

Special Manager's Interim Report

June 2023

Appendices A–G

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Appendix A: The OSM work plan for the period 1 January to 30 June 2023, including status report

The OSM developed a work plan for the 1 January to 30 June 2023 reporting period having regard to recommendations made and key issues identified in the Finkelstein Report. Each of the work streams and priority areas of focus and assessment relate to specific requirements set out in Appendix I of the Finkelstein Report and/or the Special Manager’s monitoring of Crown Melbourne’s current operations, summarised in the table below.

Much of the work plan for this reporting period continues to focus on areas covered in the Special Manager’s December 2022 interim report, as well as additional areas of focus for this reporting period. Areas of focus in the next reporting period are subject to change and may be revised due to changing priorities.

This appendix summarises the status of each of the OSM’s work plan projects and cross-references the relevant sections of this interim report that address the OSM’s assessment of Crown Melbourne.

Work stream	Relevant Appendix I requirements
1 Transformation	All Appendix I 3 (a) Risk management – root cause analysis
2 Culture	4 Culture
3 Integrity frameworks	1 (d) Conduct of the casino operations
4 Responsible service of gambling	17 (a–g) Responsible service of gambling
5 Financial crime	5 (a–g) External report recommendations 6–8 McGrathNicol Report 9–10 Crown’s FCCCP 11 Other external expert work 12–13 Resourcing 14–16 AML/CTF Program
6 Governance, risk and compliance	1 (a–d) General requirements 3 (b–c) Risk management 18 Compliance with statutory and contractual obligations

Work stream 1: Transformation

Project title	Appendix I reference	Aim	Status
Root cause analysis	Appendix I – 3 (a)	Monitor and assess whether Crown has adequately implemented the recommendations of its root cause analysis and integrated the learnings from it into its operations and BAU decision-making process.	In progress – refer to section 3.3.2.
Ongoing transformation	Appendix I – 1 (d)	Monitor and assess whether Crown’s transformation program has been implemented in an effective and integrated manner.	In progress – refer to section 3.
Information technology uplift program	Appendix I – 1 (d)	Monitor and assess whether Crown has a clear and integrated IT strategy to effectively enable its transformation.	In progress – refer to section 3.4.1.

Work stream 2: Culture

Project title	Appendix I reference	Aim	Status
Aligned view of success criteria	Appendix I – 4	Monitor and assess whether Crown has created consistent objectives, strategies and plans in support of cultural reform.	In progress – refer to section 3.2.1.
Robust assessment methods	Appendix I – 4	Monitor and assess whether Crown has established effective methods to self-assess its culture beyond the Special Manager’s term.	In progress – refer to section 3.2.2.
Effective Culture Reform Program governance	Appendix I – 4	Monitor and assess whether Crown’s governance of the Culture Reform Program supports successful outcomes.	In progress – refer to section 3.2.3.
Leadership of change	Appendix I – 4	Monitor and assess whether Crown’s leaders are effectively driving and role-modelling cultural reform.	In progress – refer to section 3.2.4.
Profile of Crown’s middle management	Appendix I – 4	Examine the profile of Crown’s middle management employees, and monitor and assess Crown’s approach to cultural change within this group.	In progress – refer to section 3.2.4.
Systemic reinforcement of desired culture	Appendix I – 4	Monitor and assess how effectively Crown’s policies, processes and procedures are reinforcing the desired culture.	In progress – refer to section 3.2.5.
Mindset and behaviour change	Appendix I – 4	Monitor and assess evidence of initial mindset and behaviour change in Crown.	In progress – refer to section 3.2.6.

Work stream 3: Integrity frameworks

Project title	Appendix I reference	Aim	Status
Anti-bribery and Corruption Framework	Appendix I – 1 (d)	Monitor and assess whether Crown has an effective anti-bribery and corruption program.	In progress – refer to section 4.2.
Code of Conduct	Appendix I – 1 (d)	Monitor and assess whether Crown has an effective Code of Conduct framework.	In progress – refer to section 4.3.
Whistleblower management	Appendix I – 1 (d)	Monitor and assess whether Crown has an effective whistleblower management framework.	In progress – refer to section 4.4.
Public complaints	Appendix I – 1 (d)	Monitor and assess whether Crown has effective public complaints handling policies, procedures and systems.	In progress – refer to section 4.5.

Work stream 4: Responsible service of gambling

Project title	Appendix I reference	Aim	Status
Player Health Strategy	Appendix I – 17	Monitor and assess whether Crown is effectively implementing and embedding a strategy that minimises gambling harm.	In progress – refer to section 5.2.
Resourcing, training and employee communications	Appendix I – 17 (a–d) and 17 (f)	Monitor and assess the adequacy of Crown’s responsible gaming budget and staffing numbers, and the capacity and capability of Crown’s employees to effectively minimise gambling harm.	In progress – refer to sections 5.3, 5.4 and 5.5.
Player monitoring and controls	Appendix I – 17 (d–f) and 17 (g)	Monitor and assess whether Crown is effectively monitoring and intervening where customers are at risk of gambling harm.	In progress – refer to sections 5.6 and 5.7.
Marketing, promotions and loyalty program	Appendix I – 17 (d) and 17 (f)	Monitor and assess whether Crown has effective systems and processes to prevent gambling harm that may be caused by its marketing and loyalty program.	In progress – refer to section 5.8.
Gambling harm regulatory reforms	Appendix I – 17 (g)	Monitor and assess whether Crown is proactively engaging and moving towards implementation of reforms that will significantly enhance its prevention of gambling harm, including communicating the new changes to its customers.	In progress – refer to section 5.9.

Work stream 5: Financial crime

Project title	Appendix I reference	Aim	Status
FCCCP initiatives	Appendix I – 9, 10 and 11 (c)	Monitor and assess whether Crown has effectively implemented and embedded the recommended reforms set out in the FCCCP.	In progress – refer to section 6.2.
AML/CTF Program – Crown’s oversight of its program	Appendix I – 14	Monitor and assess whether Crown Boards are providing effective and meaningful oversight of Crown’s Joint AML/CTF Program.	Completed – refer to section 6.3.
AML/CTF Program – compliance with legislation	Appendix I – 14, 15 and 16	Monitor and assess whether Crown’s Joint AML/CTF Program is compliant with the AML/CTF Act and legislation.	In progress – refer to section 6.3.1.
AML/CTF Program – Crown’s compliance with its program	Appendix I – 15	Monitor and assess whether Crown is complying with its Joint AML/CTF Program.	In progress – refer to section 6.3.2.
External report recommendations	Appendix I – 5	Monitor and assess whether Crown has effectively implemented the financial crime external report recommendations (Crown’s ‘Commitments’). In particular: <ol style="list-style-type: none"> 1. Promontory Phase 1 2. Deloitte Phase 2 3. Deloitte Phase 3 4. Deloitte hotel card transactions review 5. Initialism transaction monitoring review. 	In progress – refer to section 6.4.
Results of Project Peyo (McGrathNicol)	Appendix I – 6, 7 and 8	Monitor and assess whether Crown has undertaken an investigation into the suspected structuring and parking transactions identified in the McGrathNicol forensic review report.	Completed – refer to section 6.4.
Adequacy of Crown’s financial crime budget and resourcing	Appendix I – 12 and 13	Monitor and assess the adequacy of Crown’s financial crime budget and staffing numbers in the designated business group financial crime.	Completed – refer to section 6.5.
Review of any internal or external audits	Appendix I – 16	Monitor and assess whether Crown has remedied any non-compliance issues.	In progress – refer to section 6.6.

