* are provided by the Authority to the Director of Casino Surveillance who shall be responsible for providing any necessary approvals.

12.2 Clauses 10 and 11 will apply in relation to any approvals to be given by the Director of Casino Surveillance as if the Director of Casino Surveillance were the Authority.

12.3 Nothing in this document shall be taken as limiting or fettering the rights of the Director of Casino Surveillance under the *Casino Control Act*.

13. PROVISION OF FACILITIES FOR INSPECTORS

The Company must at its expense provide, keep and maintain all facilities and surveillance systems in the Melbourne Casino required for the use of inspectors appointed under the *Casino Control Act*.

14. SITE ACCESS

14.1 Persons authorised in writing by the Authority or the Director of Casino Surveillance may at all reasonable times have free access to the Site but in doing so such persons must not interfere with the progress of any works except for the purpose of exercising any powers conferred under the Transaction Documents or the *Casino Control Act*. Subject to the Authority's or the Director of Casino Surveillance's right to make random inspections without notice, the Authority or the Director of Casino Surveillance and the Company must co-operate in the coordination of the Authority's or the Director of Casino Surveillance's inspections, measurements and tests with the requirements of the Company in relation to any programmes for and the timely Completion of the Melbourne Casino, with the objective of achieving, to the maximum extent possible, inspections, measurements and tests at the most appropriate times during the execution of the works for the Melbourne Casino and prior to closing up of the relevant part of the works.

14.2 The Authority or the Director of Casino Surveillance may, from time to time, give to the Company reasonable notice in writing that:

- (a) the Authority or the Director of Casino Surveillance proposes to carry out, during the progress of the works in relation to the Melbourne Casino, inspections, measurements or tests; or
- (b) the Authority or the Director of Casino Surveillance requires the Company to carry out, during the progress of the works in relation to the Melbourne Casino, inspections, measurements or tests as described in the notice.

14.3 If the Company receives a notice pursuant to clause 14.2, the Company must ensure that no part of the works in relation to the Melbourne Casino thereafter becomes inaccessible before any required inspection, measurement or test is completed, and:

- (a) if the notice is pursuant to paragraph 14.2(a), the Company must permit the Authority, the Director of Casino Surveillance or their respective agents to carry out the inspection, measurement or test; or
- (b) if the notice is pursuant to paragraph 14.2(b), the Company must carry out the inspection, measurement or test, at its cost, in accordance with the conditions set out in the notice and at a time specified in the notice and must immediately

thereafter provide to the Authority or the Director of Casino Surveillance a copy of the results of the inspection, measurement or test.

- 14.4 The Authority or the Director of Casino Surveillance and any persons authorised by any of them must not act unreasonably when exercising any powers under clause 14.
- 14.5 Subject to the Authority's or the Director of Casino Surveillance's right to make random inspections without notice and notwithstanding clause 14.3, if the Authority, the Director of Casino Surveillance or any of their respective agents carry out any inspection, measurement or test or require the Company to carry out any inspection, measurement or test in respect of any part of the works in relation to the Melbourne Casino which has become inaccessible the Authority, the Director of Casino Surveillance or any of their respective agents must first give the Company notice in writing of the Authority 's or the Director of Casino Surveillance's reasonable requirements in respect of the inspection, measurement or test.

15. **RECTIFICATION AND SUSPENSION OF THE WORKS IN RELATION TO THE MELBOURNE CASINO**

- 15.1 If following any inspection, measuring or examination of the works in relation to the Melbourne Casino the Authority is of the opinion that the works do not comply with any of the requirements in clauses 6 - 20 of this document or the reasonable requirements of the Authority which have been notified in writing to the Company or the requirements of any approved Documentation, the Authority may by notice to the Company specify:
 - (a) in what respect the works do not comply; and
 - (b) what action must be taken to rectify the non-compliance and the reasonable time within which that action is to be taken,

and the Company must comply with that notice.

- 15.2 If the Authority forms the opinion that the Company has failed for any reason to comply with a notice given pursuant to clause 15.1, the Authority may, without prejudice to any other right or remedy arising because of that failure, by notice to the Company direct the suspension of that part of the works in relation to the Melbourne Casino which is the subject of the notice given pursuant to clause 15.1 until the notice given pursuant to clause 15.1 is complied with.

16. PROJECT ADVISORY MEETINGS

- 16.1 Project advisory meetings must be held on a monthly basis and from time to time as may be required by the Authority during the design documentation, construction, Fit-Out and Commissioning of the Melbourne Casino.
- 16.2 The principal purposes of these meetings are to monitor design development, contract documentation and progress of the construction of the Melbourne Casino and to ensure compliance by the Company with its obligations under this document.
- 16.3 The meetings must be:
- (a) at a location determined by the Authority;
 - (b) attended by at least 1 and not more than 4 representatives from each of the Authority and the Company; and
 - (c) chaired by a person nominated by the Authority.
- 16.4 The State's Nominated Representative may attend the meetings.
- 16.5 The Company must provide accurate minutes to the Authority and the State's Nominated Representative within 3 days after each project advisory meeting.

17. MULTIPLE COPIES OF PLANS

The Company must provide to the Authority 3 copies (or such lesser number as may from time to time be agreed) of all plans, specifications and other material required to be provided pursuant to clauses 6 to 18 (inclusive) of this document.

18. DEVELOPMENT OF THE TEMPORARY CASINO

- 18.1 The Company must provide to the Authority for its approval all documents, drawings and information additional to the Temporary Casino Complex Development Proposals and the Drawings which are necessary for the design and construction of the Temporary Casino, including details of those items specified in clauses 6, 7 and 8 in so far as they relate to the Temporary Casino.
- 18.2 The Company must provide to the Authority for its approval any other documents, drawings or information requested by the Authority in relation to the Temporary Casino.
- 18.3 Clauses 9, 10, 11 and 12 apply (unless the context otherwise requires) in relation to any submissions by the Company to the Authority for the approval of documents and drawings or any proposal relating to the Temporary Casino Complex or to any application by the Company to vary any approved document or drawing as if the Temporary Casino Complex were the Melbourne Casino Complex and the Temporary Casino the Melbourne Casino.

- 18.4 Clauses 13, 14, 15 and 16 apply (unless the context otherwise requires) in relation to the Temporary Casino Complex and the Temporary Casino Site as if the Temporary Casino Complex were the Melbourne Casino Complex and the Temporary Casino Site the Site.

PART 3 - COMPLETION

19. OPENING OF THE MELBOURNE CASINO

It is a condition precedent to approval to open the Melbourne Casino that at least 2000 car parking spaces are available for use on the Site.

20. COMPLETION

- 20.1 The Company must give not less than 7 Business Days notice in writing to the Authority that the Company anticipates that the Temporary Casino or the Melbourne Casino, as the case may be, ('**Relevant Works**') will be Completed on the date specified in the notice.
- 20.2 On the date agreed between the Company and the Authority (and if no date is agreed, then on the date specified in the Company's notice under clause 20.1) the Authority must inspect the Relevant Works and consider all matters relevant to the Completion of the Relevant Works.
- 20.3 If the Authority is of the opinion that the Relevant Works are not Completed, the Authority must within 10 Business Days of the inspection under clause 20.2 give notice to the Company of this opinion and state in that notice the reason or reasons why the Authority is of this opinion.
- 20.4 If the Authority is of the opinion that the Relevant Works are Completed, the Authority must within 10 Business Days of the inspection under clause 20.2 issue a certificate to the Company stating the date on which it believes those Relevant Works reached Completion and those Relevant Works shall, for the purpose of this document, be taken to have been Completed on that date.
- 20.5 Upon receipt of a notice from the Authority under clause 20.3, the Company must immediately attend to any matters stated in the notice as requiring attention and upon the Company attending to these matters, the Company must give a further notice in writing to the Authority pursuant to paragraph 20.1.
- 20.6 Any determination by the Authority that any Relevant Works have been Completed is not acceptance that the Company has complied with the Transaction Documents and any right which the Authority may have had prior to that determination is preserved absolutely.
- 20.7 If the Authority does not deliver a notice to the Company under clause 20.3 or a certificate under clause 20.4 within the 10 Business Days period referred to in those

clauses, the Relevant Works will be taken to have been Completed on the date on which those Relevant Works were inspected under clause 20.2 and a certificate of Completion will be taken to have been issued by the Authority with a date of Completion on that date.

