



**ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
6 March 2017**

BUY-BACK OF SUBORDINATED NOTES

MELBOURNE: Crown Resorts Limited (ASX: CWN) ("Crown Resorts") announced today that it intends to commence buying back any and all of the outstanding Subordinated Notes listed on ASX under the code "CWNHA" ("Notes").

The full principal amount of Notes outstanding is approximately \$530 million. The ultimate buy-back size will depend on market conditions and available liquidity.

To facilitate the proposed buy-back, the Terms of Issue of the Notes have been amended, as detailed in the attachment to this announcement.

The buy-back will initially be executed via transactions entered into in the ordinary course of trading on ASX, however Crown may also execute transactions via other methods including off-market. The price of any Notes bought-back will be determined by Crown in its absolute discretion. Buy-back prices may vary from time to time without notice, subject to market conditions and available liquidity.

Any Noteholders who wish to sell their Notes are encouraged to do so on-market and consult their broker if applicable.

Crown will provide regular updates to the ASX of the number of Notes that have been bought-back.

The largest shareholder in Crown, Consolidated Press Holdings Group ("CPH"), has been a holder of Notes since they were issued in 2012. CPH has advised Crown that it may seek to sell some or all of its Notes.

Crown reserves the right to vary, suspend or terminate the buy-back at any time.

ENDS

COPIES OF RELEASES

ASX announcements issued by Crown Resorts are available at Crown Resorts' website at www.crownresorts.com.au

SUMMARY OF AMENDMENTS TO NOTES TERMS

Set out below is a summary of the modifications which have been made to the Terms of Issue of the Notes ("Terms"). Terms used but not defined below, have the meaning given to those terms in the Terms.

A copy of the Supplemental Trust Deed modifying the Crown Subordinated Notes Trust Deed dated 13 August 2012 in relation to the Notes is also attached.

Modifications

With effect from and including 3 March 2017:

- the Trust Deed and the Terms have been modified by replacing all references to "Crown Limited" with "Crown Resorts Limited"; and
- the Terms have been modified by deleting the words, "at any time after 14 September 2017" in clause 4.4.

Clause 4.4 of the Terms therefore now reads as follows:

Crown or any Subsidiary of Crown may, subject to applicable laws, the Listing Rules and any rules of any other securities exchange on which any of the Notes are quoted from time to time, purchase or procure others to purchase beneficially for its account, Notes in any manner and at any price. Such acquired Notes may be surrendered for cancellation or held or resold.

Supplemental Trust Deed

Modifying the Crown Subordinated Notes Trust Deed
dated 13 August 2012

Crown Resorts Limited

ABN 39 125 709 953

and

Australian Executor Trustees Limited

ABN 84 007 869 794

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THIS SUPPLEMENTAL TRUST DEED is made on 3 March 2017

BETWEEN:

- (1) **Crown Resorts Limited** ABN 39 125 709 953 whose registered office is at Level 3, Crown Towers, 8 Whiteman Street, Southbank, Melbourne VIC 3006 (the "**Issuer**"); and
- (2) **Australian Executor Trustees Limited** ABN 84 007 869 794 whose registered office is at Level 22, 207 Kent Street, Sydney NSW 2000 (the "**Trustee**").

RECITALS

- (A) The Issuer has issued the Notes under the Trust Deed.
- (B) The Issuer wishes to make certain modifications to the Trust Deed and the Terms of the Notes in accordance with the Trust Deed and the Terms.
- (C) This supplemental trust deed (**Supplemental Trust Deed**) is supplemental to the Trust Deed constituting the Notes and is being entered into in order to effect the modifications referred to above.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

These meanings apply unless the contrary intention appears:

Effective Date means the date of this document.

Trust Deed means the document entitled "Crown Subordinated Notes Trust Deed" dated 13 August 2012 between the Issuer and the Trustee as trustee for the Holders.

1.2 Terms defined in the Trust Deed

All words and expressions defined in the Trust Deed or Terms and not otherwise defined herein shall, unless the context otherwise requires, have the same meanings in this Supplemental Trust Deed.

1.3 Rules for interpreting this document

Clause 1.3 (*Rules for interpreting this document*) of the Trust Deed applies to this document.

1.4 Trustee's limitation of liability

For the avoidance of doubt, the provisions of clause 10 (*Trustee's limitation of liability*) of the Trust Deed are hereby incorporated by reference.

2. MODIFICATIONS

2.1 Modifications to the Trust Deed

- (a) With effect from and including the Effective Date, the Trust Deed and the Terms shall each be modified by the deletion of all references to "Crown Limited" and the substitution therefor of references to "Crown Resorts Limited".

- (b) With effect from and including the Effective Date, the Terms of the Notes shall be modified by the deletion of the words "at any time after 14 September 2017" in clause 4.4 thereof.
- (c) With effect from and including the Effective Date, all references to "Terms" in the Trust Deed and Terms shall be construed as references to the Terms, as modified by paragraph (a) above, set out in the Schedule attached hereto.

2.2 Effect of modifications

- (a) With effect from and including the Effective Date this document shall be read as one with the Trust Deed and all references in the Trust Deed to "this document" shall be deemed to refer to the Trust Deed as modified by this document.
- (b) Except as expressly supplemented by this document, no changes to the Trust Deed are to be inferred or implied, and in all other respects the Trust Deed is confirmed and remains in full force and effect.
- (c) Nothing in this clause 2 affects any right or obligation of the Issuer, the Trustee or any Holder of a Note that arises before the Effective Date.

3. GENERAL

3.1 Governing law

- (a) This document is governed by the laws of the State of Victoria.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of the State of Victoria and courts of appeal from them, in respect of any proceedings arising out of or in connection with this document. Each party irrevocably waives any right it has to object to any legal process being brought in those courts including any claim that the process has been brought in an inconvenient forum or that those courts do not have jurisdiction.

3.2 Variation of rights

The exercise of a right partially or on one occasion does not prevent any further exercise of that right in accordance with the terms of this document. Neither a forbearance to exercise a right nor a delay in the exercise of a right operates as an election between rights or a variation of the terms of this document.

3.3 Operation of this document

- (a) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.
- (b) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

3.4 Amendment

This document can only be amended or replaced by another document signed by the parties to it.

3.5 Counterparts

This document may be executed in counterparts.

SCHEDULE 1

Terms

1. **FORM, FACE VALUE, ISSUE AND TITLE**

1.1 **Form**

Notes are unsecured and subordinated debt obligations of Crown in registered uncertificated form. Notes are constituted under, and issued according to, the Trust Deed. Notes take the form of entries in the Register. No certificate will be issued to a Holder unless Crown determines that a certificate should be available or is required by any applicable law or regulation (including the Listing Rules or the ASX Settlement Operating Rules). Notes are unsecured notes for the purposes of section 283BH of the Corporations Act.

1.2 **Face Value**

Each Note will have a Face Value of \$100.

1.3 **Issue**

Crown may issue Notes at any time to any person at an issue price of \$100 per Note (or such other price as Crown may choose) (the "**Issue Price**"). The Issue Price must be paid in full on application.

1.4 **Title**

An entry in the Register is conclusive evidence that the person is the absolute owner of Notes subject to rectification for fraud or any manifest error made in the entry. Except as required by law, Crown must treat the person entered in the Register as the absolute owner of Notes.