Work stream 6: Governance, risk and compliance

Project title	Appendix I reference	Aim	Status
Internal audit practice	Appendix I – 1 (d)	Monitor and assess whether Crown’s internal audit function is effective.	In progress – refer to section 7.2.3.
Risk Uplift Plan	Appendix I – 3 (b)	Monitor and assess whether Crown has effectively implemented its Risk Uplift Plan.	In progress – refer to section 7.3.
Effectiveness of risk management	Appendix I – 3 (c)	Monitor and assess whether Crown’s risk management framework, systems and processes are effective, including with reference to the external review of risk management.	In progress – refer to section 7.3.7.
Policy Uplift Program	Appendix I – 1 (d)	Monitor and assess the extent to which Crown has embedded its Policy Uplift Program policies.	In progress – refer to section 7.4.1.
Compliance Uplift Program	Appendix I – 18	Monitor and assess whether Crown’s compliance strategy is effective.	In progress – refer to section 7.4.2.
Board independence	Appendix I – 18	Monitor and assess whether Crown’s Board is majority independent in compliance with legislative requirements.	In progress – refer to section 8.2.1.
Board and management committees	Appendix I – 18	Monitor and assess whether Crown’s Board and management committees are operating effectively.	In progress – refer to sections 8.2.2 and 8.2.3.
Centralisation of functions	Appendix I – 1 (d)	Monitor and assess the adequacy of Crown’s oversight of centralised functions in response to recommendation 30 of the Finkelstein Royal Commission.	In progress – refer to section 8.2.4.
Withdrawals of licence	N/A	Monitor and assess Crown’s policies and procedures, and oversight of decision making related to withdrawals of licence.	In progress – refer to section 8.3.
Compliance with legislative obligations	Appendix I – 1 (a–c)	Monitor and assess whether Crown is compliant with its legislative and regulatory obligations, including by monitoring potential and actual compliance incidents and breaches, and compliance with respect to: <ul style="list-style-type: none"> • controlled contracts • taxation • facial recognition technology. 	In progress – refer to section 8.6.

Project title	Appendix I reference	Aim	Status
Compliance with Casino Agreement obligations	Appendix I – 18	Monitor and assess how Crown manages its compliance obligations in relation to the Casino Agreement.	In progress – refer to section 8.6.1.

Appendix C: Crown Board, Board committee and management committee meetings attended by the Special Manager and/or OSM representatives from 1 January to 30 June 2023

The attendance of the Special Manager and/or OSM representatives at the relevant Board or committee meeting is indicated by the blue highlighting. Dates that are not highlighted indicate that the Special Manager and/or OSM representatives did not attend.

Crown Resorts Limited

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
Crown Resorts Board	Guides and monitors Crown Resorts on behalf of shareholders. It is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.	Mr William McBeath, Chairperson and Independent Non-Executive Director – Crown Resorts	An updated Board Charter is scheduled for approval in August 2023.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date		23†				1†, 29†
Crown Resorts Risk, Compliance and Responsible Gaming Committee	Assists the Crown Resorts Board to fulfil its corporate governance responsibilities by identifying, monitoring, managing and mitigating issues and risks in relation to the Risk Management Framework, risk profile and risk appetite for Crown Resorts, compliance and responsible gaming frameworks, and workplace health and safety systems.	Mr Stephen Revell, Non-Executive Director – Crown Resorts	The Crown Resorts Board approved expanding the remit of the committee to include risk and the name change from 'Compliance, Safety and Responsible Gaming Committee' to the 'Risk, Compliance and Responsible Gaming Committee' at its meeting on 7 December 2022.						
			An updated committee Charter was approved by the Crown Resorts Board at its meeting on 23 February 2023.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date					25†	15†

† Meetings were held simultaneously with Crown Melbourne Limited, Crown Resorts Limited and Burswood Limited.

Crown Melbourne Limited

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
Crown Melbourne Board	Guides and monitors Crown Melbourne, and is ultimately accountable for the operations and conduct of the business.	Mr Ian Silk, Chairperson and Independent Non-Executive Director – Crown Melbourne	A new Crown Melbourne Board Charter was approved by the Board on 22 December 2022 and by the Crown Resorts Board on 23 February 2023.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	25	15, 23†	22	24	19	1†, 1, 7, 21, 29†
Crown Melbourne Audit and Finance Committee	Assists the Crown Melbourne Board to fulfil its corporate governance responsibilities in relation to financial reporting, financial risks, accounting practices, internal audit and external audit.	Mr Stephen Revell, Non-Executive Director – Crown Resorts	The Crown Melbourne Board approved changing the remit of the committee and the name change from 'Audit and Risk Committee' to the 'Audit and Finance Committee' at its meeting on 7 December 2022.						
			The committee endorsed the new Committee Charter at its meeting on 8 February 2023. The Charter was approved by the Crown Melbourne Board on 15 February 2023.						
			2023	Jan	Feb	Mar	Apr	May	June
Date		8		5		7			
Crown Melbourne People and Culture Committee	Assists the Crown Melbourne Board on the implementation and operation of Crown Melbourne's people management practices and obligations, organisational transformation and cultural change.	Ms Helen Silver AO, Independent Non-Executive Director – Crown Melbourne	The Crown Melbourne Board approved establishing the new Committee at its meeting on 7 December 2022.						
			The new People and Culture Committee met for the first time and endorsed the new Committee Charter at its meeting on 8 February 2023. The Charter was approved by the Crown Melbourne Board on 15 February 2023.						
			2023	Jan	Feb	Mar	Apr	May	June
Date		8		3		7			

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
Crown Melbourne Risk, Compliance and Responsible Gaming Committee	Assists the Crown Melbourne Board to fulfil its corporate governance responsibilities by identifying, monitoring, managing and mitigating issues and risks in relation to risk management, compliance, responsible gaming, and workplace health and safety.	Ms Henriette Rothschild, Independent Non-Executive Director – Crown Melbourne	<p>The Crown Melbourne Board approved expanding the remit of the committee to include risk and the name change from ‘Compliance, Safety and Responsible Gaming Committee’ to ‘Risk, Compliance and Responsible Gaming Committee’ at its meeting on 7 December 2022.</p> <p>The Chair changed from Mr Stephen Revell (Non-Executive Director – Crown Resorts).</p> <p>The committee endorsed the new Committee Charter at its meeting on 8 February 2023. The Charter was approved by the Crown Melbourne Board on 15 February 2023.</p>						
			2023	Jan	Feb	Mar	Apr	May	June
			Date		8		3	25†	7, 15†

† Meetings were held simultaneously with Crown Melbourne Limited, Crown Resorts Limited and Burswood Limited.