- 20.8 A certificate of Completion under clause 20 does not excuse the Company from compliance with all relevant legislation in relation to the Relevant Works.

PART 4 - CORPORATE STRUCTURE AND RELATED MATTERS

21. WARRANTIES OF THE COMPANY

- 21.1 The Company makes the Warranties to the Authority as at the date of this document and for each day up to and including the Licensing Date.
- 21.2 Each Warranty shall be construed separately and the meaning of each shall in no way be limited by reference to any other representation or warranty contained in this document.

22. CONDITIONS RELATING TO COMPANY STRUCTURE

- 22.1 The following are conditions of this document:
- (a) the Commission and the Company will observe the spirit of the terms of this Agreement as well as the strict letter of the commitments contained in this Agreement. Accordingly the Company and Commission agree that the provisions contained in this Agreement should be given a broad meaning having regard to their intended effect and any conditions set out in the Agreement and that the Company and the Commission will fulfil their warranties and undertake the obligations imposed on them under this Agreement in good faith with a view to ensuring that the intended effect of these provisions is achieved.⁴⁸
 - (aa) ⁴⁹
 - (ab) ⁵⁰
 - (ac) ⁵¹

⁴⁸ Original clause 22.1(a) deleted by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999. New Clause 22.1(a) inserted by Clause 2.3 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁴⁹ Deleted by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

⁵⁰ Deleted by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

- (ad) ⁵²
- (b) the Company must ensure that at least 75% of the meetings of the Company's board of directors are to be held in Melbourne each calendar year;⁵³
- (ba) the Company must ensure that at least 75% of the meetings of the Company's Senior Executive Managers are to be held in Melbourne each calendar year;⁵⁴
- (bb) the Company must ensure that its Senior Executive Managers reside in Victoria;⁵⁵
- (bc) the Company must ensure that at least one Company Secretary resides in Victoria;⁵⁶
- (c) the Company must obtain the prior written approval of the Authority to any appointment of a director or alternate director of the Company;
- (d) the Company must procure the vacation from office of any director or alternate director of the Company in accordance with any direction to that effect by the Authority;
- (e) the articles of association of the Company must provide at all times for a minimum of 5 directors to be appointed;
- (f) the Company will not knowingly permit a person or, upon becoming aware of a person being entitled, allow a person to continue to be entitled to a number of Shares which exceeds 5% of the total number of Shares on issue at any time, without the prior written approval of the Authority;⁵⁷

⁵¹ Deleted by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

⁵² Deleted by the Eighth variation Agreement to the Casino Agreement effective 30 June 1999

⁵³ Original clause 22.1(b) deleted by the Eighth variation Agreement to the Casino Agreement effective 30 June 1999. New Clause 22.1(b) inserted by clause 2.3 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁵⁴ Inserted by clause 2.3 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁵⁵ Inserted by clause 2.4 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁵⁶ Inserted by Clause 2.4 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁵⁷ Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999. Under the Supplemental Casino Agreement the Authority agrees that it will not regard the Company as breaching clause 22.1(f) of the Casino Agreement or article 2.7 of the Company's constitution if a person becomes entitled to more than 5% of the total number of Shares in the Company solely through that person's shareholding in PBL.

- (g) where required by the Authority, the Company must enforce the disposal of Shares of any person in accordance with the procedures for such disposal set out in the articles of association of the Company;
- (h) if so requested by the Authority, the Company must when requested, at any time that it is a company to which Part 6C.2 of the *Corporations Act* applies, issue notices pursuant to section 672A of the *Corporations Act* in respect of particular Shares;⁵⁸
- (i) except for the issue of partly paid shares in the Company to employees of the Company (not exceeding 5% of the fully diluted total issued capital of the Company), options issued to the Sponsors (not exceeding 15% of the fully diluted total issued capital of the Company) and subject to clause 22.1(m) unsecured debt securities issued in the ordinary course of business of the Company which do not materially increase the total indebtedness of the Company, the Company must not issue any shares of a class other than the Shares or any other security (as defined in section 92 of the *Corporations Act*⁵⁹) without the prior written approval of the Authority;
- (j) the Company must not, without the prior written approval of the Authority, issue or announce the issue of Shares, if such issue would require the approval of holders of Shares under rule 7.1 of the Listing Rules of ASX;⁶⁰
- (k) the memorandum and articles of association of the Company must not be amended without the prior written approval of the Authority;
- (l) no person may be appointed as auditor of the Company unless that person's appointment has first been approved in writing by the Authority;
- (m) subject to clause 22.6, the Company must procure that at any time Total Liabilities does not exceed 60% of Total Assets without the prior written approval of the Authority;⁶¹
- (ma) Total Group Liabilities must not at any time exceed 60% of Total Group Assets without the prior written approval of the Authority;⁶²

⁵⁸ Amended by clause 2(h) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

⁵⁹ Amended by clause 2(j) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

⁶⁰ Amended by clause 2.1(f) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

⁶¹ Amended by clause 2(c) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998

⁶² Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

- (n) the Company must provide to the Authority within 14 days of the end of each month details of all Shares issued by the Company and a list of the top 50 holders of Shares registered at the end of the previous month;⁶³
- (o) a director or alternate director of the Company must not gamble in the Temporary Casino or the Melbourne Casino;
- (p) ⁶⁴
- (q) ⁶⁵
- (r) the Holding Company Group, if it pursues anywhere in Australia a business similar to that of the Company, will use its best endeavours to ensure that such business is conducted in a manner:
 - (i) which is beneficial both to that business and to the Company and which promotes tourism, employment and economic development generally in the State of Victoria; and
 - (ii) which is not detrimental to the Company's interests;⁶⁶
- (ra) the Company:
 - (i) must ensure that the Holding Company Group locates the headquarters of its gaming business in Melbourne;
 - (ii) will endeavour to maintain the Melbourne Casino as the dominant Commission Based Player casino in Australia; and
 - (iii) will ensure that the Holding Company Group maintains the Melbourne Casino as the flagship casino of the Holding Company Group's gaming business in Australia,

provided however that the obligations of the Company under this Clause 22.1(ra) may be terminated by the Company by giving at least one (1) month's notice in writing to the Commission whereupon the obligations of the Company under this Clause 22.1(ra) shall cease:

 - (iv) on the fifth (5th) anniversary of the Ninth Variation Date; or

⁶³ Amended by clause 2.1(g) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

⁶⁴ Deleted by clause 2.6 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁶⁵ Deleted by clause 2.6 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁶⁶ Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

- (v) if no such election is made prior to one (1) month prior to the fifth (5th) anniversary date of the Ninth Variation Date then, on the expiration of any four (4) year period thereafter.

(For the avoidance of doubt, the Company may elect to terminate its obligations under this Clause 22.1(ra) effective on the following anniversaries of the Ninth Variation Date:

5th anniversary, 9th anniversary, 13th anniversary, 17th anniversary, etc.)⁶⁷

- (s) in order to secure the obligations of the Company under or in connection with the Transaction Documents and the *Casino Control Act*⁶⁸, unless the Company, the Holding Company, the State and the Authority agree otherwise, the Company must ensure that the State is at all times the beneficiary and holder of:
 - (i) a first ranking unlimited fixed and floating charge over all the assets and undertakings of the Company; or
 - (ii) a first ranking fixed and floating charge, limited to an amount of not less than \$100,000,000.00, over all the assets and undertakings of the Company, together with a letter or letters of credit from banks or financial institutions acceptable to the State, in form and substance acceptable to the State, up to an aggregate amount of not less than \$185,000,000.00⁶⁹ (in addition to any other letter of credit or bank guarantee which must be provided to the State under the Management Agreement);⁷⁰
- (t) the Company must notify the Commission of any change to the composition of the Audit Committee and any amendment made to the Audit Committee Charter within one (1) month from the date the change comes into effect;⁷¹
- (u) the Company must notify the Commission of any change to the composition of the Compliance Committee and any amendment made to the Compliance

⁶⁷ Inserted by clause 2.7 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁶⁸ Inserted by clause 2(i) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

⁶⁹ Amended by the clause 2 of the Tenth Variation Agreement to the Casino Agreement dated 6 March 2007

⁷⁰ Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

⁷¹ Inserted by clause 2.5 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

Committee Charter within one (1) month from the date the change comes into effect;⁷² and

(v) During the five year period commencing on the Ninth Variation Date the Company must spend a minimum of:

(i) \$25 million per annum; and

(ii) \$170,000,000 in total,

on a combination of maintenance, upgrades, refurbishments and new works with respect to the interior and exterior of the Melbourne Casino Complex as well as plant, equipment, fittings, fixtures and systems, which amounts will not include any costs to be borne by the Company in the construction or procurement of the alternative project as required by clause 5 of Schedule 8 of the *Casino (Management Agreement) Act* 1993.⁷³

22.2 In clause 22.1, 'Share' or 'Shares' includes, as the context requires, any other class of voting security (as defined in section 92 of the *Corporations Act*⁷⁴) issued by the Company.