2. **RANKING**

2.1 **Subordination and ranking**

- (a) The Holder Claims are subordinated to the claims of Senior Creditors in that if at any time an Event of Insolvency occurs in relation to Crown (otherwise than for the purposes of a Solvent Reorganisation) the amount payable to the Holders under this clause 2 will only be paid after the debts owing to all Senior Creditors have been paid in full.
- (b) Holder Claims will at all times rank pari passu and without any preference among themselves and pari passu and without any preference among the rights and claims of holders of Equal Ranking Obligations. Holder Claims will rank senior to the rights and claims of holders of any Junior Ranking Obligations and any Crown ordinary shares.
- (c) To give effect to the intended ranking, if at any time an Event of Insolvency occurs in relation to Crown (otherwise than for the purposes of a Solvent Reorganisation), the amount payable by Crown to a Holder under or in relation to these Terms or the Trust Deed (in lieu of any other payment by Crown to the Holder under or in relation to these Terms or the Trust Deed), shall be the amount that would have been payable to the Holder of such Notes if, immediately prior to and throughout any administration which follows such Event of Insolvency, such Holder was the holder of Notional Preference Shares.

For the purpose only of that calculation, Holders will be deemed to hold one preference share of \$1.00 each in the capital of Crown ranking equally with the Notional Preference Shares for each \$1.00 of any amount that would otherwise be payable to that Holder under these Terms or the Trust Deed including without limitation, the Face Value and any interest which has not otherwise been paid to that Holder.

2.2 **Holder acknowledgments**

Each Holder acknowledges and agrees that:

- (a) the claims of Senior Creditors to which it is subordinated include each Senior Creditor's entitlement to interest under section 563B of the Corporations Act and it does not have, and waives to the maximum extent permitted by law, any entitlement to interest under section 563B of the Corporations Act;
- (b) the debt subordination effected by this clause 2 is not affected by any act or omission of Crown or any Senior Creditor which might otherwise affect it at law or in equity;
- (c) to the maximum extent permitted by applicable law, it may not exercise or claim (nor will the Trustee exercise or claim on its behalf) any right of set-off or counterclaim in respect of any amount owed by it to Crown against any amount owed to it by Crown in respect of Notes and it shall waive and be deemed to have waived such rights of set-off or counter-claim;
- (d) it must pay or deliver to the liquidator any amount or asset received on account of its claim in the winding-up of Crown in respect of Notes in excess of its entitlement under this clause 2; and
- (e) it may not exercise any voting rights as a creditor in any administration which follows an Event of Insolvency until after all Senior Creditors have been paid in full or otherwise in a manner inconsistent with the subordination contemplated in this clause 2.

3. **INTEREST**

3.1 **Interest**

Subject to these Terms, Crown shall pay interest in respect of a Note on an Interest Payment Date to the person recorded as Holder on the Record Date in respect of that Interest Payment Date.

3.2 **Interest rate**

The Interest Rate (expressed as a percentage per annum) for an Interest Period will be calculated in accordance with the following formula:

Interest Rate = Bank Bill Rate + Margin

where:

"Bank Bill Rate" (expressed as a percentage per annum) means, for an Interest Period, the average mid-rate for bills of a term of 90 days which average rate is displayed on Reuters page BBSW (or any page which replaces that page) on:

- (i) in the case of the first Interest Period, the Issue Date; and

- (ii) in the case of any other Interest Period, the first Business Day of that Interest Period,

or if there is a manifest error in the calculation of that average rate or that average rate is not displayed by 10.30am (Sydney time) on that date, the rate specified in good faith by Crown at or around that time on that date having regard, to the extent possible, to:

- (iii) the rates otherwise bid and offered for bills of that term or for funds of that tenor displayed on Reuters page BBSW (or any page which replaces that page) at that time on that date; or
- (iv) if bid and offer rates for bills of that term are not otherwise available, the rates otherwise bid and offered for funds of that tenor at or around that time on that date; and

"Margin" (expressed as a percentage per annum) means in respect of the Interest Period:

- (i) for each Interest Period commencing on a date before the Step-up Date, the Initial Margin; and
- (ii) for each Interest Period commencing on or after the Step-up Date, the Step-up Margin,

subject to clause 3.9.

3.3 **Interest amount**

- (a) The amount of an Interest Payment in respect of a Note on an Interest Payment Date is calculated according to the following formula:

$$\text{Interest Payment} = \frac{\text{Interest Rate} \times \text{Face Value} \times N}{365}$$

where:

"Face Value" is the Face Value of each Note;

"N" means:

- (i) in respect of the first Interest Payment Date, the number of days from (and including) the Issue Date until (but not including) the first Interest Payment Date; and
- (ii) in respect of each subsequent Interest Payment Date, the number of days from (and including) the preceding Interest Payment Date until (but not including) the relevant Interest Payment Date.
- (b) Interest accrues daily and is payable to Holders in arrears on the relevant Interest Payment Date subject to these Terms.
- (c) If any Interest Payment Date would otherwise fall on a calendar day which is not a Business Day, the Interest Payment Date will be postponed to the next calendar day which is a Business Day.

3.4 **Optional deferral of Interest Payments**

- (a) Crown may determine in its sole discretion not to pay all or part of the Interest Payment payable on an Interest Payment Date. If Crown so determines, the

Interest Payment (or part thereof) will not be due and payable, and will not be paid, until the relevant Optional Payment Reference Date, and will constitute an **"Optionally Deferred Interest Payment"**.

Additional interest will accrue on each Optionally Deferred Interest Payment:

- (i) at the same Interest Rate as applies to Notes from time to time in accordance with clause 3.2; and
- (ii) from (and including) the date on which (but for such deferral) the Optionally Deferred Interest Payment would otherwise have been due to (but excluding) the date the Optionally Deferred Interest Payment is paid,

and will be added to the Optionally Deferred Interest Payment (and thereafter accumulate additional interest accordingly) on each Interest Payment Date. Each Optionally Deferred Interest Payment and additional interest thereon will be payable in accordance with clause 3.6.

- (b) Crown will notify the Holders and the Trustee of any determination not to pay all or part of the Interest Payment falling due on an Interest Payment Date not less than 16 Business Days prior to the relevant Interest Payment Date. Deferral of Interest Payments pursuant to this clause will not constitute an Event of Default or a default of Crown or a breach of its obligations under these Terms or the Trust Deed or for any other purpose.

3.5 **Dividend and capital restrictions**

If:

- (a) some or all of an Interest Payment is deferred under clause 3.4; and
- (b) no Mandatory Deferral Event has occurred which is continuing,

Crown must not (and must procure that its Subsidiaries do not) (other than in respect of its employee incentive plans):

- (c) declare or pay any dividend, interest or distribution, on any Equal Ranking Obligations, Subsidiary Equal Ranking Obligations, Junior Ranking Obligations, Subsidiary Junior Ranking Obligations or any Crown ordinary shares (other than a payment made pro rata on Notes, Equal Ranking Obligations, Subsidiary Equal Ranking Obligations and Subsidiary Junior Ranking Obligations in relation to that payment and a payment already declared at or prior to the time that some or all of an Interest Payment is deferred under clause 3.4); or
- (d) redeem, reduce, cancel, purchase or buy-back (or procure the redemption, reduction, cancellation, purchase or buy-back of) any of its Equal Ranking Obligations, Junior Ranking Obligations or Crown ordinary shares,

and must procure that each Subsidiary does not:

- (e) declare or pay any dividend, interest or distribution, on any Subsidiary Equal Ranking Obligations or Subsidiary Junior Ranking Obligations (other than a payment permitted by paragraph (c) above); or
- (f) redeem, reduce, cancel, purchase or buy-back any Subsidiary Equal Ranking Obligations or Subsidiary Junior Ranking Obligations,

until the date on which all Optionally Deferred Interest Payments have been paid in full.