Committees that have responsibility for subject matter ultimately reported to the Executive Risk and Compliance Committee and/or Board committees

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
<p>Crown Melbourne Executive Risk and Compliance Committee</p>	<p>Assists the CEO of Crown Melbourne to fulfil their responsibilities to oversee the risk, compliance, responsible gaming and safety functions for Crown Melbourne, and ensure Crown conducts itself and operates in a way that supports the integrity of the gaming industry and minimises the harmful impact of gambling.</p>	<p>Mr Mike Volkert, CEO – Crown Melbourne</p>	<p>The committee updated its Charter in November 2022. The Chair changed from Mr Tim Barnett (EGM – Table Games – Crown Melbourne).</p>						
			2023	Jan	Feb	Mar	Apr	May	June
			Date			15		17	
<p>Crown Melbourne Compliance Champion Forum</p>	<p>A forum for education and information exchange between the Line 1 and Line 2 functions.</p>	<p>Ms Carol Kemp, General Manager – Compliance and Regulatory Affairs – Crown Melbourne</p>	<p>The Compliance Officer Committee was disbanded and renamed the 'Compliance Champion Forum'. It is no longer a management committee and does not have a Charter. The Compliance Champion Forum was held for the first time on 30 March 2023.</p>						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	25		30	27		8

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
Crown Melbourne Person of Interest (POI) Committee	<p>Ensures that Crown Melbourne remains free of criminal influence, exploitation and persons who are at high risk of gambling-related harm, by reviewing POIs who are brought to the committee's attention due to allegations of unacceptable behaviours and/or at risk of gambling harm, such as:</p> <ul style="list-style-type: none"> • dealing in proceeds of crime • threatening the safety of guests or staff • drug dealing, theft or fraud • illegal activity occurring on-site • illegal activity occurring off-site • ML/TF • risk/incidences of gambling harm. <p>The committee refers POIs to other committees (particularly the Responsible Gaming Management Committee) and to the Financial Crime and Compliance teams, and otherwise decides whether a POI is suitable to start or maintain a relationship with Crown, or whether to exit them from the business by issuing a withdrawal of licence and/or an exclusion order. The committee also reviews revocation applications.</p>	<p>Mr Mark Mackay, COO – Crown Melbourne</p>	<p>The committee endorsed its Charter at its meeting on 2 March 2023.</p>						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	25		2	26	24	28
Crown Melbourne Responsible Gaming Management Committee	<p>Monitors and reviews gaming, responsible gaming and associated activities to ensure that Crown Melbourne provides a safe and responsible gaming environment that supports and drives harm minimisation.</p>	<p>Mr Luke Overman, General Manager – Responsible Gaming – Crown Melbourne</p>	<p>No significant updates to note.</p>						
			2023	Jan	Feb	Mar	Apr	May	June
			Date			14			13

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
Crown Melbourne Responsible Service of Alcohol Steering Committee	Takes a proactive role in ensuring that Crown demonstrates best industry practices in responsible service of alcohol practices and initiatives in a commercially viable and sustainable way.	Mr Mark Mackay, COO – Crown Melbourne	Mr Mark Mackay returned to the Chair at the meeting on 19 January 2023.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	19	16	16	20	18	15
Crown Melbourne Self Exclusion Revocation Committee	Reviews and evaluates all applications for revocation of self-exclusion or involuntary exclusion.	Mr Luke Overman, General Manager – Responsible Gaming – Crown Melbourne	No significant updates to note.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	25	16	16, 30	13	18	15
Crown Melbourne Third Party Exclusion Committee	An ad hoc committee that considers applications from concerned parties to initiate an exclusion process to protect and safeguard an individual whose gambling at Crown Melbourne may be causing harm to themselves or significant others.	Mr Luke Overman, General Manager – Responsible Gaming – Crown Melbourne	No significant updates to note.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date						
Crown Melbourne Transformation Steering Committee	Reviews and monitors the MRAP and discusses broader transformation. Responsible for overseeing the implementation of the MRAP.	Mr Mike Volkert, CEO – Crown Melbourne	No significant updates to note.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	31	27	21	21	18	23

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
Crown Melbourne Compliance and Regulatory Affairs Breach Determination Forum (BDF)	A decision-making forum responsible for considering an event and determining whether it is reportable to state and/or federal regulator(s) on either a voluntary or mandatory basis. Each Crown Group property has a BDF governed by Crown Group Terms of Reference.	Mr Mark Mackay, COO – Crown Melbourne	The Chair changed from Ms Martha Georgiou (Group EGM – Compliance and Regulatory Affairs – Crown Resorts). The Terms of Reference were updated on 23 January 2023. Crown is currently updating the Terms of Reference to expand the committee's purpose.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	25		1, 16, 22, 29	26		9, 28
Crown Group IT Steering Committee	Endorses Crown's technology roadmaps, approves new initiative requests, prioritises Crown's IT work program and escalates matters for resolution to the Board.	Ms Inez Kosovich, Chief Information Officer – Crown Resorts	The Committee Charter remains in draft.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	18		23	12	25	27
Crown Resorts Critical Risk Forum	Ensures that Crown Resorts manages and mitigates the risk of criminal influence or exploitation, by reviewing critical risk customers who are brought to the attention of the Critical Risk Forum.	Mr Daniel Rule, Group EGM – Financial Crime Operations and Solutions – Crown Resorts	The committee met for the first time and endorsed the new Committee Charter at its meeting on 18 January 2023.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	18	1, 15	1, 29		3, 23	

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
Crown Resorts Financial Crime Breach Determination Forum (FCBDF)	Ensures there is a coordinated methodology and approach to identifying, reporting and assessing breaches or apparent breaches of Crown's financial crime obligations. The FCBDF is a decision-making forum for financial crime events with responsibilities for escalating ML/TF breaches to the Crown Resorts Financial Crime Working Group, Crown Resorts Financial Crime Oversight Committee, or directly to the Crown Resorts or Crown Entities Boards depending on materiality.	Ms Armina Antoniou, Group EGM, Financial Crime Risk (Money Laundering Reporting Officer) – Crown Resorts	No significant updates to note.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	13	6 24	10	28	26	
Crown Resorts Financial Crime & Compliance Change Program (FCCCP) Design and Decision Forum	Discusses progress of the FCCCP and seeks Executive Sponsor decision, approval, endorsement or guidance.	Ms Nicole Morehead, Head of Delivery and Change – Financial Crime and Compliance Solutions Group	No significant updates to note.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	24	23	23		1, 25	22
Crown Resorts Financial Crime Oversight Committee (FCOC)	Assists the boards of Crown Resorts and each reporting entity within Crown Resorts' Designated Business Group in fulfilling its oversight responsibilities with respect to the Group's exposure to financial crime risk. The FCOC monitors and assesses how well the financial crime compliance programs and initiatives of Crown Resorts and the designated business group entities are meeting Crown's obligations under the AML/CTF Framework.	Mr Anthony Pearl, Chief Legal and Compliance Officer – Crown Resorts	No significant updates to note.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	31				31	
Crown Resorts Financial Crime Working Group (FCWG)	Supports the FCOC to monitor and assess compliance with the obligations within the AML/CTF Framework. Includes assessing and providing oversight of Crown's operational compliance with its financial crime programs.	Ms Armina Antoniou, Group EGM, Financial Crime Risk (Money Laundering Reporting Officer) – Crown Resorts	No significant updates to note.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	30	28		28	29	29