22.3 For the purposes of clause 22.1, a reference to a person being entitled to Shares has the same meaning as a reference in Part 6C.1 of the *Corporations Act* to a person being entitled to voting shares in a company and that person's entitlement will be calculated in the manner prescribed for calculation of substantial holdings in Part 6C.1 of the *Corporations Act* as if that Part applied.⁷⁵

22.4 ⁷⁶

22.5 For the purposes of clause 22.1, 'hold' or 'held' in relation to Shares means that those Shares are beneficially owned, and includes Shares registered in the name of a nominee holding under a bare trust.⁷⁷

⁷² Inserted by clause 2.5 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁷³ Inserted by clause 2.8 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁷⁴ Amended by clause 2(k) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

⁷⁵ Amended by clause 2(l) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

⁷⁶ Deleted by clause 2.6 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁷⁷ Amended by clause 2.1(h) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

- 22.6 Any approval given by the Authority under clauses 22.1(m) and 22.1(ma) may be given subject to such conditions as the Authority determines.⁷⁸
- 22.7 If at any time there is any change in Australian Accounting Standards or their application and such change will have a material impact on the compliance by the Company with clauses 22.1(m) and 22.1(ma), the Authority agrees to discuss with the Company amendments that may be required to the definitions relevant to clauses 22.1(m) and 22.1(ma) to ensure that the provisions of this document would have the same economic effect had such a change not been made. The Authority is not obliged to agree to any such amendments.⁷⁹
- 22.8 For the purpose of monitoring compliance by the Company with clauses 22.1(m) and 22.1(ma), the Company must calculate the ratio of Total Liabilities to Total Assets and the ratio of Total Group Liabilities to Total Group Assets as at the last day of every month ('Calculation Day') and provide to the Authority written details of such calculation within not more than 10 Business Days after the Calculation Day.⁸⁰
- 22.9 If any ratio calculated under clause 22.8 is greater than 60%, the Company must procure that its auditor provides to the Authority a Solvency Report in respect of the Company and the Holding Company Group addressed to the Authority by not later than the 20th day of the month following Calculation Day.⁸¹
- 22.10 If any ratio calculated under clause 22.8 is greater than 60%, the Company may make written submissions to the Authority for consideration by the Authority for the purposes of clause 22.12 in relation to the period within which the Company expects any ratio will not exceed 60% and the financial position of the Company and the Holding Company Group. Any such written submissions must be provided to the Authority by not later than the 20th day of the month following the Calculation Day.⁸²
- 22.11 For the purposes of clause 22.12, the Authority may by notice in writing to the Company require the Company to provide to the Authority within the period specified in the notice such further information as the Authority requires in relation to a

⁷⁸ Amended by clause 2(d) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998. Amended by the Eighth Variation Agreement to the Casino Agreement effective 30 June 1999

⁷⁹ Amended by clause 2(d) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998. Amended by the Eighth variation Agreement to the Casino Agreement effective 30 June 1999

⁸⁰ Amended by clause 2(d) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998. Amended by the Eighth variation Agreement to the Casino Agreement effective 30 June 1999

⁸¹ Amended by clause 2(d) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998. Amended by the Eighth variation Agreement to the Casino Agreement effective 30 June 1999

⁸² Amended by clause 2(d) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998. Amended by the Eighth variation Agreement to the Casino Agreement effective 30 June 1999

Solvency Report or the financial position of the Company and the Holding Company Group.⁸³

22.12 If:

- (a) any ratio calculated under clause 22.8 is greater than 60%;
- (b) the Solvency Report provided under clause 22.9 concludes that there is a reasonable basis for believing that the Company will meet its debts as and when they fall due for the next 12 months;
- (c) the Authority is satisfied that the Company will comply with clauses 22.1(m) and 22.1(ma) within a period acceptable to the Authority;
- (d) the Authority is otherwise satisfied with the financial position of the Company and the Holding Company Group;

the Authority may determine not to issue a notice to the Company under clause 31.2 of this document in respect of the breach of clauses 22.1(m) and 22.1(ma).⁸⁴

23. INSPECTION OF RECORDS

The Company must upon demand make available for inspection by the Authority all records, accounts and information held by or on behalf of the Company and allow the Authority to take copies of or extracts from all such records, accounts and information.

⁸³ Amended by clause 2(d) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998. Amended by the Eighth variation Agreement to the Casino Agreement effective 30 June 1999

⁸⁴ Amended by clause 2(d) of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998. Amended by the Eighth variation Agreement to the Casino Agreement effective 30 June 1999

24. ATTENDANCE AT COMPANY MEETINGS

- 24.1 A representative of the Authority is entitled to attend and to speak at any meeting of the Company as though he or she were a shareholder of the Company, but this clause does not confer a right to vote on the Authority or its representative.
- 24.2 The Company must deliver to the Authority copies of all notices and circulars that are forwarded to shareholders in the same manner and time frame as if the Authority were a shareholder.

25. DISCLOSURE

- 25.1 If the Company is admitted to the Official List of the ASX or is listed on any other stock exchange ('**Exchange**'), the Company must provide to the Authority a copy of:
- (a) all notices or other information provided by or on behalf of the Company to the ASX or Exchange; and
 - (b) all notices or other information relating to the Company which are received by the Company from the ASX or Exchange,
- on the same date that those notices or other information are provided to the ASX or Exchange or received by the Company.
- 25.2 The Company must immediately notify the Authority of any information necessary to ensure that the Authority is able to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Company.
- 25.3 Without limiting the generality of clause 25.2, the Company must immediately notify the Authority of any event or circumstance which would be material to the Company having regard to the definition of materiality in Australian Accounting Standard AAS5.
- 25.4 The Company and any Subsidiary must, within 15 Business Days of the end of each quarter ending on the last day of September, December and March in each year, give to the Authority a quarterly financial report in the form of the report in Schedule Four.
- 25.5 The Company must provide to the Authority a copy of:
- (a) all notices or other information provided by or on behalf of the Company to the Australian Securities Commission; and
 - (b) all notices or other information relating to the Company which are received by the Company from the Australian Securities Commission,
- on the same date that those notices or other information are provided to the Australian Securities Commission or received by the Company.

- 25.6 In addition to any information required to be submitted to the Commission by the Company by any other Clause of this document, the Company must submit to the Commission the information set out in Schedule Five at times set out in Schedule Five.⁸⁵

PART 5 - GRANT OF THE CASINO LICENCE

26. GRANT OF CASINO LICENCE

26.1 Subject to:

- (a) provision of the Bank Guarantees;
- (b) payment by the Company to the State of:
 - (i) the Premium Payment; and
 - (ii) a further amount of \$190,000,000; and
- (c) payment by the Company of the Casino Supervision and Control Charge due on the Licensing Date,

the Authority will grant the Casino Licence for the Temporary Casino and the Melbourne Casino to the Company on the Licensing Date.

26.2 While the Casino Licence remains in force, the Authority undertakes not to grant a casino licence to any person enabling any person other than the Company to operate a casino:

- (a) anywhere in the State prior to 6 years from the Licensing Date; and
- (b) in those parts of the State within a radius of 150 kilometres from the Site, prior to 12 years from the Licensing Date.

26.3 If after the Melbourne Casino opens for business:

- (a) the Melbourne Casino is Completely Destroyed by an Extension Event prior to the end of the exclusivity period in clause 26.2 (b); and
- (b) in the reasonable opinion of the Authority the Company acts diligently to reinstate the Melbourne Casino,

the period in clause 26.2(b) shall be extended by the Extension Period.