3.6 **Payment of Optionally Deferred Interest Payments**

- (a) Subject to clause 3.6(b), Crown may elect to pay any Optionally Deferred Interest Payment at any time provided no Mandatory Deferral Event exists at that time.
- (b) An Optionally Deferred Interest Payment will become due and payable, and Crown must pay the Optionally Deferred Interest Payment, on the relevant Optional Payment Reference Date, by giving at least five and no more than 15 Business Days' prior notice to the Holders and the Trustee.

If no Optional Payment Reference Date occurs prior to the calendar day which is the fifth anniversary of the Interest Payment Date on which any of the then outstanding Optionally Deferred Interest Payments was initially deferred, it is the intention, though not an obligation, of Crown to pay all outstanding Optionally Deferred Interest Payments in full on the next following Interest Payment Date.

3.7 **Mandatory deferral of Interest Payments**

- (a) If, on any day which is eight Business Days prior to any Interest Payment Date:

- (i) a Mandatory Deferral Event exists; and
 - (ii) Crown has a solicited rating from the Relevant Rating Agency,

the Interest Payment falling due on such Interest Payment Date will not be due and payable or be paid until the relevant Mandatory Payment Reference Date and will constitute a **"Mandatorily Deferred Interest Payment"**.

Additional interest will accumulate on each Mandatorily Deferred Interest Payment:

- (iii) at the same Interest Rate as applies to Notes from time to time in accordance with clause 3.2; and
 - (iv) from (and including) the date on which (but for such deferral) the Mandatorily Deferred Interest Payment would otherwise have been due to (but excluding) the date the Mandatorily Deferred Interest Payment is paid,

and will be added to such Mandatorily Deferred Interest Payment (and thereafter accumulate additional interest accordingly) on each Interest Payment Date. Each Mandatorily Deferred Interest Payment and additional interest thereon will be payable in accordance with clause 3.8.

- (b) Crown will notify the Holders and the Trustee of the existence of the Mandatory Deferral Event not less than five Business Days prior to the relevant Interest Payment Date. Deferral of Interest Payments pursuant to this clause 3.7 will not constitute an Event of Default or default of Crown or a breach of its obligations under these Terms or the Trust Deed or for any other purpose.

3.8 **Payment of Mandatorily Deferred Interest Payments**

A Mandatorily Deferred Interest Payment will become due and payable, and Crown must pay such Mandatorily Deferred Interest Payment, on the relevant Mandatory Payment Reference Date, on the giving of at least five and not more than 15 Business Days' prior notice to the Holders and the Trustee.

If no Mandatory Payment Reference Date occurs prior to the calendar day which is the fifth anniversary of the Interest Payment Date on which any of the then outstanding Mandatorily Deferred Interest Payments was initially deferred, it is the

intention, though not an obligation, of Crown to pay all outstanding Mandatorily Deferred Interest Payments in full on the next following Interest Payment Date.

3.9 Increase in Margin upon a Change of Control Event

Unless an irrevocable notice under clause 4.3 in relation to a Change of Control Event to redeem all Notes has been given to Holders and the Trustee by Crown pursuant to clause 12 by the 15th Business Day following the first occurrence of a Change of Control Event, the then prevailing Margin will increase by 5.00% per annum with effect from the date on which that Change of Control Event occurs and accordingly where that date falls in an Interest Period, the Interest Payment for that Interest Period will be increased to reflect the Margin applicable to the days remaining in that Interest Period on and from that date. The occurrence of the Change of Control Event and of such increase in the Margin will be notified by Crown to the Holders and the Trustee no later than the 15th Business Day following the relevant Change of Control Event.

4. REDEMPTION AND PURCHASE

4.1 Maturity

Unless redeemed earlier in accordance with these Terms and subject to applicable laws, Notes will be redeemed upon the Maturity Date at their Redemption Amount.

4.2 Early redemption at the option of Crown

Subject to applicable laws, Crown may redeem all Notes (in whole but not in part) on the First Call Date or on any Interest Payment Date after that date at their Redemption Amount, by giving at least 30 but no more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee.

4.3 Early redemption due to the occurrence of an event

- (a) If a Change of Control Event occurs, Crown may, subject to applicable laws, redeem all Notes (in whole but not in part) at any time, in each case at their Redemption Amount, by giving at least 30 but no more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee.
- (b) If a Tax Event, a Capital Event or an Accounting Event occurs, Crown may subject to applicable laws redeem all Notes (in whole but not in part) at any time at the Redemption Amount on the giving of not less than 30 and not more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee.
- (c) A notice of redemption under this clause 4.3 may only be given simultaneously with or after a notification to the Holders by Crown that a Change of Control Event, Tax Event, Capital Event or an Accounting Event has occurred.

4.4 Purchase of Notes

Crown or any Subsidiary of Crown may, subject to applicable laws, the Listing Rules and any rules of any other securities exchange on which any of the Notes are quoted from time to time, purchase or procure others to purchase beneficially for its account, Notes in any manner and at any price. Such acquired Notes may be surrendered for cancellation or held or resold.

4.5 Interest on unpaid Redemption Amounts

When any Notes become due for redemption and the Redemption Amount is not paid on the Redemption Date, from the Redemption Date until the actual payment of the Redemption Amount to, or to the order of, the Trustee, interest on the Redemption

Amount will accrue at the Interest Rate determined from time to time in accordance with clause 3.2 (except that any determination of the Bank Bill Rate required for the purposes of clause 3.2 will be by the Trustee or a calculation agent appointed by it) and such interest will be payable until Notes are finally redeemed.

4.6 **Cancellations**

All Notes which are (a) redeemed or (b) purchased by or on behalf of Crown or any Subsidiary of Crown and which Crown elects to cancel will promptly be cancelled, and accordingly may not be held, reissued or resold.

5. **PAYMENTS**

5.1 **Method of payment**

(a) Any amount which is payable to Holders in respect of Notes in accordance with these Terms will, unless Crown and the relevant Holder otherwise agree, be paid without set-off or counterclaim by direct credit to a nominated account denominated in Australian dollars at a financial institution notified by the relevant Holder to the Registry:

- (i) in the case of interest payments, no later than the Record Date; and
- (ii) in the case of any other amount in respect of Notes, at least eight calendar days before the day on which the relevant payment is scheduled,

or, at Crown's option, by cheque drawn in favour of the Holder and sent by prepaid post to the address of the Holder in the Register. Cheques sent to the nominated address of a Holder on or before the relevant payment date will be taken to have been received by the Holder on the relevant payment date and, no further amount will be payable by Crown in respect of the Notes as a result of the Holder not receiving payment on the due date.

