

Legally Privileged & Confidential: ILGA Inquiry Look Back methodology

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Date: Mon, 28 Sep 2020 11:11:30 +1000

Hi Neil,

As discussed. I am in the process of trying to verify the part in red below. Let's discuss after 3pm if possible.

Background

To be drafted.

Review Scope

The proposed review of all relevant Crown (including Crown subsidiary) bank accounts will include:

1. 1. Crown Perth
 - a. a. Riverbank Investments Pty Ltd (Riverbank) AUD account with HSBC* during the period 1 July 2012 to 31 July 2013.
 - b. b. Riverbank Investments Pty Ltd (Riverbank) AUD account with ANZ during the period XX June 2013 to 31 July 2014.
 - c. c. Riverbank Investments Pty Ltd (Riverbank) AUD account with CBA during the period 26 March 2014 to 8 October 2019.
 - d. d. Burswood Nominees Pty Ltd (Crown Perth) AUD account with HSBC* during the period 1 July 2012 to 31 July 2013.
 - e. e. Burswood Nominees Pty Ltd (Crown Perth) AUD account with ANZ during the period XX June 2013 to current.
2. 2. Crown Melbourne
 - a. a. Southbank Investments Pty Ltd (Southbank) AUD account with CBA during the period XX September 2013 to 4 December 2019.
 - b. b. Southbank Investments Pty Ltd (Southbank) NZD account with ASB during the period 20 June 2016 to 8 March 2019.
 - c. c. Crown Melbourne Ltd AUD account with ANZ during the period XX January 2013 to current.

* In scoping out the relevant and applicable date ranges it was noted that no aggregated transactions were identified for the period July 2012 to December 2013 and thus the decision was made to exclude from our review bank accounts prior to July 2012.

Review Methodology

The review will be carried out across a number of phases.

Phase 1

This phase will involve a manual review of all in-scope bank statements for the review period outlined above, with the following filters being applied:

- * two or more cash deposits identified under AU\$10,000; and
- * credited to an individual nominated person and/or patron account.

The review will specifically exclude:

- * cash deposits over AU\$10,000 (unless included with cash deposits under AU\$10,000); and
- * single/multiple electronic transfers under or over AU\$10,000.

Phase 1 will include an independent verification exercise to ensure that the manual review of bank statements has captured all in-scope transactions.

Phase 2

This phase will involve following Crown's existing Level 1 Unusual Activity Reporting (UAR) process to escalate those patron / customer transactions that have been identified as structured cash deposits. All UARs will be reviewed or triaged by the AML team. Those UARs deemed to require further investigation based on the triage will be further escalated within the team to Level 2 – Investigation, and if potentially, may be further escalated to Level 3 – Suspicious Matter Reporting, based on a reasonable suspicion having been formed. The extent of enhanced customer due diligence (ECDD) undertaken and further Know Your Customer (KYC) collection, as well as any changes to customer risk ratings will be documented and actioned during Levels 2-3.

Phase 3

This phase will summarise the overall results of the look-back exercise and table relevant review metrics and findings.

Review Documentation Relied On *and* Limitations*Bank Statements / Excel spreadsheet*

Crown has relied on the respective bank statements or Excel spreadsheet to potentially identify the in-scope structured cash deposits. In one instance (CBA) the identification of cash deposits was facilitated by the fact that the bank statement itself clearly stated that the transaction was a cash deposit and otherwise. Where this was not evident from the bank statement itself Crown has applied a search criteria as follows:

- * HSBC and ASB: two or more transactions between \$5,000 and \$9,999 occurring within a day or across multiple days that were attributable to one patron / customer account
- * ANZ: two or more transactions between \$5,000 and \$9,999 occurring within a day or across multiple days that were attributable to one patron / customer account with a code of AGT

Crown documentation

Original documentation of the "Requisition To: Release Deposited Funds at Cage" and supporting documentation were obtained from the Crown Cages at both properties and cross-checked against the bank statements.

Regards

Nick

Nick Stokes
Group GM Anti-Money Laundering



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