Current board or committee	Purpose	Current Chair	Updates and OSM attendance						
Crown Resorts Transaction Monitoring Council	Provides oversight of the transaction monitoring program, including data, systems, rules and alerts. The council also reports to key stakeholders, the CRO and the FCWG.	Mr Daniel Rule, Group EGM – Financial Crime Operations and Solutions – Crown Resorts	No significant updates to note.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date	31	28	28	26	30	27
Crown Resorts Whistleblower Committee	The primary vehicle through which disclosures made under the Australian Whistleblower Policy are reviewed and governed. The committee is responsible for assessing whether a disclosure is an eligible disclosure, determining a course of action for investigation and deciding what, if any, remediation action is required.	Ms Martha Georgiou, Group EGM – Compliance and Regulatory Affairs – Crown Resorts	The committee approved its Charter in March 2023.						
			2023	Jan	Feb	Mar	Apr	May	June
			Date			30	12	3, 10, 24	7, 21

Appendix D: OSM external stakeholder engagement from 1 January to 30 June 2023

Organisation	Key contacts
Community and non-government organisations	
Alliance for Gambling Reform (AGR)	Tim Costello AO, Chief Advocate Carol Bennett, CEO
Financial Counselling Australia (FCA)	Lauren Levin, Director, Policy and Campaigns
Financial Counselling Victoria Inc. (FCV)	Annette Devereaux, Professionalisation and Service Integration (Gambling) Lead
Lived experience advocate	Redacted
Turning Point, Eastern Health	Professor Dan Lubman AM, Executive Clinical Director, Turning Point and Professor of Addiction Studies and Services, Monash University
United Workers Union (UWU)	Dario Mujkic, Director, Casinos, Clubs and Gaming Imogen Beynon, Deputy Director, Casinos, Clubs and Gaming
VicWISE	Manorani Guy, Founder and President
Federal law enforcement agencies and regulators	
Australian Criminal Intelligence Commission (ACIC)	Paula Sharp, Senior Financial Investigator, Investigations South
Australian Federal Police (AFP)	Rick Briggs, Detective Acting Superintendent Anthony Hall, Detective Superintendent
Australian Taxation Office (ATO)	John Ford, Acting Deputy Commissioner, Fraud and Criminal Behaviours Ash Khera, Assistant Commissioner, Financial Crime, Integrated Compliance Barry Holland, Director, Financial Crime, Integrated Compliance

Organisation	Key contacts
Australian Transaction Reports and Analysis Centre (AUSTRAC)	Peter Soros, Acting CEO, AUSTRAC Bradley Brown, Acting Deputy CEO, Regulation and Reform Vicky Orshansky, Acting National Manager, Regulatory Operations
Industry and business	
Australasian Gaming Council (AGC)	Nadine Grinblat, CEO
Australia and New Zealand Banking Group (ANZ)	Guy Boyd, Chief Compliance Officer
National Australia Bank (NAB)	Paul Jevtovic APM OAM, Chief Financial Crime Risk and Group Money Laundering Reporting Officer Nathan Newman, Executive Intelligence and Risk Assessment
Interstate casino regulators and monitors	
Department of the Premier and Cabinet (WA)	Elizabeth Fells, Executive Director, Office of the Director General Anthony Sheehan, Principal Policy Officer
Liquor and Gaming NSW	Natalie Wright, Director, Policy and Legislation
NSW Independent Casino Commission (NICC)	Philip Crawford, Chief Commissioner Murray Smith, Commissioner
Independent monitor/special managers	
Kroll Australia Pty Ltd (NSW)	Gary Gill, Managing Director, Head of Investigations, Australia
Office of the Independent Monitor (WA)	Paul Steel APM, Independent Monitor
The Star Entertainment Group	Nick Weeks, Manager – The Star Sydney, Special Manager – The Star Gold Coast and Star Treasury Brisbane

Organisation	Key contacts
Victorian Government	
Department of Families, Fairness and Housing (DFFH)	Rachel Cecilio, Director, Multicultural Affairs
Department of Health (DoH)	Monica Kelly, State Mental Health and Wellbeing Promotion Adviser
Department of Justice and Community Safety (DJCS)	Toby Hemming, Deputy Secretary, Integrity, Regulation and Legal Services John Katsoulas, Executive Director, Integrity, Regulation and Legal Services Simon Grieve, Executive Director, Liquor and Gaming
Royal Commission into the Casino Operator and Licence (RCCOL)	The Honourable Raymond A Finkelstein AO KC
Victoria Police (VicPol)	Christopher Gilbert, Assistant Commissioner, Intelligence and Covert Support Command David Clayton, Assistant Commissioner, State Emergencies and Support Command Alicia Woods, Divisional Intelligence Manager, State Intelligence Division, Intelligence and Covert Support Command
Victorian Gambling and Casino Control Commission (VGCCC)	Fran Thorn, Chair Annette Kimmitt, CEO Scott May, Deputy CEO and Executive Director, Regulatory Operations Adam Ockwell, Executive Director, Casino Operations Amy Rudolph, Deputy General Counsel and Manager Legal Services, Legal, Policy and Harm Minimisation
Victorian Multicultural Commission (VMC)	Vivienne Nguyen AM, Chairperson Bwe Thay, Deputy Chairperson

Organisation	Key contacts
Victorian Responsible Gambling Foundation (VRGF)	Shane Lucas, CEO Rosa Billi PSM, Branch Head, Research and Evaluation Heidi Rose, Branch Head, Prevention and Programs Roberta Donovan, Branch Head, Strategic Communication and Marketing

Appendix E: Information Requests made to Crown and a summary of Crown’s response

Third reporting period: 1 January to 30 June 2023

Request No.	Date	Description of Request	Resulting actions
17.	11 May 2023	<ol style="list-style-type: none"> 1. Documents relating to Crown’s use of withdrawals of licence: <ol style="list-style-type: none"> a. list of all withdrawals of licence issued by Crown Melbourne in 2022 and 2023 to date b. processes, policies and/or workplace instructions for withdrawals of licence c. copies of relevant internal and external legal advice 2. Documents relating to Crown’s approach to AFL clubs offering sponsorship: <ol style="list-style-type: none"> a. details of Crown’s engagement with AFL clubs b. key documents relating to Crown’s approach to AFL clubs c. details of Crown’s future approach to sponsorship from a RSG perspective 3. Further updates on the outcomes of Project Peyo in relation to money laundering in patron accounts 4. Details and key documents in relation to Crown’s International Business team 5. Details of Crown’s risk assessment and monitoring of contractor compliance with labour hire licensing obligations 	<p>Documents were provided by Crown on 18 and 26 May 2023.</p> <p>Crown advised that the provision of documents was completed on 2 June 2023, other than in relation to documents required to be provided on an ongoing basis.</p>
16.	6 April 2023	<ol style="list-style-type: none"> 1. Documents relating to Crown Melbourne’s Business Operations team: <ol style="list-style-type: none"> a. meeting documents from 1 January 2023 to date b. ongoing provision of meeting documents 2. Documents relating to a customer complaint 3. Update on how Crown addressed recommendations from external reviews and internal audits in relation to controlled contracts 	<p>Documents were provided by Crown on 12 and 14 April 2023.</p> <p>Crown advised that the provision of documents was completed on 14 April 2023, other than in relation to documents required to be provided on an ongoing basis.</p>