⁸⁵ Inserted by clause 2.10 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

26.4 For the purposes of clause 26.3 and this clause 26.4, the following words or phrases have the following meanings:

'Completely Destroyed' means destruction or damage to the Melbourne Casino or any other Extension Event which causes the complete closure of the Melbourne Casino;

'Extension Period' means the lesser of:

- (a) 12 months; and
- (b) the period from the Destruction Date to the date on which the Melbourne Casino reopens for business;

'Destruction Date' means the date on which the Melbourne Casino is Completely Destroyed;

'Extension Event' means:

- (a) a Force Majeure Event; or
- (b) any other event or circumstance which is outside the control of the Company and has not been directly or indirectly caused by an act or omission of the Company or any of its Associates,

but does not include an event which would not have occurred if the Company had exercised reasonable care and diligence.

26.5 If the Company wishes to apply to the Authority for a further casino licence upon the expiration of the Casino Licence, it may do so in accordance with the following provisions:

- (a) if the Company is not in breach of any material provision of this document or of any other Transaction Document, the Company may at any time during the period commencing on the date being the first day of the fifth last year of the term of the Casino Licence and terminating on the date being the last day of the fifth last year of the term of the Casino Licence give notice in writing to the Authority that the Company wishes to apply for the grant of a new licence to operate a casino in the Melbourne Casino Complex;
- (b) following the giving of the notice under clause 26.5(a), the Authority shall within six months inform the Company of the basis on which the Authority is prepared to grant a new licence to operate a casino in the Melbourne Casino Complex and thereafter the Authority shall negotiate with the Company in good faith with a view to reaching agreement on a basis upon which the Authority is prepared to grant the new licence to the Company;

- (c) the Authority shall have no obligation under this clause 26.5 other than to notify the Company of the basis on which the Authority is prepared to grant a new licence and thereafter to negotiate in good faith with the Company;
- (d) the Company shall have no right or expectation of any nature whatever to the grant of a new casino licence following the expiration of the Casino Licence; and
- (e) if by the first day of the last year of the term of the Casino Licence, agreement has not been reached between the Authority and the Company for the grant of a new casino licence to the Company, the Authority shall be free to grant a new casino licence to any other person with effect from or after the date of expiry of the Casino Licence on such terms and conditions as the Authority in its absolute discretion determines to be appropriate.

27. GAMES

27.1 The Authority will publish a notice pursuant to section 60 of the *Casino Control Act* to enable the conduct and playing in the Temporary Casino and the Melbourne Casino of the following games, which must be conducted or played in accordance with the rules approved by the Authority under that section:

- (a) Blackjack;
- (b) American Roulette;
- (c) Baccarat;
- (d) Mini Baccarat;
- (e) Craps;
- (f) Two-up;
- (g) Mini-Dice;
- (h) Wheel of Fortune;
- (i) Sic-Bo;
- (j) Pai Gow;
- (k) Keno;
- (l) Poker;
- (m) French Roulette; and

- (n) any other game approved by the Commission for use by the Company.⁸⁶
- 27.2 The Authority approves for the Temporary Casino and the Melbourne Casino all games which are approved as of the date of this document to be played on a gaming machine by the Victorian Gaming Commission and those games shall be taken to be included in the list in clause 27.1.
- 27.3 The Authority will use its good offices with the State to endeavour to procure that the State will approve:
- (a) the offering of linked jackpots for games conducted in the Temporary Casino or the Melbourne Casino; and
 - (b) the joining in the linking of games with other casinos, hotels, clubs and other venues for the purposes of providing linked jackpots on gaming machines or Club Keno.
- 27.4 In approving rules for games under section 60 of the *Casino Control Act* and giving directions under section 61, the Authority shall consult with the Company and shall have regard to the equivalent rules, commercial terms and regulations applicable to other casinos in Australia.

28. CASINO OPERATING PRACTICES

The Company must conduct its operations in the Melbourne Casino in a manner that has regard to the best operating practices in casinos of a similar size and nature to the Melbourne Casino.⁸⁷

PART 6 - ENCUMBRANCES AND ASSIGNMENTS

29. ENCUMBRANCES

- 29.1 The Company must not create or permit to subsist any Encumbrance over or in relation to any Assets and Rights of the Company other than:
- (a) Encumbrances solely over any Assets or Rights which are not Casino Assets and where the Encumbrances do not, together, accrue actual or contingent indebtedness exceeding, in the aggregate, \$1,000,000;
 - (b) liens arising solely by operation of law (or by an agreement to the same effect) in the ordinary course of the business of the Company where the amount secured:

⁸⁶ Amended by clause 2.12 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁸⁷ Amended by clause 2.11 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

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- (i) has been due for less than 30 days; or
- (i) is being contested in good faith and by appropriate means;
- (c) without limiting paragraph (b), retention of title arrangements, where the amount payable:
 - (i) has been due for less than 30 days; or
 - (ii) is being contested in good faith and by appropriate means;
- (d) the Encumbrances referred to in clause 30; or
- (e) any other Encumbrances created or subsisting with the prior approval in writing of the Authority;

except with the prior approval in writing of the Authority and in compliance with any terms or conditions on which that approval is given.

29.2 Except with the prior approval in writing of the Commission, the Company must not dispose of:

- (a) Casino Assets except:
 - (i) in the ordinary course of the business of operating the Melbourne Casino; or
 - (ii) obsolete or surplus Casino Assets on ordinary commercial terms; and
- (b) assets that are not Casino Assets which (assuming the Site Lease had expired) revert to Her Majesty under Part 13 of the Site Lease.⁸⁸

29.3 Not used.⁸⁹

29.4 In clause 29.2 'dispose' includes:

- (a) a disposition of any estate or interest in any manner including by way of sale, transfer, assignment, lease, letting, licence, surrender or abandonment; and
- (b) entering into an agreement or arrangement to effect a disposition, whether in either case for valuable consideration or not.

⁸⁸ Amended by clause 2.13 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

⁸⁹ Amended by clause 2.13 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

30. PERMITTED ENCUMBRANCES

- 30.1 The Authority has consented to the creation of Encumbrances by the Company under and in accordance with the securities identified in paragraph (a)⁹⁰ of the definition of Financiers' Securities in the Master Security Agreement.⁹¹
- 30.2 The ranking as between the Encumbrances referred to in clause 30.1 and the Fixed and Floating Charge and other matters regarding the enforcement of Encumbrances will be regulated by the Master Security Agreement.
- 30.3 The Company must give prompt notice to the Authority of any Lease that the Company proposes to enter into for, or for the financing of:
- (a) any asset necessary for or incidental to the operation of the Melbourne Casino or Temporary Casino; or
 - (b) any asset whatever having a value, either separately or when aggregated with the value of other assets or equipment leased from the same lessor or related bodies corporate of that lessor, exceeding \$1,000,000;

and before entering into that Lease (or if it has already entered into such Lease, then on request by the Authority) the Company must procure that the lessor of any such equipment or asset enters into a supplemental agreement with the Authority regulating access to and entitlement to that equipment or asset on terms satisfactory to the Authority.

PART 7 - TERMINATION

31. TERMINATION OF THIS DOCUMENT

- 31.1 This document will automatically terminate:
- (a) without notice to the Company if the Casino Licence is:
 - (i) surrendered; or
 - (ii) cancelled; or
 - (b) when the Casino Licence expires due to the effluxion of time.

⁹⁰ Amended by clause 3.6 of the Master Security Agreement dated 30 July 1997

⁹¹ Amended by clause 3.6 of the Master Security Agreement dated 30 July 1997

Such termination does not affect the ability of either party to enforce a right which may have accrued to it under this document prior to such termination.