(b) Where a payment cannot be made in accordance with paragraph (a) because:

- (i) a Holder has not provided account details, or Crown determines that the account details are incorrect or the relevant account has been closed, Crown is under no obligation to make the relevant payment until correct account details have been provided; or
- (ii) because a notified financial institution is not open for business (or is not open for business in the place where the account is kept) on that date, Crown is under no obligation to make the relevant payment until the payment can be made,

and, in each case, the amount of the uncompleted payment will be held in a non-interest bearing, special purpose account maintained by Crown or the Registrar until:

- (iii) the Holder nominates a suitable Australian dollar account maintained in Australia with a financial institution to which the payment may be credited or Crown elects to pay the amount by cheque;
- (iv) Crown determines to refuse any claim in respect of that amount in accordance with clause 5.3 in which case Crown may treat that amount as its own; or
- (v) Crown is entitled or obliged to deal with the amount in accordance with the law relating to unclaimed moneys.

No additional interest is payable in respect of any delay in payment.

- (c) Payment of any Redemption Amount in respect of a Note will be made to the person registered at 10am on the Redemption Date as the Holder of that Note.

5.2 **Payments subject to applicable laws**

Payments in respect of Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

5.3 **Time limit on payments**

A claim against Crown for payment under these Terms is void, to the fullest extent permitted by applicable law, unless made within 10 years (in the case of a Redemption Amount) or five years (in case of an Interest Payment or other payment) after the relevant due date for payment.

6. **TAXATION AND GROSS-UP**

6.1 **Payment without withholding**

All payments in respect of Notes by or on behalf of Crown, will be made free and clear of, and without withholding or deduction for, or on account of, Taxes imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, Crown will pay such additional amounts ("**Additional Amounts**") as may be necessary in order that the net amounts received by the Holders after the withholding or deduction will equal the respective amounts which would otherwise have been receivable in respect of Notes in the absence of the withholding or deduction. However, no Additional Amounts will be payable in relation to any payment in respect of any Notes:

- (a) to, or to a third party on behalf of, a Holder who is liable for the Taxes in respect of such Notes by reason of their having some connection with the Relevant Jurisdiction other than the mere holding of Notes;
- (b) to, or to a third party on behalf of, a Holder who is liable for the Taxes in respect of Notes by reason of that person being an associate of Crown for the purposes of section 128F of the Tax Act;
- (c) to, or to a third party on behalf of, a Holder who could lawfully avoid (but has not so avoided) the deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where payment in respect of the relevant Notes is made; or
- (d) to, or to a third party on behalf of, a Holder who has not supplied to the Registry an appropriate tax file number, an Australian business number or exemption details, to the extent that such information would have reduced or eliminated the relevant Taxes.

6.2 **Additional Amounts**

Any reference in these Terms to any amounts in respect of Notes (including in relation to any Deferred Interest Payments and any additional interest accumulated on them under clause 3.4 or clause 3.7) includes a reference to any Additional Amounts which may be payable under this clause 6.

7. **NO RIGHTS TO NEW SECURITIES**

Notes confer no rights to subscribe for new securities in Crown, or to participate in any bonus issues.

8. **FURTHER ISSUES**

Subject to applicable law, there are no restrictions under these Terms or the Trust Deed on Crown incurring any debt obligations, whether subordinated or not or ranking in priority ahead of, equal with or behind Notes (including any Notes that rank pari passu with Notes and are consolidated and form a single series with Notes) or upon such terms as to ranking, dividends or interest, conversion, redemption and otherwise as Crown may determine at the time of issue.

9. **EVENTS OF DEFAULT**

9.1 **Consequences of an Event of Default**

If an Event of Default occurs and while it is subsisting, the Trustee may, and must if so directed by a Special Resolution of the Holders or so requested in writing by the holders of at least 25% of the total Face Value of Notes then Outstanding (subject in each case to clause 11.6 of the Trust Deed):

- (a) give notice to Crown that the total Redemption Amount of Notes is due and payable (and that amount will immediately become due and payable when the notice is served); and
- (b) institute proceedings for the winding-up of Crown and/or prove in the winding-up of Crown and/or claim in the liquidation of Crown, for the amount payable under these Terms.

9.2 **Enforcement by the Trustee**

The Trustee may at any time, at its discretion and without further notice, institute such proceedings against Crown as it may think fit to enforce any term or condition binding on Crown under the Trust Deed or these Terms, except that (without prejudice to clause 9.1) the Trustee must not institute any proceedings or take any steps to enforce any payment obligation of Crown under or arising from the Trust Deed or the Notes, including, without limitation, payment of any principal or interest in respect of the Notes, any Redemption Amount, Interest Payment or Additional Amount, and including damages awarded for the breach of any obligations, and in no event shall Crown, by virtue of the institution of any such proceedings or steps, be obliged to pay any sum or sums in cash or otherwise, sooner than the same would otherwise have been payable by it under these Terms.

9.3 **Trustee not bound to enforce**

The Trustee shall not in any event be bound to take any action referred to in clause 9.2 unless:

- (a) it shall have been so requested by Holders holding between them at least 25% of the total Face Value of the Notes then Outstanding or it shall have been so directed by a Special Resolution of the Holders; and
- (b) it shall have been indemnified as contemplated by clause 11.6 of the Trust Deed.

9.4 **No other remedies against Crown**

Except as permitted by this clause 9 (including, without limitation, any rights or remedies of the Trustee under clause 9.2), no remedy against Crown shall be available to the

Trustee or the Holders in respect of any breach by Crown of any of its obligations under the Trust Deed or these Terms, other than payment of the costs, charges, liabilities, expenses or remuneration of the Trustee.

9.5 Holders' right to enforce

No Holder shall be entitled to proceed directly against Crown to enforce any right or remedy under or in respect of any Note unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure is continuing, in which case any such Holder may itself institute proceedings against Crown for the relevant remedy to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so. Any such proceedings must be brought in the name of the Holder and not the Trustee.

10. AMENDMENTS AND MEETINGS

10.1 Amendments with Holder approval

At any time and from time to time, but subject to compliance with the Corporations Act and all other applicable laws, Crown may amend these Terms if such amendment is authorised by a Special Resolution of the Holders or if otherwise permitted by clause 10.2.

10.2 Amendments without Holder approval

At any time, but subject to compliance with the Corporations Act and all other applicable laws, Crown may, without the consent or approval of Holders or the Trustee, amend these Terms in accordance with the Trust Deed, if Crown is of the opinion that such amendment is:

- (a) made to cure any ambiguity or correct a manifest error;
- (b) of a formal, minor or technical nature;
- (c) necessary or expedient for the purpose of enabling the Notes to be:
 - (i) listed for quotation, or to retain quotation, on any stock exchange; or
 - (ii) offered for subscription or for sale under the laws for the time being in force in any place,and, otherwise not materially prejudicial to the interests of Holders generally;
- (d) necessary to comply with:
 - (i) the provisions of any statute or the requirements of any statutory authority; or
 - (ii) the Listing Rules or the listing or quotation requirements of any stock exchange on which Crown may propose to seek a listing or quotation of the Notes,and, otherwise not materially prejudicial to the interests of Holders generally;
- (e) is not, and is not likely to become, taken as a whole and in conjunction with all other amendments to be made contemporaneously with that amendment, materially prejudicial to the interests of Holders generally,

provided that:

- (f) Notes following such amendment will have a level of equity credit ascribed to them by the Relevant Rating Agency which is equal to or higher than that which was ascribed to Notes immediately prior to such amendment; and
- (g) such amendment would not give rise to a Tax Event.

10.3 **Amendment binding**

Any amendment of these Terms in accordance with this clause 10 is binding on all Holders.

10.4 **Meetings of Holders**

The Trust Deed contains provisions for convening meetings of the Holders.