Second reporting period: 1 July to 31 December 2022

Request No.	Date	Description of Request	Resulting actions
15.	2 November 2022	<ol style="list-style-type: none"> 1. Documents relating to Crown's culture and transformation: <ol style="list-style-type: none"> a. 'middle management' profile – summary statistics b. examples of new leadership communications c. samples of 'old' versus 'new' training materials in relation to financial crime d. current business targets by function e. resourcing statistics f. certain Board and management committee papers 	<p>Documents were provided by Crown on 9 and 28 November 2022.</p> <p>Crown advised that the provision of documents was completed on 28 November 2022.</p>
14.	3 October 2022	<ol style="list-style-type: none"> 1. Responsible service of gambling at Crown: <ol style="list-style-type: none"> a. current and recommended processes for monitoring exclusions b. specified research proposals, reports, data and studies c. translation capabilities d. customer communications strategies and guidelines 	<p>Documents were provided and Crown advised that the provision of documents was completed on 10 October 2022.</p>
13.	27 September 2022	<ol style="list-style-type: none"> 1. Integrity framework materials: <ol style="list-style-type: none"> a. Crown's revised draft Code of Conduct b. training materials in relation to the Code of Conduct c. Internal Audit whistleblower report d. current and revised policies in relation to fraud, anti-bribery and corruption, conflicts of interest, whistleblower protection, employment, recruitment, workplace conduct and so on e. workplace instructions and training 2. Reports made to the AUSTRAC CEO pursuant to section 41(2) of the AML/CTF Act 	<p>Documents were provided on 4 and 11 October 2022.</p> <p>Crown advised that the provision of documents was completed on 11 October 2022.</p>

Request No.	Date	Description of Request	Resulting actions
12.	20 September 2022	<ol style="list-style-type: none"> 1. Documents relating to Crown's management of controlled contracts, including records maintained in accordance with the Controlled Contracts Standard Operating Procedures: <ol style="list-style-type: none"> a. details of specified controlled contracts b. due diligence checks c. recommendations and outcomes relating to specified controlled contracts 2. Terms of reference for Mr Peter Deans in respect of recent work undertaken associated with Crown's risk management program 	Documents were provided and Crown advised that the provision of documents was completed on 29 September 2022.
11.	6 September 2022	<ol style="list-style-type: none"> 1. Design and implementation of facial recognition technology at Crown Melbourne: <ol style="list-style-type: none"> a. relevant privacy, security and technology policies b. relevant standard operating procedures c. relevant internal control statements d. reports and submissions in response to recommendation 12 of the Sixth Review e. other submissions, reports, legal advice and project plans 	Documents were provided and Crown advised that the provision of documents was completed on 13 September 2022.

Request No.	Date	Description of Request	Resulting actions
10.	23 August 2022	<ol style="list-style-type: none"> 1. Documents relating to Crown's tax compliance: <ol style="list-style-type: none"> a. all letters from the ATO to the Crown Resorts CEO for the past five years b. all ATO assurance reports issued to Crown Resorts for the past five years 2. Current draft of Project Peyo report – internal report relevant to items 6 to 8 of Appendix I of the Finkelstein Report, being Crown's response to indicators of money laundering in patron accounts identified by McGrathNicol 3. Responsible service of gambling documents: <ol style="list-style-type: none"> a. Independent Responsible Gaming Advisory Panel Report b. status of findings of the Internal Audit team's report into responsible gaming c. responsible gaming complaints d. Responsible Gaming Annual Compliance Plan for FY21 and FY22 e. documents relating to the content of the Crown Responsible Gaming website 	<p>Documents were provided on 26 and 30 August 2022. Crown advised that the provision of documents was completed on 30 August 2022.</p>
9.	19 July 2022	<ol style="list-style-type: none"> 1. Crown's FY21 Internal Audit Plan and FY22 Internal Audit: Customer Risk Assessment (Betfair) 2. Documents relevant to Crown's whistleblower policy and processes: <ol style="list-style-type: none"> a. investigation notes, meeting minutes, correspondence and reports in relation to specified complaints b. whistleblower register c. training materials d. scope of Internal Audit whistleblower review 	<p>Documents were provided on 26 and 27 July 2022. While whistleblower documents were initially redacted on the basis of Commonwealth legislative secrecy, unredacted documents were subsequently provided.</p> <p>The OSM requested further compliance on 8 August 2022 in relation to specified whistleblower complaints, and Crown complied on 16 August 2022.</p> <p>Crown advised that the provision of documents was completed on 18 August 2022.</p>

First reporting period: 1 January to 30 June 2022

Request No.	Date	Description of Request	Resulting actions
8.	2 June 2022	<ol style="list-style-type: none"> 1. Additional documents relevant to Crown’s culture change program 2. Documents relevant to Crown’s Risk Uplift Program: <ol style="list-style-type: none"> a. most current draft of the root cause analysis b. any feedback from Mr Peter Deans in reviewing the draft risk management document suite 3. Documents relevant to the responsible service of gambling: <ol style="list-style-type: none"> a. Play Periods Policy b. papers and meeting minutes of the Crown Resorts Responsible Gaming Committee c. papers and meeting minutes of the Crown Melbourne Responsible Gaming Management Committee 4. Most recent version in Crown’s possession of the Kroll <i>Crown Monitorship Report – Phase 1 Report</i> 	<p>An initial set of documents was provided on 9 June 2022, with further documents provided on 23 June 2022.</p> <p>The OSM considered whether it would wish to inspect some sensitive documents on site. On 25 October 2022, the OSM informed Crown that facilitating inspection would not be required and that the provision of documents was considered complete on 24 June 2022.</p> <p>The final Kroll <i>Crown Monitorship Report – Phase 1 Report</i> was provided directly to the OSM by Kroll on 10 June 2022.</p>
7.	13 May 2022	Range of documents relevant to Crown’s culture change program as referenced in the Crown Culture Project Plan	Crown advised that the provision of documents was completed on 18 May 2022.