- 31.2 Subject to the Master Security Agreement, it shall be a contravention of a condition of the Casino Licence enabling the Authority to serve a notice on the Company pursuant to section 20(2) of the *Casino Control Act* if any of the following events occurs:
- (a) the Company commits a breach of any provision of this document (other than clauses 32.1 and 32.2), and the Authority has given a notice ('**Notice**') to the Company detailing the particulars of the breach unless:
 - (i) if the breach is capable of remedy:
 - (A) it is remedied within the cure period allowed in the Notice which shall not be less than 60 days to the reasonable satisfaction of the Authority; or
 - (B) the Company:
 - (i) is diligently pursuing a course of action which could reasonably be expected to remedy the breach in a period of time reasonably acceptable to the Authority; and
 - (ii) is making satisfactory progress with such course of action; or
 - (ii) if the breach to which the Notice refers is not capable of remedy:
 - (A) the Company is complying to the reasonable satisfaction of the Authority with any reasonable requirements of the Authority in relation to the breach or is attending to the reasonable redress of the prejudice arising from the breach, default or event in the manner specified in the Notice; or
 - (B) the payment of damages constitutes in the reasonable opinion of the Authority, as the case may be, proper redress and the required amount of damages is paid within 15 Business Days of the date for payment as specified in the Notice;
 - (aa) an Event of Default (as described in the Deed of Undertaking and Guarantee) occurs under the Deed of Undertaking and Guarantee;⁹²
 - (b) any of the following occurs and the Company does not within 10 Business Days of the occurrence of the event establish to the reasonable satisfaction of

⁹²

the Authority that despite the occurrence of the event the Company will be able to perform its obligations under the Transaction Documents:

- (i) a provisional liquidator or administrator is appointed to the Company;
 - (ii) a Receiver is appointed to any of the Casino Assets;
 - (iii) any Encumbrance becomes enforceable and the holder of the Encumbrance takes possession of any of the Casino Assets; or
 - (iv) a judgment is obtained against the Company and execution or other process of any Court or other authority is issued against or is levied or enforced upon any of the Casino Assets;
- (c) a liquidator is appointed to the Company;
 - (d) prior to Completion, the Financiers terminate their obligations under the Facility Agreement, or otherwise permanently refuse to permit any further drawings under the Facility Agreement or the facilities provided or available under the Facility Agreement, and the Company does not within 20 Business Days of the occurrence of the event establish to the reasonable satisfaction of the Authority that despite the occurrence of the event the Company will be able to perform its obligations under the Transaction Documents;
 - (e) a Notice of Intention pursuant to the Supplemental Development Agreement is given by the Developer under that agreement and is not withdrawn within 10 Business Days;
 - (f) a Notice of Intention pursuant to the Contractor's Deed is given by the Contractor under that deed and is not withdrawn within 10 Business Days;
 - (g) except with the prior consent in writing of the Authority the members resolve to wind up the Company;
 - (h) the Site Lease is terminated or surrendered;
 - (i) prior to Completion of the Melbourne Casino any one of the Temporary Casino Leases is terminated (other than by effluxion of time) or surrendered;
 - (j) prior to the subscription by the Founding Shareholders for all the Shares for which they have agreed to subscribe under the Founding Shareholders Agreement, any of the following occurs and the Company does not within 10 Business Days after the Authority has given notice to the Company remedy the event or redress the prejudice arising from the event or establish to the reasonable satisfaction of the Authority that despite the occurrence of the event the Company will be able to perform its obligations under the Transaction Documents:

- (i) a Founding Shareholder fails to comply with any obligation to subscribe for Shares in accordance with the provisions of the Founding Shareholders Agreement;
 - (ii) a Receiver, provisional liquidator, liquidator or administrator is appointed to a Sponsor; or
 - (iii) except with the prior consent in writing of the Authority the members resolve to wind up a Sponsor; or
- (k) Shares having an aggregate subscription amount of \$210,000,000 have not been subscribed for by the Licensing Date by persons other than the Founding Shareholders and within 10 Business Days of the Licensing Date the Company has not established to the reasonable satisfaction of the Authority that the Company will despite this be able to perform its obligations under the Transaction Documents.
- 31.3 The Authority may in its absolute discretion extend any time period referred to in clause 31.2.
- 31.4 Nothing in clause 31.2 shall prevent the Authority from issuing a notice under section 20(2) of the *Casino Control Act* in order to issue a letter of censure or to impose a fine in accordance with the provisions of the *Casino Control Act*.
- 31.5 Subject to clause 26 of the Management Agreement, on termination of this document:
- (a) except as otherwise provided by this document all rights of the Company to, in or under this document will cease but without prejudice to the liability of any party in respect of any antecedent breach or default under this document or in respect of any indemnity or other payment obligation under this document;
 - (b) all moneys owing or remaining unpaid (and whether actually or contingently) to the Authority will (to the extent not then due) become immediately due and payable and the Company must immediately pay all those moneys to the Authority; and
 - (c) except as otherwise provided in this document, neither the Company nor any Sponsor or any other person will have any claim against the Authority with respect to any matter or thing in or arising out of this document and in particular, but without limiting the generality of the preceding paragraphs, the Company will have no claim to the repayment of all or any part of the Licensing Payment Amounts.
- 31.6 Without limiting the Authority's or the State's rights under the Fixed and Floating Charge or otherwise, in the event of the termination of this document neither the Company nor any other person is permitted (without the prior approval in writing of the Authority) to remove from the Casino Complex or the Site or the Temporary Casino Complex or the Temporary Casino Site any gaming equipment, equipment, furniture

or fittings necessary for or incidental to the operation of the Melbourne Casino or the Temporary Casino, as the case may be, and the Authority is and will be entitled for so long as it deems fit to use all that gaming equipment, equipment, furniture and fittings for the purpose of operating the Melbourne Casino or the Temporary Casino.

- 31.7 The Company irrevocably appoints the Authority and each of its officers and any manager appointed by the Authority under the *Casino Control Act* jointly and severally to be its attorney and in its name and on its behalf to exercise, sign and do all assurances, deeds, instruments, agreements, acts and things which in the opinion of the Authority or such officer, manager are necessary or expedient to give effect to any right, power or remedy conferred under or in relation to any Transaction Document or the *Casino Control Act* or are necessary or expedient that the Company do.
- 31.8 The power of attorney granted under clause 31.7 survives termination of this document but may only be exercised if an event specified in clause 31.2 has occurred and has not been remedied or waived.

PART 8 - COMPLEMENTARY AGREEMENTS

32. COMPLEMENTARY AGREEMENTS

32.1 The Company undertakes that it will not, without the prior written consent of the Authority:

- (a) give or recognise any waiver under a Complementary Agreement;
- (b) amend, supplement or otherwise modify a Complementary Agreement;
- (c) assign (whether absolutely or by way of security), novate or otherwise transfer its rights or obligations under a Complementary Agreement;
- (d) give or permit to be created any Encumbrance over its rights under a Complementary Agreement;
- (e) terminate a Complementary Agreement; or
- (f) agree to do any of the above,

where to do so would have a material and adverse effect on the Company's ability to construct or operate the Temporary Casino or the Melbourne Casino in accordance with this document.

32.2 The Company must comply with all of its obligations under the Complementary Agreements and must use its best endeavours to ensure that the other parties to the Complementary Agreements (other than the State and the Authority) comply with their respective obligations, where a failure to do so in either case would have a material

and adverse effect on the ability of the Company to construct or operate the Temporary Casino or the Melbourne Casino in accordance with this document.

- 32.3 The Company must comply with all of the obligations under the Company's memorandum and articles of association which are relevant or relate to the provisions in clause 22.
- 32.4 The Company undertakes to the Authority that by 31 March 1994 the Company will obtain an enforceable commitment upon terms and from persons approved in advance by the Authority that such persons shall provide to the Company not less than \$50,000,000, whether by way of capital subscription or financial accommodation. Such funds shall be in addition to all funds committed to the Company as of the Licensing Date (whether debt or equity).⁹³
- 32.5 The approval of the Authority under clause 32.4 shall not be unreasonably withheld.⁹⁴
- 32.6 Any agreement entered into by the Company pursuant to clause 32.4 shall be a Complementary Agreement for the purposes of this document.⁹⁵
- 32.7 The parties acknowledge that the underwriting agreement dated 23 August 1993 (being one of the agreements referred to in the definition of the Underwriting Agreement in clause 2) shall not be a Complementary Agreement for the purposes of this document.⁹⁶
- 32.8 The obligations of the Company under clause 32.4 do not derogate from the obligations of the Company under clause 22.1(m) of this document.⁹⁷

PART 9 - GENERAL

33. COMPANY RELIES ON OWN JUDGMENT

- 33.1 Save where a statement, representation or warranty is given in its favour, under this document or any Transaction Document, the Company acknowledges that it is entering into this document in reliance on its own judgment and following review of the Site and the Temporary Casino Site and the business opportunity provided by, among other things, the Casino Licence, and not in reliance on any conduct of or statements,

⁹³ Amended by clause 2.1(c) of the Variation Agreement to the Casino Agreement dated 19 November 1993

⁹⁴ Amended by clause 2.1(c) of the Variation Agreement to the Casino Agreement dated 19 November 1993

⁹⁵ Amended by clause 2.1(c) of the Variation Agreement to the Casino Agreement dated 19 November 1993

⁹⁶ Amended by clause 2.1(c) of the Variation Agreement to the Casino Agreement dated 19 November 1993

⁹⁷ Amended by clause 2.1(c) of the Variation Agreement to the Casino Agreement dated 19 November 1993

warranties or representations made to the Company or to any other person by or on behalf of the Authority or any of its servants, agents or consultants.