10.5 **No consent of Senior Creditors etc**

Nothing in these Terms requires the consent of any Senior Creditor, any holder of any Equal Ranking Obligation or any holder of any Junior Ranking Obligations to the amendment of any Terms made in accordance with this clause 10.

11. **ISSUER SUBSTITUTION**

The Trustee may, without the consent or approval of the Holders, agree with Crown to the substitution in place of Crown of any of its Related Bodies Corporate (or of any previous substitute under this clause) as the principal debtor under these Terms and the Trust Deed, subject to:

- (a) the Trustee being satisfied that the interests of the Holders will not be materially prejudiced by the substitution; and
- (b) compliance with certain other applicable conditions set out in the Trust Deed.

12. **NOTICES**

12.1 **Service of notices**

- (a) Without limiting anything else in these Terms, a notice may be given by Crown to any Holder, or in the case of joint Holders to the Holder whose name appears first in the Register, personally, by leaving it at the Holder's address as shown on the Register or by sending it by prepaid post (airmail if posted to a place outside Australia) to the Holder's address as shown on the Register or, in any case, by other electronic means determined by Crown. If the notice is signed, the signature may be original or printed.
- (b) Where a notice is given by Crown to Holders generally, a copy of the notice must also be given to ASX.
- (c) A notice given by a Holder to Crown must:
- (i) be in writing; and
- (ii) be left at, or sent by prepaid post (airmail if posted from a place outside Australia) to the address below or the address last notified by Crown, or sent by facsimile transmission to the fax number below or the fax number last notified by Crown:

Crown Resorts Limited
Level 3, Crown Towers

8 Whiteman Street
Southbank
Melbourne VIC 3006
Australia

Facsimile: +61 3 9292 8808
Attention: Company Secretary

12.2 **When notice considered to be received**

Any notice is taken to be given:

- (a) if served personally or left at the intended recipient's address, when delivered;
- (b) if sent by post, on the second Business Day after it is mailed in a prepaid envelope to the intended recipient's address; and
- (c) if sent by facsimile or other electronic transmission, on production of a report by the sending machine or other system by which the transmission is sent indicating that the transmission has been made in its entirety to the correct fax number or other transmission address and without error.

12.3 **Notice to transferor bind transferee**

Every person who, by operation of law, transfer or other means, becomes entitled to be registered as the holder of any Notes is bound by every notice which, prior to the person's name and address being entered in the Register, was properly given to the person from whom the person derived title to those Notes.

12.4 **Service on deceased Holders**

A notice served in accordance with this clause 12 is (despite the fact that the Holder is dead and whether or not Crown has notice of the Holder's death) considered to have been properly served in respect of any Notes, whether held solely or jointly with other persons by the Holder, until some other person is registered in the Holder's place as the Holder or joint Holder. The service is sufficient service of the notice or document on the Holder's personal representative and any person jointly interested with the Holder in Notes.

12.5 **Copy of notices to Trustee**

Whenever Crown issues any notice under these Terms to Holders, Crown must at the same time provide to the Trustee a copy of the notice.

13. **TRANSFER OF NOTES**

13.1 **Forms of transfer**

A Holder may transfer any Notes the Holder holds by:

- (a) where Notes are quoted on ASX, a Proper ASTC Transfer or any other method of transferring or dealing in Notes introduced by ASX or operating in accordance with the operating rules of a clearing and settlement facility (as that term is defined in the Corporations Act), the ASX Settlement Operating Rules or the Listing Rules and, in any such case, recognised under the Corporations Act; or
- (b) otherwise, a written instrument of transfer in any usual form or in any other form approved by Crown, that is otherwise permitted by law.

13.2 **Registration of transfer**

A transferor of Notes remains the owner of Notes transferred until the transfer is registered and the name of the transferee is entered in the Register in respect of Notes.

14. **NON-RESIDENT HOLDERS**

- (a) Where Notes are held by, or on behalf of, a person resident outside the Commonwealth of Australia, then, despite anything else to the contrary contained in or implied by these Terms, it is a condition precedent to any right of the Holder to receive payment of any monies in respect of those Notes that all necessary authorisations (if any) and any other statutory requirements which may then be in existence and which are required to be obtained by the Holder are obtained at the cost of the Holder and satisfied.
- (b) For the purposes of clause 14(a), authorisation includes any consent, authorisation, registration, filing, lodgement, permit, franchise, agreement, notarisation, certificate, permission, licence, approval, direction, declaration, authority or exemption from, by or with any government or any government agency.

15. **QUOTATION**

- (a) Crown must use all reasonable endeavours and furnish all such documents, information and undertakings as may be reasonably necessary in order to procure, at its own expense, that Notes are quoted by ASX within 7 Business Days after the initial issue of Notes and to maintain quotation so long as any Notes remain on issue.
- (b) Crown will comply with the Listing Rules or the rules of any stock exchange on which Notes are quoted in connection with any amendment under clause 10.

16. **GOVERNING LAW**

- (a) These Terms are governed by the law in force in the State of Victoria, Australia.
- (b) Crown, the Trustee and each Holder submits to the non-exclusive jurisdiction of the courts of Victoria, Australia in connection with matters concerning Notes or these Terms. Crown, the Trustee and each Holder waives any right they have to an objection to an action being brought in those courts, or to claim that the action has been brought in an inconvenient forum, or to claim those courts do not have jurisdiction.

17. **INTERPRETATION AND DEFINITIONS**

17.1 **Interpretation**

In these Terms:

- (a) headings and boldings are for convenience only and do not affect the interpretation of these terms;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and any government or semi-government agency;

- (e) a reference to any statute or regulation includes all statutes and regulations amending, consolidating or replacing it, whether passed by the same or another government agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
- (f) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- (g) where the day on or by which any thing is to be done, or payment is to be made, is not a Business Day, that thing must be done, or payment must be made, on or by the next succeeding Business Day;
- (h) a reference to cash includes cheques and bank cheques;
- (i) a reference to a body including a commission or an exchange, whether statutory or not, which ceases to exist or whose functions or powers are transferred to another body, is a reference to the body which replaces it or substantially succeeds to its powers and functions;
- (j) references to sums of money are to amounts in Australian dollars;
- (k) a reference to a thing or things after the words "include" or "including" or similar expressions is not limited to that thing or those things;
- (l) a calculation, determination, election or decisions made under these Terms, will (in the absence of manifest error, negligence, default or bad faith) be binding upon Crown, the Trustee and all Holders;
- (m) if a calculation is required under these Terms, the calculation will be rounded to four decimal places, provided that any amount to be paid to a Holder will be rounded down to the nearest whole cent; and
- (n) the word "amend" includes modify, cancel, amend or add to.

17.2 Definitions

Unless the context otherwise requires, the following terms will have the following meanings in these Terms:

"Accounting Event" means Crown has been notified by the Relevant Rating Agency, or has become aware following a publication by the Relevant Rating Agency, that, due to a change in Accounting Principles after the Issue Date, the application of Mandatory Deferred Interest Payments in respect of the Notes will no longer satisfy the Relevant Rating Agency's criteria such that Notes will no longer be eligible for the same or higher category of "equity credit" (or any similar nomenclature that is being used by the Relevant Rating Agency at the relevant time) as was initially attributed to Notes by the Relevant Rating Agency at the time of issue of Notes as notified from time to time to Crown by the Relevant Rating Agency.

"Accounting Principles" means generally accepted accounting principles and applicable approved accounting standards in Australia as in effect from time to time consistently applied.