Request No.	Date	Description of Request	Resulting actions
6.	7 April 2022	<ol style="list-style-type: none"> 1. Reports referred to in Crown Resorts' Financial Crime Oversight Committee meeting on 31 March 2022: <ol style="list-style-type: none"> a. Current State Assessment by PwC b. Exiger Independent Review Report c. AUSTRAC Annual Compliance Report d. Enterprise Wide-Risk Assessment Report 2. Meeting papers associated with the Crown Resorts Responsible Gaming Committee on 8 February 2022 3. Meeting papers and reports associated with various agenda items from the Crown Resorts Board meeting on 6 April 2022 4. Submissions, reports and so on referred to in the Finkelstein Report 5. Ongoing provision of certain parts of Crown Resorts Board papers 	Crown advised that the provision of documents was completed on 16 June 2022.
5.	17 March 2022	<p>Policy Uplift Program:</p> <ol style="list-style-type: none"> 1. A detailed status report outlining Crown's progress against the milestones as set out in the indicative high-level timeline for Phase 2 of review 2. A current and most recent prior version of the Code of Conduct for both Crown Melbourne and Crown Resorts 3. Copies of several policies outlined in Crown's 'As-is' policy register 	<p>Crown advised that the provision of documents was completed on 29 March 2022.</p> <p>The OSM requested further compliance on 20 April 2022 in relation to certain policies, and Crown complied on 29 April 2022.</p>

Request No.	Date	Description of Request	Resulting actions
4.	2 March 2022	<ol style="list-style-type: none"> 1. Crown Resorts Remediation Plan: <ol style="list-style-type: none"> a. advice on frequency of review, amendment and status reporting of the plan b. copy of latest version 2. Policy Uplift Program: <ol style="list-style-type: none"> a. Crown 'As-is' policy register b. Phase 2 (policy uplift) roadmap and sequence c. Target State Policy (Architecture) Framework 	<p>Crown advised that the provision of documents was completed on 11 March 2022.</p> <p>The OSM requested further compliance on 20 April 2022 in relation to certain policies, and Crown complied on 29 April 2022.</p>
3.	18 February 2022	<p>Crown Melbourne and Crown Resorts committees and working groups:</p> <ol style="list-style-type: none"> 1. copies of most recent meeting minutes 2. 2022 meeting schedule <p>12 committees/working groups identified.</p>	<p>Crown advised that the provision of documents was completed on 11 March 2022.</p> <p>Crown raised a concern about irrelevant or sensitive information contained in some minutes of Crown Resorts committees and working groups. These were inspected by OSM representatives and either not provided if the OSM did not require them, or provided to the OSM in redacted form.</p>
2.	11 February 2022	<ol style="list-style-type: none"> 1. Audit Committee: <ol style="list-style-type: none"> a. reports, policies and findings relevant to the root cause analysis b. copies of open and closed 'management action plans' 2. Crown Melbourne Board – 8 February 2022: 11 documents 	<p>Crown advised that the provision of documents was completed on 3 March 2022.</p>

Request No.	Date	Description of Request	Resulting actions
1.	11 January 2022	<ol style="list-style-type: none"> 1. Organisational structure 2. Governance committees and other key decision groups 3. Board and committee papers 4. Crown's reform program 5. External matters of concern 6. Crown's corporate strategy and risk management 7. Crown's legal compliance obligations 8. Independent monitorship of Crown Sydney 	<p>Crown advised that the provision of documents was completed on 3 March 2022.</p> <p>Crown is providing papers of the Board and its committees on an ongoing basis.</p> <p>The OSM requested further compliance on 12 April 2022 in relation to papers of Crown's Executive Risk and Compliance Committee that were not initially considered by Crown to be within scope. Crown complied with this request on 19 April 2022.</p>

Appendix F: Directions made to Crown and a summary of Crown's response

Third reporting period: 1 January to 30 June 2023

Request No.	Date of Notice/Direction	Description of Request	Resulting actions
25.	4 April 2023 (Notice) 7 April 2023 (Direction)	Crown to provide, by 2 May 2023, a draft self-assessment describing the status of Crown's progress as at 30 March 2023 towards acquitting relevant matters in Appendix I of the Finkelstein Report.	Crown provided its draft self-assessment on 2 May 2023.
24.	24 February 2023 (Notice) 24 February 2023 (Direction)	Crown may maintain a single copy of the Special Manager's June 2022 and December 2022 interim reports on its Diligent platform without password protection, access to which must be limited to: <ul style="list-style-type: none"> • directors of Crown Melbourne Limited • directors of Crown Resorts Limited • members of Crown's company secretary team required to maintain access permissions for Diligent, provided those persons have otherwise complied with the requirements of Direction 21.	Crown expressly waived its right to make submissions, enabling this Direction to take immediate effect, facilitating ready access for directors to the Special Manager's interim reports.
23.	21 February 2023 (Notice) 24 February 2023 (Direction)	From 10 February 2023, Crown to provide the regular monthly status report on the progress of Crown's MRAP (as required by Direction 12) no later than three business days prior to each Crown Melbourne Transformation Steering Committee meeting.	Crown is continuing to comply.
22.	15 February 2023 (Notice) 21 February 2023 (Direction)	Crown to delete and destroy all copies of draft interim reports or parts thereof and must use best endeavours to ensure that Crown Resorts also deletes and destroys all such copies in its possession or control, other than a single copy of each such draft document, which is to be securely stored in the manner required by Direction 21, and is only to be used for the purpose of ensuring that Crown complies with any legal requirements.	Crown made submissions in response to the Notice of Intention on 20 February 2023 requesting permission to retain a single copy of the Special Manager's draft interim reports. The Special Manager amended the Direction to assist Crown in meeting its record-keeping and other legal obligations, and the final version of the Direction was issued on 21 February 2023.

Request No.	Date of Notice/Direction	Description of Request	Resulting actions
21.	15 February 2023 (Notice) 20 February 2023 (Direction)	Crown to comply with the strict confidentiality requirements previously agreed to in Letters of Agreement dated 15 July 2022 and 15 February 2023 in relation to the disclosure of the Special Manager's June 2022 and December 2022 interim reports.	Crown confirmed putting internal measures in place to comply with the confidentiality requirements.

Second reporting period: 1 July to 31 December 2022

Request No.	Date of Notice/Direction	Description of Request	Resulting actions
20.	6 September 2022 (Notice) 9 September 2022 (Direction)	Crown to immediately notify the Special Manager upon scheduling any meeting of the Crown Resorts Board or its committees at which it is intended to discuss matters that relate to or in any way concern Crown Melbourne.	There was only one early instance of inadvertent non-compliance with this Direction.
19.	12 July 2022 (Notice) 15 July 2022 (Direction)	The OSM to be kept informed of all Crown's dealings with local government authorities in Victoria, including the City of Melbourne.	Crown was able to implement this Direction across the business in the course of a month, extending the system it implemented in the first reporting period to capture correspondence and records for Directions 4 and 11. Crown has sustained a regular fortnightly upload of correspondence and records to the OSM. The OSM and Crown continue to liaise about the kinds of correspondence and records that need to be provided.
18.	12 July 2022 (Notice) 15 July 2022 (Direction)	Circular Resolutions sent to Crown Resorts directors that relate to or in any way concern the affairs of Crown Melbourne to be sent to the Special Manager at the same time.	Crown is continuing to comply.
17.	12 July 2022 (Notice) 15 July 2022 (Direction)	Circular Resolutions sent to Crown Melbourne directors to be sent to the Special Manager at the same time.	Crown is continuing to comply.
16.	12 July 2022 (Notice) 15 July 2022 (Direction)	Crown to provide all appendices, annexures and attachments (howsoever named) referred to in information given in response to future Information Requests or Directions.	Crown is continuing to comply.
15.	12 July 2022 (Notice) 15 July 2022 (Direction)	Crown to provide all appendices, annexures and attachments (howsoever named) referred to in information given in response to previously made Information Requests or Directions.	Crown is continuing to comply.