- 33.2 Save for any statement, representation or warranty made in the Company's favour under this document or any Transaction Document, the Company acknowledges and agrees that no action lies against the Authority or any of its servants, agents or consultants and that no compensation of any kind is payable to the Company in relation to anything done or purported to be done or not done for the purposes of the establishment or operation of the Temporary Casino, Temporary Casino Complex, Melbourne Casino or Melbourne Casino Complex prior to the execution of this document.
- 33.3 Without limiting the generality of clause 33.2, the Company agrees not to take action or make any claim for compensation, damages, costs or expenses against the Authority or any of its servants, agents or consultants in relation to the condition of the Site or the Temporary Casino Site or any third party rights in relation to the Site or the Temporary Casino Site and hereby releases each of those persons from any action or claim whether or not that action or claim is known or foreseeable at the date of this document.
- 33.4 Nothing in this clause 33 limits any liability of Golder Associates Pty Ltd to the Company.

34. INDEMNITY

- 34.1 The Company indemnifies and will keep indemnified the Authority and its servants, agents and consultants in respect of all actions, claims, demands or costs of third parties arising out of or in connection with any work carried out by or on behalf of the Company pursuant to this document or relating to the Company's operations (including but not limited to the operations of the Temporary Casino Complex and the Melbourne Casino Complex) or arising out of or in connection with the construction, financing, maintenance or use of the Temporary Casino Complex or the Melbourne Casino Complex except expenses of the Authority which are covered by the Casino Supervision and Control Charge.
- 34.2 The indemnity in clause 34.1 does not apply to the extent that any actions, claims, demands or costs arise as a result of the negligence or wilful default of the Authority.

35. INSURANCE

35.1 The Company must:

- (a) insure and keep insured all of its Assets and Rights for the following:
- (i) business interruption insurance (including insurance for the payment of all casino taxes) for the Melbourne Casino;
 - (ii) products and public liability insurance; and
 - (iii) real and personal property (also known as building and contents or industrial special risks) insurance (at replacement value) for the entire Melbourne Casino Complex,

and for each insurance policy the interests of the State, the Commission and any Mortgagees must be noted by endorsement on the policy or if the Commission so directs, in the joint names of the Company and the State and the Commission for their respective rights and interests;⁹⁸

- (b) immediately deliver the insurance policies referred to in paragraph (a) to the Authority (unless the Company is unable to do so under the terms of a Permitted Encumbrance which has priority over the Fixed and Floating Charge, in which case copies will be sufficient) and, on request, deliver certificates of currency in respect of those insurance policies;

⁹⁸ Amended by clause 2.14 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

- (c) punctually pay all premiums and sums necessary (including stamp duty) for effecting and keeping current every insurance policy and, promptly on request, hand to the Authority the receipt for any premium or sum paid;
- (d) immediately after they are effected, deliver to the Authority all variations, alterations and additions to any existing insurance policies and all additional or substitute insurance policies (unless the Company is unable to do so under the terms of a Permitted Encumbrance which has priority over the Fixed and Floating Charge, in which case copies will be sufficient); and
- (e) notify the Commission on a monthly basis of any occurrence wholly or partly within the Melbourne Casino Complex which gives rise to a claim under any insurance policy where the State is a party to the claim or the claim may adversely affect the State.⁹⁹

35.2 The Company must not:

- (a) do or allow to be done anything which might cause any policy of insurance to be prejudiced or rendered void, voidable or unenforceable;
- (b) without the prior consent in writing of the Authority, cause, or take any steps to bring about, the cancellation of, or a material change or reduction in, the cover provided under any insurance policy;
- (c) effect any insurance in respect of the Assets and Rights other than as specified in clause 35.1; or
- (d) make, enforce, settle or compromise a claim or do anything inconsistent with the powers or interests of the Authority.

35.3 Subject to the Master Security Agreement, all proceeds of insurance received by the Company as a result of any claim must be applied by the Company to rectify, remedy or repair the property involved or loss or damage which gave rise to the claim.

36. CONFIDENTIALITY

36.1 All documents and information provided by one party to another party under this document must be kept confidential and not disclosed to any person without the consent of the other party unless:

- (a) the information is in the public domain;
- (b) disclosure is required by law;

⁹⁹ Amended by clause 2.14 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

- (c) the disclosure is necessary for the purpose of obtaining any consent, authorisation, approval or licence from any government or public body or authority;
- (d) it is necessary or desirable that the disclosure be made to any taxation or fiscal authority;
- (e) the disclosure is made on a confidential basis to the officers, employees or agents of a party or to the professional advisers of a party for the purposes of obtaining professional advice in relation to any Transaction Document or the enforcement of any Transaction Document or otherwise for the purpose of consulting those professional advisers;
- (f) the disclosure is made by the Company on a confidential basis to any actual or prospective financier or agent of a financier to the Company;
- (g) the disclosure is necessary in relation to any procedure for discovery of documents or any proceedings before any court, tribunal or regulatory body; or
- (h) the disclosure is necessary to obtain listing on the Australian Stock Exchange.

36.2 The obligations in clause 36.1 apply after termination of this document.

36.3 This Clause 36 does not apply to:

- (a) this document;
- (b) any document varying or amending this document after such variation or amendment takes effect;
- (c) the Casino Licence; or
- (d) any document varying or amending the Casino Licence after such variation or amendment takes effect,

and, any of the documents referred to above may be disclosed to any person by either party.¹⁰⁰

37. APPROVALS

37.1 The Authority in exercising any right, power, privilege or discretion conferred on it by this document must act having regard to:

- (a) the Authority's objects as set out in section 140 of the *Casino Control Act*; and

¹⁰⁰ Inserted by clause 2.15 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

- (b) the rights, powers, privileges and discretions conferred and the duties and obligations imposed on the Authority under the *Casino Control Act*.

37.2 Unless otherwise stated in this document, if the Company makes a written request for an approval or consent from the Authority under this document and the Authority has not responded in writing within the time specified below from receipt by the Authority of that written request, then the Authority will be taken to have given that approval or consent:

- (a) Clauses 22.1 (c), (f), (i), (j), (k), (l), (m), (p) and (q) - 20 Business Days;
- (b) Clause 29.1 and 29.2 - 10 Business Days;
- (c) Clause 31.6 - 20 Business Days;
- (d) Clauses 32.1 and 32.4¹⁰¹ - 10 Business Days;
- (e) Clause 35.1(a) - 10 Business Days;
- (f) Clause 36.1 - 10 Business Days;
- (g) Clause 43 - 20 Business Days.

37.3 Nothing in this clause 37 shall fetter the powers, rights or obligations imposed or conferred on the Authority under any Act or regulation.

38. DAY OF PAYMENT

If any day for the payment of money under this document falls on a day which is not a Business Day, the payment will be due on the next day which is a Business Day.

39. NOTICES

39.1 A notice or approval required or to be given under this document must be:

- (a) in writing;
- (b) delivered by hand or served by prepaid post or facsimile to the recipient at its address or facsimile number appearing in this clause or such other address or facsimile number as the recipient may have notified to the other party:
 - (i) in the case of the Commission:

Chairman

¹⁰¹ Amended by clause 2.1(d) of the Variation Agreement to the Casino Agreement dated 19 November 1993

Victorian Commission for Gambling Regulation
Level 5
35 Spring Street
MELBOURNE VIC 3000

Facsimile: (03) 9651 4999¹⁰²

(ii) in the case of the Company:

Chief Executive Officer
Crown Limited
8 Whiteman Street
SOUTHBANK VIC 3006

Facsimile: (03) 9292 7257¹⁰³

39.2 A notice or approval given in accordance with clause 39.1 is taken to be received:

- (a) if hand delivered, on the day of delivery if delivered before 4.00 pm on a Business Day and otherwise on the Business Day next following;
- (b) if sent by prepaid post, 3 days after the date of posting; or
- (c) if sent by facsimile, on the day on which the message confirmation is received if received before 4.00 pm on a Business Day and otherwise on the Business Day next following.