"Additional Amount" means additional amounts payable by Crown under clause 6.1.

"Adjusted Gross Debt" means, in relation to a Testing Date, total current and non-current interest bearing liabilities, adjusted to remove any fair value adjustments on borrowings in hedge relationships, all as disclosed in the more recent of:

- For personal use only
- (a) the audited full year consolidated financial statements of Crown (and its controlled entities) for the full year ended on the immediately prior 30 June; and
 - (b) the reviewed consolidated interim financial statements of Crown (and its controlled entities) for the half year ended on the immediately prior 31 December,

or, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Crown (and its controlled entities), as otherwise publicly disclosed to Holders.

"ASX" means ASX Limited (ABN 98 008 624 691) or the market operated by it, as the context requires.

"ASX Settlement" means ASX Settlement Pty Limited (ABN 49 008 504 532).

"ASX Settlement Operating Rules" means the operating rules of ASX Settlement.

"Bookbuild" means the process, described in the Prospectus, to be conducted by, or on behalf of Crown whereby certain institutional investors and brokers who wish to obtain a firm allocation of Notes (whether for themselves or for their clients) lodge bids for Notes.

"Business Day" has the meaning given to that term in the Listing Rules.

"Capital Event" means Crown has been notified by any Rating Agency, or has become aware following a publication by any Rating Agency, of a change in its criteria such that Notes will no longer be eligible for the same or higher category of "equity credit" (or any similar nomenclature that is being used by that Rating Agency at the relevant time) as was initially attributed to Notes by that Rating Agency at the time of issue of Notes as notified from time to time to Crown by that Rating Agency.

A **"Change of Control Event"** occurs, at any time, if any person (other than CPHL, Related Bodies Corporate of CPHL, James D Packer or any of his descendants or related trusts and/or any of the descendants or related trusts of the late KFB Packer) either alone or together with its associates (as defined in the Corporations Act), either in a single transaction or series of related transactions, acquires more than 50% of the voting shares of Crown (such acquiring person or person together with its associates being a **"Relevant Person"**).

A **"Compulsory Interest Payment Event"** shall have occurred if, during the period in which a Mandatory Deferral Event is subsisting:

- (a) a dividend, other distribution or payment was validly declared, paid or made by Crown or a Subsidiary in respect of any Equal Ranking Obligations, Junior Ranking Obligations, Subsidiary Equal Ranking Obligations, Subsidiary Junior Ranking Obligations or the ordinary shares of Crown (other than in respect of employee incentive plans of Crown);
- (b) Crown has redeemed, reduced, cancelled, purchased or otherwise acquired any Equal Ranking Obligations, Junior Ranking Obligations, or any of its ordinary shares; or
- (c) a Subsidiary of Crown has redeemed, reduced, cancelled, purchased or otherwise acquired any Subsidiary Equal Ranking Obligations or Subsidiary Junior Ranking Obligations.

"Corporations Act" means the *Corporations Act 2001* (Cth).

"CPHL" means Consolidated Press Holdings Limited (ABN 64 008 394 509).

"Crown" means Crown Resorts Limited (ABN 39 125 709 953) or any Related Body Corporate which is substituted for Crown Resorts Limited under clause 11 and the Trust Deed.

"Crown Group" means (collectively) Crown and its Subsidiaries.

"Deferred Interest Payment" means an Optionally Deferred Interest Payment and/or a Mandatorily Deferred Interest Payment.

"EBITDA" means, in respect of any period, earnings before interest, tax, depreciation and amortisation of Crown (and its controlled entities) for that period, provided that, in calculating EBITDA:

- (a) no account shall be taken of any exceptional, one-off, non-recurring or extraordinary or significant items for that period that, in accordance with Accounting Principles, are (or will be) separately disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Crown (and its controlled entities) (as the case may be, and to the extent not already excluded and without any double counting or double excluding); and
- (b) if, for a full six month period commencing on a Testing Date and ending on the next Testing Date, an acquisition of an entity that becomes a member of the Crown Group results in the financial indebtedness of that entity being included in Normalised EBITDA, then to the extent the entity contributes to EBITDA of Crown (and its controlled entities) for less than that full six month period, the contribution is to be included in the calculation of Normalised EBITDA as if the acquisition had occurred at the beginning of that full six month period. The calculation of the contribution of that entity to the EBITDA of Crown (and its controlled entities) will be made on the basis of the historical operating profit before interest, tax, depreciation and amortisation of that entity by reference to its most recent audited full year financial statements or reviewed consolidated financial statements, as the case may be.

"Equal Ranking Obligations" means:

- (a) any obligation in relation to claims of holders of Securities issued by Crown or one of its Subsidiaries which claims rank or are expressed to rank pari passu with Holder Claims under these Terms and the Trust Deed; or
- (b) any obligation in relation to claims of holders of Securities issued by Crown or one of its Subsidiaries, which claims are under, or are expressed to be treated as, Notional Preference Shares if at any time an Event of Insolvency occurs in relation to Crown.

An **"Event of Default"** occurs if:

- (a) Crown does not pay any Redemption Amount, Interest Payment or Deferred Interest Payment which is due and payable in respect of the Notes within, in the case of any amount representing or in the nature of interest, five Business Days of the due date for payment and, in the case of any amount representing or in the nature of principal, two Business Days of the due date for payment; or
- (b) an order is made (other than an order successfully appealed, dismissed, withdrawn or permanently stayed within 60 days) by a State or Federal Court in the Commonwealth of Australia or a resolution is passed by the shareholders of Crown for the winding-up of Crown (other than for the purposes of Solvent Reorganisation of Crown),

except that each of the following do not constitute an Event of Default:

- (c) the non-payment by Crown of any amount due and payable in respect of any of the Notes in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment; and
- (d) the deferral of any Interest Payment under clause 3.

"Event of Insolvency" means the appointment of an administrator, a liquidator, provisional liquidator or other similar officer in respect of Crown or any corporate action is taken by Crown to appoint such a person.

"Face Value" means the face value of a Note, being \$100 per Note.

"First Call Date" means 14 September 2018 or, if that day is not a Business Day, the next Business Day.

"Fitch" means Fitch Ratings, a division of Fitch, Inc (or any of its Subsidiaries or any successor in business thereto from time to time).

"Holder" means a person who is entered into the Register as the holder of a Note.

"Holder Claims" means the rights and claims of the Trustee (in respect of Notes) and of the Holders in respect of Notes.

"Initial Margin" means the margin expressed as a percentage per annum determined by Crown (or another party on its behalf) on the basis of the bids made under the Bookbuild.

"Interest Cover Ratio" means, in relation to a Testing Date, the ratio of Normalised EBITDA to Relevant Net Interest Paid.

"Interest Payment" means the interest payable on a Note on the Interest Payment Date, as calculated in accordance with clause 3.3.

"Interest Payment Date" means, subject to clause 3.3, 14 March, 14 June, 14 September and 14 December in each year, commencing on the first such date following the Issue Date until Notes are redeemed.

"Interest Period" means:

- (a) in respect of the first interest period, the period from and including the Issue Date to but excluding the first Interest Payment Date; and
- (b) for each subsequent interest period, from and including each Interest Payment Date to but excluding the immediately following Interest Payment Date.

"Interest Rate" has the meaning specified in clause 3.2.

"Issue Date" means 14 September 2012, or such later date as Crown may determine.