Request No.	Date of Notice/Direction	Description of Request	Resulting actions
14.	12 July 2022 (Notice) 15 July 2022 (Direction)	Any future request for information under section 36F is to be treated as including a request for updated information in respect of the subject matter of that request.	Crown is continuing to comply.
13.	12 July 2022 (Notice) 15 July 2022 (Direction)	Any request for information previously made under section 36F of the Casino Control Act to be treated as including a request for updated information in respect of the subject matter of that request.	Crown is continuing to comply.

First reporting period: 1 January to 30 June 2022

Request No.	Date of Notice/Direction	Description of Request	Resulting actions
12.	10 May 2022 (Notice) 13 May 2022 (Direction)	Crown to provide the OSM with a regular monthly status report on the progress of Crown's draft MRAP.	Crown provided an updated draft MRAP as at 10 June 2022 in purported compliance with Direction 12. In the second and third reporting period, the OSM considers Crown to be complying with Direction 12 by providing its Transformation Steering Committee meeting packs in a timely way.
11.	11 March 2022 (Notice) 14 March 2022 (Direction)	Crown to keep the OSM informed of all dealings between Crown and the Commonwealth Government and as relevant its departments and agencies including AUSTRAC, the AFP, ASIC, ABF, ATO and ACIC.	In the first reporting period, Crown implemented a new internal system to capture correspondence and records so that they could be provided to the OSM. Crown has sustained a regular fortnightly upload of correspondence and records to the OSM. The OSM and Crown continue to liaise about the kinds of correspondence and records that need to be provided.
10.	9 March 2022 (Direction)	Crown to provide the OSM with a draft of the plan referenced in Direction 9 by 31 March 2022.	Crown provided a draft high-level version of the MRAP, in partial compliance with Directions 9 and 10.
9.	2 March 2022 (Notice) 9 March 2022 (Direction)	Crown to provide the OSM with an implementation plan detailing how Crown Melbourne is planning to take remediation action in response to the recommendations from the Finkelstein Royal Commission.	Crown made submissions in response to the Notice of Intention on 4 March 2022 that the Direction should not be made at this time because of pending government consultation and legislative and regulatory responses. The Special Manager informed Crown on 8 March 2022 that the Direction would be made. Associated correspondence was appended to the Special Manager's June 2022 interim report.
8.	18 February 2022 (Notice) 21 February 2022 (Direction)	Crown to notify the OSM when in its view all information pertaining to an Information Request has been provided.	Crown is continuing to comply.

Request No.	Date of Notice/Direction	Description of Request	Resulting actions
7.	18 February 2022 (Notice) 21 February 2022 (Direction)	Information Request 3 to be complied with by COB 4 March 2022.	Crown provided documents after the required date.
6.	18 February 2022 (Notice) 21 February 2022 (Direction)	Information Request 2 to be complied with by COB 25 February 2022.	Crown provided documents by the required date and confirmed this in writing on 3 March 2022 as per Direction 8.
5.	20 January 2022 (Notice) 23 January 2022 (Direction)	Crown to provide to the OSM all documents and information requested without delay being caused by review and classification of the documents for potential privilege, confidentiality and like claims.	Crown confirmed on 21 January 2022 that it would comply.
4.	11 January 2022 (Notice) 17 January 2022 (Direction)	Crown to keep the OSM informed of all dealings between Crown and the Victorian Government and as relevant its departments and agencies such as the VGCCC, DJCS, VRGF and Victoria Police through the prompt supply of correspondence and records of discussions.	<p>Crown responded to Notice of Intention on 14 January 2022. Stated that Crown agreed in principle but that the Direction could present practical challenges to Crown due to volume of correspondence it would produce.</p> <p>In the first reporting period, Crown implemented a new internal system to capture correspondence and records so that they could be provided to the OSM.</p> <p>Crown has sustained a regular fortnightly upload of correspondence and records to the OSM.</p> <p>The OSM and Crown continue to liaise about the kinds of correspondence and records that need to be provided.</p>
3.	11 January 2022 (Notice) 17 January 2022 (Direction)	Crown to include the OSM on Crown's electronic distribution list of papers to Crown Board members.	<p>In late January 2022, the Special Manager and Deputy Special Managers were provided access to Diligent (Board paper distribution application).</p> <p>Papers of meetings of the Board and its committees are also being provided to the OSM.</p>

Request No.	Date of Notice/Direction	Description of Request	Resulting actions
2.	11 January 2022 (Notice) 17 January 2022 (Direction)	Information requested that is able to be gathered before the required date to be supplied promptly to the OSM.	Crown did not provide documents before the required date in the third reporting period. Whilst documents were sometimes provided after the required date, this did not affect the OSM's work.
1.	11 January 2022 (Notice) 17 January 2022 (Direction)	Information Request 1 to be complied with by COB 4 February 2022.	Crown provided documents by the required date and confirmed this in writing on 3 March 2022 as per Direction 8.

Appendix G(a): Letter from Crown to the OSM, 10 February 2023 – Crown’s compliance with amendments to section 81AAB of the Casino Control Act



Direct Line: [Redacted]
E-mail: [Redacted]

10 February 2023

CONFIDENTIAL

The Office of Special Manager (**OSM**)
Mr Stephen O’Bryan KC
Special Manager
Office of the Special Manager
for the Melbourne Casino Operator
Level 13, 200 Queen Street
Melbourne VIC 3000

Attention: Stephen O’Bryan - [Redacted]

With copy to: Simon Grieve - [Redacted]
Scott May - [Redacted]

Dear Stephen,

Proposed amendments relating to Section 81AAB of the Casino Control 1991 under the Casino Legislation Amendment (Royal Commission Implementation and Other Matters) Act 2022

As noted in our meeting on 17 January 2023, Crown Melbourne has identified several practical challenges in meeting compliance with the requirements relating to the proposed amendments to Section 81AAB of the Casino Control Act 1992 (**CCA**) as set out in the Casino Legislation Amendment (Royal Commission Implementation and Other Matters) Act 2022 (**Amending Act**). These challenges have previously been raised with the Department of Justice and Community Safety (**Department**) (see attached for previous correspondence).

The proposed amendments to Section 81AAB will commence on a date to be proclaimed, but not later than **1 August 2023**.

Table 1 below, outlines the current obligation, the proposed amendments, the impact of the change and the challenges Crown Melbourne faces operationally with these specific amendments which span across the required technological development and uplift and also operational changes to implement the new requirements.