39.3 The provisions of clause 39 are in addition to any other mode of service permitted by law.

40. COSTS AND STAMP DUTY

40.1 Each party must pay its own costs of preparing and executing this document.

40.2 The Company must pay all stamp duty on this document and on any document executed to give effect to this document.

41. NO WAIVER

¹⁰² Amended by clause 2.16 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

¹⁰³ Amended by clause 2.16 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

A failure of a party at any time to require full or part performance of any obligations under this document will not affect in any way the rights of that party to require that performance subsequently.

42. GOVERNING LAW

- 42.1 This document is governed by the laws applying in Victoria.
- 42.2 Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria and courts entitled to the appeals from those courts.

43. ASSIGNMENT

- 43.1 The Company must not assign or attempt to assign or otherwise deal with this document or any right under this document without the prior written approval of the Authority other than pursuant to a Permitted Encumbrance.
- 43.2 The Authority may assign, transfer or dispose of its rights under this document or any other Transaction Document:
 - (a) to the State or to any department or agency of the government of the State or statutory authority or corporation which has taken over the objects and functions of the Authority under the *Casino Control Act*; or
 - (b) with the approval in writing of the Company to any other person, such approval not to be unreasonably withheld;

provided that the assignee enters into an agreement with the Company agreeing to be bound by the provisions of this document and each other Transaction Document to which the Authority is a party.

44. FURTHER ASSURANCES

Each party must do or cause to be done anything necessary or desirable to give effect to this document, and will refrain from doing anything which might prevent full effect being given to this document.

45. COUNTERPARTS

- 45.1 This document may be executed in any number of counterparts.
- 45.2 All counterparts taken together will be deemed to constitute the one document.

46. SEVERABILITY

- 46.1 The parties agree that a construction of this document which results in all provisions being enforceable is to be preferred to a construction which does not so result.
- 46.2 If, despite the application of clause 46.1, a provision of this document is illegal or unenforceable:
 - (a) if the provision would not be illegal or unenforceable if a word or words were omitted, that word or those words are severed; and
 - (b) in any other case, the whole provision is severed,and the remainder of this document continues to have full force and effect.
- 46.3 Clause 46.2 does not apply where its application alters the basic nature of this document or is contrary to public policy.

47. INTERPRETATION

- 47.1 In this document, unless the context otherwise requires or the contrary intention appears:
 - (a) the singular includes the plural and vice versa and words importing a gender include other genders;
 - (b) terms importing natural persons include partnerships, bodies corporate, associations, governments and governmental and local authorities and agencies;
 - (c) a reference to any legislation, statutory instrument or regulation is construed in accordance with the *Acts Interpretation Act 1901* (Cth) or the equivalent State legislation, as applicable, and includes any re-enactment or amendment to that legislation, statutory instrument or regulation;
 - (d) other grammatical forms of defined words or phrases have corresponding meanings;
 - (e) a reference to a clause, paragraph, schedule or annexure is a reference to a clause or paragraph of or schedule or annexure to this document and a reference to this document includes any schedules and annexures;

- (f) where a party comprises two or more persons the provisions of this document binding that party bind those persons jointly and severally;
 - (g) unless defined in this document, the *Casino Control Act* or the Management Agreement, terms defined in the *Corporations Act* have the meanings given to them in the *Corporations Act*, or substitute legislation, as amended from time to time;¹⁰⁴
 - (h) 'party' means a party to this document;
 - (i) a reference to a party to this document or any other document or agreement includes its successors and permitted assigns;
 - (j) a reference to a document or agreement, including this document, includes a reference to that document or agreement as novated, altered or replaced from time to time;
 - (k) a reference to '\$A', 'dollar', 'AUD' or '\$' is a reference to Australian currency;
 - (l) a reference to writing includes typewriting, printing, lithography, photography and any other method of representing or reproducing words, figures or symbols in a permanent and visible form; and
 - (m) a reference to a specific time for the performance of an obligation is a reference to that time in the State;
- 47.2 In this document headings are for ease of reference only and do not affect the construction of this document.
- 47.3 The Authority is providing the undertaking in clauses 26.2 and 26.3 with the approval of the Minister in accordance with section 14 of the *Casino Control Act*.
- 47.4 The Authority in entering into this document does so on behalf of the State pursuant to the authority granted to the Authority under section 142 of the *Casino Control Act*.
- 47.5 If any ambiguity, inconsistency or conflict exists or arises between this document and the Master Security Agreement, the provisions of the Master Security Agreement take precedence and apply to resolve that ambiguity, inconsistency or conflict.
- 47.6 The Company and the Authority acknowledge that, except as expressly provided for in this document:
- (a) nothing contained in or implied by this document prejudices or affects, or is intended in any way to impose any obligation or restriction on the Authority

¹⁰⁴ Amended by clause 2.17 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

which conflicts with the obligations and duties of, and restrictions on, the Authority under the Relevant Legislation; and

- (b) if there is any conflict between the provisions of this document or of any Transaction Document and the provisions of the Relevant Legislation, the provisions of the Relevant Legislation prevail.

48. GENERAL OBLIGATIONS

48.1 The Company must:

- (a) maintain its corporate existence;
- (b) comply with all laws applicable to the matters arising under this document from time to time in force including, without limitation, the *Gaming Machine Control Act*, and all mandatory requirements of any Public Authority;
- (c) obtain and renew at the proper times and maintain all Authorisations required:
 - (i) for the Company to perform its obligations under this document;
 - (ii) for the Company to perform its obligations under each Transaction Document; and
 - (iii) to allow this document and each Transaction Document to be enforced against it;
- (d) obtain and renew at the proper times and maintain all licences and other Authorisations required or advisable or relied on for or in connection with the carrying on of the Company's business;
- (e) comply with the terms and conditions of each Lease to which it is a party where a failure to do so would have a material adverse effect on the Casino Assets or the operation of the Temporary Casino or the Melbourne Casino;
- (f) comply with its payment obligations under any agreement for the purchase of property where a failure to do so would have a material adverse effect on the Casino Assets or the operation of the Temporary Casino or the Melbourne Casino; and
- (g) protect the Casino Assets and at the Company's expense prosecute or defend all legal proceedings that are, or the defence of which is, necessary or advisable for the protection of the Casino Assets to the extent appropriate in accordance with prudent business practice; and
- (a) carry out all work reasonably and properly required by any Public Authority in relation to the Assets and Rights where a failure to do so would have a material

adverse effect on the Casino Assets or the operation of the Melbourne Casino or the Temporary Casino.

48.2 The Company must not, without the prior consent in writing of the State:

- (a) Deal with or Dispose of any of the Casino Assets other than by way of maintenance, repair or replacement;
- (b) Deal with or Dispose of any of the Casino Assets other than in the ordinary course of the Company's business;
- (c) execute, create or permit to subsist any Encumbrance over or affecting the Casino Assets other than a Permitted Encumbrance;
- (d) pull down, alter, extend or remove any building, improvement or fixture forming part of the Casino Assets where to do so would materially adversely affect the Casino Assets or the operation of the Melbourne Casino or the Temporary Casino;
- (e) ¹⁰⁵
- (f) declare or pay a dividend if a demand has been properly made on the Company under this document or any Transaction Document and has not been satisfied in full; or
- (g) do anything or allow anything to be done in derogation of the rights of the Authority or any other party under any Transaction Document;

except to the extent permitted by clause 29.

¹⁰⁵ Deleted by clause 2.6 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

SCHEDULE ONE
CASINO CONTROL ACT 1991 (VIC)
CASINO LICENCE

An up-to-date version of the Casino Licence, incorporating amendments made since the licence was issued in 1993, is posted separately on the Victorian Commission for Gambling Regulation's website at www.vcgr.vic.gov.au.

**SCHEDULE TWO
COMPLEMENTARY AGREEMENTS**

- the Founding Shareholders' Agreement;
- the Development Agreement;
- the Construction Agreement;
- the Finance Documents;
- the Operations Agreement;
- the Underwriting Agreement;
- the Guarantee and Indemnity for Development Agreement;
- the Note Agreement;¹⁰⁶
- the Trust Deed;¹⁰⁷
- the Note Agreement (Series 2);¹⁰⁸ and
- the Trust Deed (Series 2)¹⁰⁹.

