

23 May 2019

Our ref: CD/19/9290

Mr Joshua Preston
Chief Legal Officer – Australian Resorts
Crown Melbourne Limited
8 Whiteman Street
SOUTHBANK VIC 3006

Dear Mr Preston

Sixth Casino Review - recommendation 17

At its meeting on 23 May 2019, the Victorian Commission for Gambling and Liquor Regulation (the Commission) was provided with an update on the status of Crown Melbourne Limited's (Crown's) progress in relation to the recommendations contained in the Sixth Casino Review report. In particular, the nine recommendations due for completion on 1 July 2019.

The Commission was advised on progress against each recommendation, based on formal consultation with Crown, and an updated copy of Crown's progress schedule¹ outlining action it has or will take to address each of the 20 recommendations.

Based on this advice, and noting that Crown, by way of letter dated 2 July 2018 accepted the 20 recommendations in the Sixth Casino Review report, the Commission is of the view that Crown may not meet the intended outcomes of recommendation 17.

Recommendation 17 requires Crown, by 1 July 2019, to undertake a robust review (with external assistance) of relevant internal control statements (ICSs), including input from AUSTRAC, to ensure that anti-money laundering risks are appropriately addressed.

Based on discussions with Commission staff and Crown's written updates, Crown appears reluctant to undertake a review of any relevant internal control statements (ICSs) with input from AUSTRAC.

At a minimum, to implement this recommendation, the Commission expects that Crown provides AUSTRAC with the relevant ICSs, including the Junkets and Premium Player Programs ICS, to inform the review and assist Crown in ensuring that AML risks are appropriately addressed through its AML program as well as the ICSs.

Please contact Jason Cremona, Licence Manager, Licence Management and Audit on [REDACTED] or email: [REDACTED] if you have any further enquiries.

¹ Updated 'Recommendations Table' as provided by Michelle Fielding via email on 2 May 2019

Yours sincerely

A handwritten signature in black ink, appearing to be 'Alex Fitzpatrick', written over a horizontal line.

Alex Fitzpatrick
Director, Licensing