Summary of new requirements effective 1 August 23	Operational Impact
<p>New section 81AAB(1AA) -</p> <p>Casino operator must not pay out winnings or accumulated credits exceeding \$1000 in any 24-hour period to a person playing games in the casino, unless the casino operator first verifies the person’s identity in accordance with the regulations.</p>	<p>The operational impacts and challenges are:</p> <p><i>Ability to track play across EGMs and TGs within a 24-hour period</i></p> <p>Crown Melbourne will be required to track accumulated credits and winnings within a 24-hour period. No technology currently exists that enables the tracking of winnings and accumulated credit across EGMs and TGs.</p> <p><i>ID verification requirements</i></p> <p>Regulations in relation to the ID verification requirements have yet to be released. Crown is working to introduce patron ID verification requirements as part of the mandatory carded play implementation (for EGMs – December 2023) and is currently working to the detail set out in the draft Assumptions Document prepared by the Department.</p> <p>Crown will have ID verification requirements in place for EGM patrons by December 2023, as part of mandatory carded play (with TGs implemented by Dec 2025).</p>
<p>Changes to section 81AAB(1) and repeal of section 81AAB(2) -</p> <p>The current provision prohibits the casino operator from paying winnings or accumulated credits greater than \$2000 from Restricted EGMs by cash (i.e. must be paid by cheque or EFT).</p> <p>The new provision reduces the threshold to \$1000 and expands the scope to all games played within a 24 hour period (i.e. Restricted and Unrestricted EGMs and TGs).</p> <p>Interpretation of the term “pay out”</p>	<p>The operational impacts and challenges are:</p> <p><i>Ability to track play across EGMs and TGs within a 24-hour period</i></p> <p>Crown Melbourne will be required to track accumulated credits and winnings within a 24-hour period. No technology currently exists that enables the tracking of winnings and accumulated credits across EGMs and TGs.</p> <p><i>Significant increase in the volume of transactions requiring cheque or EFT payment</i></p> <p>The changes significantly expand the scope of this provision to all EGMs (not just Restricted EGMs) and TGs. Based on our review of transactions undertaken at Crown Melbourne in a two-week period from October to November, Crown Melbourne processed 28,398 cash transactions over \$1,000 which extrapolates to 56,796 transactions per month and 681,552 transactions per year.</p> <p><i>VGCC Written Direction effective 21 April 2022 – interpretation of the term “pay out”</i></p> <p>Crown Melbourne has implemented the requirements within</p>



	<p>the VGCCC's Written Direction which came into effect on 21 April 2022. This includes the requirement to "pay out" at the point that an EGM pays out accumulated credits to a TITO ticket (rather than at the point the customer presents the ticket at the cage for payment).</p> <p>The application of this interpretation of "pay out" under the new provisions will be challenging to operationalise as:</p> <ul style="list-style-type: none">- the new provision significantly expands the scope to cover all EGMs and TGs;- there will be a requirement to build operational processes for all gaming activities to enable "pay out" to occur at the \$1000 threshold, which do not currently exist today for Unrestricted EGMs and TGs; and- customers may not be able to freely move between EGMs, TGs where payouts of accumulated credits are greater than \$1000 which means gaming will be frequently interrupted. <p><i>Unintended consequences</i></p> <p>Unintended consequences will include:</p> <ul style="list-style-type: none">- customers being incentivised to play down their credits to a level below \$1000 to not limit their access to funds;- customers being incentivised to access alternative sources of funds to continue play, once the \$1000 limit is reached;- long queues at the Cage for the issuance of cheques give the significantly increased volume; and- an inability for patrons to easily move between gaming activities.
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Crown Melbourne would welcome the opportunity to further discuss this matter with you. I look forward to hearing from you as to the next steps in this regard and appreciate the opportunity to be able to submit these issues for discussion.

Yours sincerely

Redacted

Mike Volkert
Chief Executive Officer
Crown Melbourne Limited

Appendix G(b): Letter from the OSM to Crown, 29 May 2023 – Crown’s compliance with amendments to section 81AAB of the Casino Control Act



29 May 2023

Mr Mike Volkert
Chief Executive Officer
Crown Melbourne Limited
8 Whiteman Street
SOUTHBANK VIC 3006

Dear Mr Volkert,

Crown Melbourne’s compliance with forthcoming amendments to section 81AAB of the Casino Control Act 1991 (Vic)

I refer to your letter to me of 10 February 2023 and to recent ongoing discussions between representatives of Crown and the OSM in relation to the issues outlined in your letter.

Based on discussions between Mark Mackay, Crown Melbourne Chief Operating Officer, and David McEvoy, Deputy Special Manager – Governance, Risk and Assurance, I understand that Crown does not have a feasible technical solution to enable full compliance with amendments to section 81AAB of the Casino Control Act 1991 (Vic) when they come into effect on 1 August 2023.

In summary, these amendments will require Crown to pay out winnings or accumulated credits exceeding \$1,000 in any 24 hour period across all EGMs and table games by cheque or EFT, following ID verification. For the purposes of this correspondence, my understanding of “winnings/pay-out” is based on the VGCCC’s interpretation as set out in its Written Direction to Crown effective 21 April 2022.

I accept that Crown cannot realistically track play across all EGMs and table games prior to the introduction of mandatory carded play, which will be introduced for all EGMs by 1 December 2023, and for table games by 1 December 2025. Accordingly, an interim solution is required to enable Crown to comply to the extent possible between 1 August and 1 December 2023 for EGMs, and until 1 December 2025 for table games.

My understanding is that there are a number of measures Crown can implement from 1 August 2023 towards as full a level of compliance as is reasonable, immediately upon the amendments coming into effect. These are as follows:

- A ticket from an EGM for an amount exceeding \$1,000 must be “cashed in” and paid by cheque or EFT, with accompanying ID verification. This will require all EGMs to be reconfigured so that they will not accept a TITO for a value greater than \$1,000.

Level 13, 200 Queen Street, Melbourne Victoria 3000

Our ref: 1982825669-338

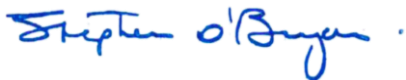
- All chips cashed in at the Cage for an amount exceeding \$1,000 must be redeemed by cheque or EFT, with accompanying ID verification.
- Any withdrawal of funds at the Cage (for example, from a Patron account or EasyPay account) for an amount exceeding \$1,000 must be paid by cheque or EFT, with accompanying ID verification.
- From 1 December 2023, Crown needs to track EGM winnings for all patrons and any cashout in a 24 hour period for an amount greater than \$1,000 must be by cheque, with accompanying ID verification.

Crown is therefore expected to put these measures in place. Please advise if there are additional measures that Crown can put in place from 1 August to enhance compliance with section 81AAB post 1 August. Also, if I have misunderstood any operational aspect of Crown's capacity to comply, I would appreciate clarification of the position.

I intend to provide a copy of this letter to the VGCCC and would also be happy to further discuss the matter with you as necessary.

Finally, I assume you will write to the VGCCC in due course about Crown's anticipated non-compliance with section 81AAB post 1 August 2023, and confirming everything Crown will be doing to minimise its non-compliance.

Yours sincerely



Stephen O'Bryan KC
Special Manager