"Issue Price" has the meaning specified in clause 1.3.

"Junior Ranking Obligations" means any equity or subordinated debt obligation of Crown (other than Notes and, for the purposes of clause 3.5 and the definitions of "Compulsory Interest Payment Event" and "Optional Payment Reference Date" in this clause 17.2, any equity or subordinated debt obligation of Crown held by a wholly-owned Subsidiary of Crown) which ranks junior to Crown's obligations under the Notes.

"Leverage Ratio" means, in relation to a Testing Date, the ratio of Relevant Gross Debt (divided by 2) to Normalised EBITDA.

"Listing Rules" means the listing rules of ASX.

"Mandatorily Deferred Interest Payment" has the meaning specified in clause 3.7(a) and will, where relevant, include any amount of additional interest accumulated thereon in accordance with clause 3.7(a)(iv).

A **"Mandatory Deferral Event"** will commence on and from a Testing Date (the **"Commencing Testing Date"**) if:

- (a) the Interest Cover Ratio in relation to the Commencing Testing Date is less than the Minimum Level; or
- (b) the Leverage Ratio in relation to the Commencing Testing Date and the most recent Testing Date before that date is above the Maximum Level,

and will continue until the next Testing Date (the **"Ending Testing Date"**) in relation to which:

- (c) the Interest Cover Ratio is at or above the Minimum Level; and
- (d) subject to the following, the Leverage Ratio on that date and the most recent Testing Date before it is at or below the Maximum Level,

at which time it will cease.

The requirement to satisfy the condition in paragraph (d) in order for the Mandatory Deferral Event to cease to apply will only apply if the Leverage Ratio was above the Maximum Level in relation to:

- (e) the Commencing Testing Date and the most recent Testing Date before that date; or
- (f) any two or more consecutive Testing Dates during the period from (and including) the Commencing Testing Date to (and including) the Ending Testing Date.

"Mandatory Payment Reference Date" means the date which is the earliest of:

- (a) if a Compulsory Interest Payment Event has occurred, the date which is the earliest of:
 - (i) the date on which the relevant Mandatory Deferral Event is no longer subsisting;
 - (ii) the next Interest Payment Date which is on or after the fifth anniversary of the Interest Payment Date on which any of the then outstanding Mandatorily Deferred Interest Payments was initially deferred; and
 - (iii) the Step-up Date;
- (b) if a Compulsory Interest Payment Event has not occurred, the date which is the earliest of:
 - (i) the next Interest Payment Date on which the relevant Mandatory Deferral Event is no longer subsisting, unless Crown elects to defer the Interest Payment on that Interest Payment Date pursuant to clause 3.4(a);

- (ii) the next Interest Payment Date which is on or after the fifth anniversary of the Interest Payment Date on which any of the then outstanding Mandatorily Deferred Interest Payments was initially deferred, unless Crown elects to defer the Interest Payment on that Interest Payment Date pursuant to clause 3.4(a); and
- (iii) the Step-up Date, unless Crown elects to defer the Interest Payment on that Step-up Date pursuant to clause 3.4(a);
- (c) the Maturity Date;
- (d) the date on which all Notes are otherwise redeemed; and
- (e) the date on which an order is made or a resolution is passed for the winding up of Crown.

"Margin" has the meaning specified in clause 3.2.

"Maturity Date" means 14 September 2072.

"Maximum Level" means 5.00 times.

"Minimum Level" means 2.50 times.

"Moody's" means Moody's Investors Service, Inc. (or any of its Subsidiaries or any successor in business thereto from time to time).

"Net Interest Paid" means, in relation to a Testing Date, the amount of net interest paid, less the amount of interest received, by Crown (and its controlled entities) for the more recent of:

- (a) the six month period ended on the immediately prior 30 June, as calculated by reference to the audited full year consolidated financial statements of Crown (and its controlled entities) for the full year ended on that date, less the equivalent items in the reviewed consolidated interim financial statements of Crown (and its controlled entities) for the half year ended on the prior 31 December; and
- (b) the six month period ended on the immediately prior 31 December, as reported in the reviewed consolidated interim financial statements of Crown (and its controlled entities) for that period,

or, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Crown (and its controlled entities), as otherwise publicly disclosed to Holders.

"Normalised EBITDA" means, in relation to a Testing Date, EBITDA of Crown (and its controlled entities) which has been adjusted to exclude the impact of any variance from theoretical win rate, being the expected hold percentage on VIP program play over time, where the hold percentage is the portion of a player's bets that is retained by the casino, for the more recent of:

- (a) the six month period ended on the immediately prior 30 June, as calculated by reference to the audited full year consolidated financial statements of Crown (and its controlled entities) for the full year ended on that date, less the equivalent item in the reviewed consolidated interim financial statements of Crown (and its controlled entities) for the half year ended on the prior 31 December; and

- (b) the six month period ended on the immediately prior 31 December, as reported in the reviewed consolidated financial statements of Crown (and its controlled entities) for that period,

or, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Crown, as otherwise publicly disclosed to Holders.

"Notes" means Crown subordinated notes to which these Terms apply, as described in clause 1.1.

"Notional Preference Shares" means an actual or notional class of preference shares in the capital of Crown ranking junior to the claims of Senior Creditors and having an equal right to return of assets in the winding-up to, and so ranking pari passu with, the most junior class or classes of preference shares in the capital of Crown from time to time and which have a right to a return of assets in the winding-up over, and so rank junior to the holders of all other classes of issued shares for the time being in the capital of Crown other than, its ordinary shares.

"Optional Payment Reference Date" means, in relation to an Optionally Deferred Interest Payment, the date which is the earliest of:

- (a) the next following Interest Payment Date on which:
 - (i) Crown elects to pay the relevant Optionally Deferred Interest Payment at its discretion; and
 - (ii) no Mandatory Deferral Event exists;
- (b) the date on which any dividend, distribution or interest is paid on, or any redemption, purchase or buy-back is made of, or any capital return is made by Crown or a Subsidiary in relation to, any Equal Ranking Obligations, Junior Ranking Obligations, Subsidiary Equal Ranking Obligations, Subsidiary Junior Ranking Obligations or ordinary shares of Crown or the Notes (other than payments made pro rata on Notes and Equal Ranking Obligations in relation to that payment or in respect of employee incentive plans) and no Mandatory Deferral Event exists;
- (c) the Maturity Date;
- (d) the date on which all Notes are otherwise redeemed; and
- (e) the date on which an order is made or a resolution is passed for the winding up of Crown.

"Optionally Deferred Interest Payment" has the meaning specified in clause 3.4(a) and will, where relevant, include any amount of additional interest accrued thereon in accordance with clause 3.4(a)(ii).

"Outstanding" means a Note that has not been cancelled or redeemed by Crown and is not held by or on behalf of Crown, or any Subsidiary of Crown or any Relevant Person.

"Proper ASTC Transfer" has the meaning given in the *Corporations Regulations 2001* (Cth).

"Prospectus" means a prospectus to be issued by Crown in respect of a public offer of Notes.

"Rating Agency" means each of Standard & Poor's, Moody's and Fitch.

"Record Date" means, in relation to any date on which Crown is obliged to make an interest payment to a Holder in relation to a Note, eight calendar days before the relevant interest payment date or such other date as Crown determines in its absolute discretion (subject to compliance with the Listing Rules) and notifies to Holders by a market release to ASX by the time required by the Listing Rules (or if no such time is required by the Listing Rules, at least six Business Days before the specified record date). If the Record Date is changed because of a requirement of ASX, Crown will give notice of the changed Record Date to all Holders by issuing a market release to ASX.