¹⁰⁶ Amended by clause 2(b) of the Fourth Variation Agreement to the Casino Agreement dated 7 March 1995

¹⁰⁷ Amended by clause 2(b) of the Fourth Variation Agreement to the Casino Agreement dated 7 March 1995

¹⁰⁸ Amended by clause 2.1(i) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

¹⁰⁹ Amended by clause 2.1(i) of the Sixth Variation Agreement to the Casino Agreement dated 8 May 1997

SCHEDULE THREE

WARRANTIES OF THE COMPANY

1. The Company has been duly incorporated and is validly existing under the laws of its jurisdiction of incorporation, with full power and authority to enter into this document and perform its obligations under this document.
2. This document has been duly authorised, executed and delivered by the Company and constitutes (except to the extent limited by equitable principles, laws relating to penalties and laws affecting creditors' rights generally) a legal, valid and binding obligation of the Company enforceable against it in accordance with its terms, and no other proceedings on the part of the Company are necessary to authorise this document and the completion of the transactions contemplated under this document.
3. The execution and delivery by the Company of this document and the performance by the Company of its obligations under this document in accordance with its terms do not:
 - (a) conflict with the constitution or by-laws of the Company;
 - (b) constitute a violation of or default under any agreements or arrangements to which the Company is a party;
 - (c) except as provided in this document, cause the creation of any Encumbrance upon any of the property of the Company; or
 - (d) contravene any law.
4. A Receiver has not been appointed to the whole or any part of the assets or undertaking of the Company or any Related Party and no such appointment has been threatened or is envisaged by the Company.
5. Neither the Company nor any Related Party is in liquidation or administration and no order, petition, application, proceedings, meeting or resolution has been made, presented, brought, called or passed for the purposes of liquidating the Company or any Related Party or placing the Company or any Related Party under or in administration.
6. Neither the Company nor any Related Party is insolvent within the meaning of section 95A of the *Corporations Act*¹¹⁰ or otherwise and there is no unfulfilled or

¹¹⁰ Amended by clause 2(m) of the Eleventh Variation Agreement to the Casino Agreement dated 22 October 2007

unsatisfied judgment or court order outstanding against the Company or any Related Party.

7. As at 16 August, 1993 the unaudited accounts of the Company for the period to 30 June 1993 have been prepared in accordance with Australian Accounting Standards to give a true and fair view of the state of affairs of the Company as at that date and as at the Licensing Date the audited accounts of the Company for the period to 30 June 1993 have been prepared in accordance with Australian Accounting Standards to give a true and fair view of the state of affairs of the Company as at that date.
8. All information provided in writing by or on behalf of the Company to the Authority was when given in all material respects true and accurate and not misleading by omission.
9. As at the Licensing Date, the Company will have an issued capital of at least \$350,000,000 comprising 350,000,000 fully paid Shares issued as follows:

Sponsors and Founding Shareholders	140,000,000
Institutional Equity	<u>210,000,000</u>
	350,000,000
10. Hudson Conway Limited ACN 009 556 629 and CUB have given notice to the Treasurer of their proposed interest in the Company in accordance with the provisions of the *Foreign Acquisitions and Takeovers Act 1975 (C'th)* and the Treasurer has informed them that there are no objections to Hudson Conway Limited and CUB acquiring a substantial shareholding in the Company.

SCHEDULE FOUR
QUARTERLY REPORT TO AUTHORITY

The quarterly report to the Authority will consist of the following items:

- profit and loss account and cashflow statements comparing budget against actual for the year to date
- balance sheet at the last days of March, September and December
- budgeted profit and loss and cashflow statements to end of current financial year.

SCHEDULE FIVE¹¹¹**INFORMATION REQUIRED TO BE SUBMITTED TO THE COMMISSION**

	Information to be Submitted	Time for Submission of Information
1.	<p>A copy of the agenda for each meeting of the Audit Committee and the Compliance Committee, together with the minutes of each meeting.</p> <p>A copy of the papers prepared for or considered by the Company's Audit Committee and the Company's Compliance Committee</p>	<p>Within 30 days after the minutes are confirmed.</p> <p>Within 30 days after receiving a written request from the Commission</p>
2.	A copy of the Company's internal audit program as approved by the Company's Board.	Each year, as soon as available.
3.	An annual report on the Company's internal audit program, as presented to the Company's Audit Committee.	Each year, as soon as available.
4.	An annual closing report on the Company's external audit program, as presented to the Company's Audit Committee.	Each year, as soon as available.
5.	Information on the purpose and details of the terms of any investment or advance of more than 10% of the Company's Total Assets to an existing or new related body corporate of the Company.	Prior to making the investment or advance.

¹¹¹ Amended by clause 2.10 of the Ninth Variation Agreement to the Casino Agreement dated 8 July 2005

6.	Separate quarterly and annual financial statements for each controlled entity of the Company in which either the Company or another Company controlled entity has an investment of 10% or more of the Company's Total Assets.	To be submitted at the same times and in the same format as the reports submitted in relation to the Company under Clause 25 of this document.
7.	Detailed financial statements including all reports and information required by the <i>Corporations Act 2001</i> (Cth) (or any later amending or substitute act).	Annually, within the time prescribed by the <i>Corporations Act</i> (or any later amending or superseding act).
8.	The Company's forthcoming financial year annual budget.	Within 30 days after its approval by the Company's board.
9.	The Company's annual audited accounts.	Within three months after the Company's financial year end.
10.	A report on the Company's annual capital expenditure program, showing separately expenditure on maintenance, upgrades, refurbishment and new works.	Annually, at the same time as submission of detailed annual financial statements (see item 7, above)."

EXECUTED as an agreement.

THE COMMON SEAL of VICTORIAN CASINO CONTROL AUTHORITY is affixed in accordance with the directions of the Members pursuant to a resolution dated 5 September 1993)
)
)
)

Common Seal

D Richards (signed)

P J Connolly (signed)

.....
Chairman

.....
Chief Executive Officer

THE COMMON SEAL of CROWN CASINO LTD is affixed in accordance with its articles of association in the presence of:)
)
)

Common Seal

Peter Jonson (signed)

B J Hamilton (signed)

.....
Signature of Director

.....
Signature of Director

PETER JONSON

BARRY J HAMILTON

Name of Director
(please print)

Name of Director
(please print)

SCHEDULE

(Attached to Seventh Variation Agreement to the Casino Agreement)

SOLVENCY REPORT¹¹²

To: Victorian Casino and Gaming Authority

Purpose of report

This report is prepared for the purposes of clause 22.9 of the Casino Agreement between Crown Limited and the Victorian Casino and Gaming Authority, Crown Limited being required by clause 22.9 of that agreement to procure this report on account of it being in breach of clause 22.1(m) of the agreement. We have a copy of the Casino Agreement and are aware of its contents.

Calculation date

The calculation date for the preparation of this report is [*relevant calculation date*], on which date the debt/equity ratio for the purposes of clause 22.1(m) of the Casino Agreement was [*state ratio*]%.

[*If the report is to be submitted later than the 20th day after the relevant calculation date, here insert an explanation for the delay and whether the party giving the report confirms the stated ratio as at the calculation date.*]

Scope

[*Here state the scope of the report, including any relevant Australian Auditing Standards relied upon, any disclaimers, etc. Also state whether or not the party giving the report is the external auditor of Crown Limited.*]

1. We obtained [*audited unaudited accounts etc*] for [*period*] and performed the procedures [*detail procedures or incorporate by reference*].
2. We assessed the solvency of Crown Limited by [*state what was done*].
3. [*Here state what was looked for.*]

¹¹² Approved by the Authority – clause 3 of the Seventh Variation Agreement to the Casino Agreement dated 2 July 1998

4. *[Here state to what extent (if any) the accounts have been audited and whether an audit has been performed on the solvency of Crown.]*

Findings

We report that *[for each thing done under paragraph 2 of the Scope, state whether there was improvement or deterioration etc]*.

Opinion

For the purposes of this report, within its scope and pursuant to its findings, we *[confirm or are unable to confirm]* that nothing has come to our attention that causes us to believe that Crown Limited is not or will not be able to meet its debts as and when they fall due in the period of 12 months from the calculation date. We therefore confirm that there *[is/is not]* a reasonable basis for believing that Crown Limited will meet its debts as and when they fall due in that 12 month period.

[Signed]

Chartered Accountants

[Date]

NOTE ON DISCLAIMERS

The only disclaimer which is not acceptable is one which seeks to fetter the Authority in the way it deals with the report (such as one which states that the report is not to be distributed to any other party).

However, the context in which the report is provided is one of a regulator seeking to be satisfied with the financial position of a regulated entity. The more highly qualified or heavily disclaimed the report is, the less assistance it will provide to that end.