"Redemption Amount" in respect of a Note means the sum of:

- (a) 100% of the Face Value;
- (b) all Deferred Interest Payments in respect of that Note that remain unpaid at the Redemption Date; and
- (c) any accrued but unpaid interest for the Interest Period in which the Redemption Date falls determined in accordance with clause 4.5 calculated up to (but excluding) the Redemption Date as if that date were an Interest Payment Date,

except that, in the case of a redemption before the First Call Date for a Capital Event or an Accounting Event notified to Holders and the Trustee under clause 4.3, paragraph (a) of this definition will be 101% of the Face Value.

"Redemption Date" means the day on which Notes become due for redemption in accordance with these Terms.

"Register" means the register of Notes maintained by or on behalf of Crown.

"Registry" means Computershare Investor Services Pty Limited (ABN 48 078 279 277) or such successor registrar as Crown may appoint.

"Related Body Corporate" has the meaning given in the Corporations Act.

"Relevant Gross Debt" means Adjusted Gross Debt:

- (a) less 50% of the outstanding balance of Notes; and
- (b) less the outstanding principal amount of each other Security issued by Crown (or one of its Subsidiaries) from time to time (if any) multiplied by the level of "equity credit" assigned to that Security by the Relevant Rating Agency (expressed as a percentage per annum) as has been specified by Crown in a public announcement to be a Security for the purposes of this paragraph,

and, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Crown (and its controlled entities), as otherwise publicly disclosed to Holders. Further, Crown will announce publicly a change in the percentage specified in respect of a Security to reflect a change in the equity credit categorisation of the relevant Securities from time to time and this definition shall be read in accordance with that announcement.

"Relevant Jurisdiction" means:

- (a) the Commonwealth of Australia or any State or Territory of Australia; or
- (b) in the event of any substitution, Solvent Reorganisation or other corporate action resulting in Crown being incorporated in or becoming resident in or carrying on business in any other jurisdiction, that other jurisdiction or any political subdivision or any authority of that jurisdiction having power to tax.

"Relevant Net Interest Paid" means Net Interest Paid:

- (a) less 50% of the interest paid in respect of the Notes in the period for which the net interest paid is calculated; and
- (b) less the amount of interest payments made in that period by Crown (or one of its Subsidiaries) in respect of each other Security issued by Crown (or one of its Subsidiaries) from time to time (if any) multiplied by the level of "equity credit" assigned to that Security by the Relevant Rating Agency (expressed as a percentage per annum) as has been specified by Crown in a public announcement to be a Security for the purposes of this paragraph,

and, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Crown (and its controlled entities), as otherwise publicly disclosed to Holders. Further, Crown will announce publicly a change in the percentage specified in respect of a Security to reflect a change in the equity credit categorisation of the relevant Securities from time to time and this definition shall be read in accordance with that announcement.

"Relevant Person" has the meaning given in the definition of Change of Control Event.

"Relevant Rating Agency" means Standard & Poor's.

"Security" means, in relation to a company, shares in the capital of that company and any indebtedness in the form of or represented by notes, bonds, debentures or other securities issued by that company or any indebtedness (other than to a wholly-owned Subsidiary of Crown or from a wholly-owned Subsidiary of Crown to Crown or another wholly-owned Subsidiary of Crown) in respect of any loan or similar agreement.

"Senior Creditors" means:

- (a) creditors of Crown who are unsubordinated creditors of Crown; and
- (b) creditors of Crown whose claims are or are expressed to be subordinated to the claims of other creditors of Crown (other than holders of Equal Ranking Obligations and holders of Junior Ranking Obligations).

"Solvent Reorganisation" means, with respect to Crown, a solvent winding-up, deregistration, dissolution, scheme of arrangement or other reorganisation of Crown solely for the purposes of a consolidation, amalgamation, merger or reconstruction, the terms of which have been approved by the holders of the ordinary shares of Crown or by a court of competent jurisdiction under which the continuing or resulting corporation effectively assumes the obligations of Crown under these Terms and the Trust Deed.

"Special Resolution" means a resolution approved by not less than 75% of all votes cast by Holders present and entitled to vote on the resolution.

"Standard & Poor's" means Standard & Poor's (Australia) Pty Ltd (or any of its Subsidiaries or any successor in business thereto from time to time).

"Step-up Date" means 14 September 2038 or, if that day is not a Business Day, the next Business Day.

"Step-up Margin" means the margin which is the Initial Margin plus 1.00% per annum.

"Subsidiary" has the meaning given in the Corporations Act.

"Subsidiary Equal Ranking Obligation" means, in relation to a Subsidiary, any Security in respect of which the following are satisfied:

- (a) payments to the holders of such shares or securities are guaranteed; and
- (b) the claims of those holders under that guarantee are Equal Ranking Obligations.

"Subsidiary Junior Ranking Obligation" means, in relation to a Subsidiary, any Security in respect of which the following are satisfied:

- (a) payments to the holders of such shares or securities are guaranteed; and
- (b) the claims of those holders under that guarantee are Junior Ranking Obligations.

"Tax Act" means the *Income Tax Assessment Act 1936* (Cth).

"Tax Event" means that:

- (a) in the opinion of a recognised independent legal or tax adviser (which has been obtained by Crown and delivered to the Trustee), on or after the Issue Date, as a result of:
- (i) any amendment to, or change in, the laws (or any rules or regulations under them) of the Relevant Jurisdiction which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or
 - (ii) any amendment to, or change in, an official interpretation of any laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or
 - (iii) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the Issue Date,

interest paid by Crown on Notes would no longer, or within 90 calendar days of the date of that opinion will no longer, be fully deductible (or the entitlement to make such deduction would or will be materially reduced) by Crown for corporate income tax purposes in the Relevant Jurisdiction; and

- (b) that risk cannot be avoided by Crown taking reasonable measures available to it.

"Taxes" means any present or future taxes, duties, assessments or governmental charges of whatever nature.

"Terms" means these terms and conditions of Notes.

"Testing Date" means any date on which Crown first releases to the public its audited consolidated financial statements in respect of a reporting period ended on 30 June or its reviewed consolidated interim financial statements in respect of a reporting period ended on 31 December of any given year.



"Trust Deed" means the Crown Subordinated Notes Trust Deed dated 13 August 2012 between Crown and the Trustee as trustee for the Holders.


"Trustee" means Australian Executor Trustees Limited (ABN 84 007 869 794) and includes a successor of it.

EXECUTED as a deed.

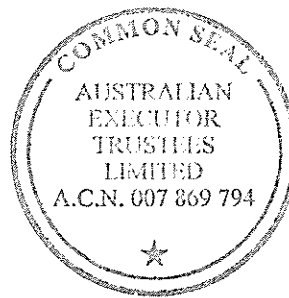
Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

SIGNED, SEALED AND DELIVERED by
CROWN RESORTS LIMITED:


Signature of director

Name


Signature of ~~director~~/secretary
Michael James Neilson
Name

THE COMMON SEAL of **AUSTRALIAN EXECUTOR TRUSTEES LIMITED** was affixed with the authority of:





Signature of Authorised Officer

Name **KERRY NGAI**



Signature of Authorised Officer

Name **PINA SPATHIS**